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Conveyance Type

- ☐ Assignment ☒ Security Agreement
- ☐ License ☐ Change of Name
- ☐ Merger ☐ Other

 U.S. Government
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☐ Departmental File ☐ Secret File
Conveying Party(ies)
☐ Mark if additional names of conveying parties attached

 Name (line 1) ISD Holdings, Inc.

 Execution Date
 Month Day Year
 05/31/00

 Name (line 2)
Second Party
 Name (line 1)

 Execution Date
 Month Day Year
 05/31/00

 Name (line 2)

5465516

Receiving Party
☐ Mark if additional names of receiving parties attached

 Name (line 1) SunTrust Bank

 Name (line 2)

 Address (line 1) 25 Park Place

 Address (line 2) 26th Floor

 Address (line 3) Atlanta

 Georgia

 30303

City

State/Country

Zip Code

☐ If document to be recorded is an assignment and the receiving party is not domiciled in the United States, an appointment of a domestic representative is attached. (Designation must be a separate document from Assignment.)

Domestic Representative Name and Address

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 Name

 Address (line 1)

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Pages

Enter the total number of pages of the attached conveyance document including any attachments.

130

Application Number(s) or Patent Number(s)

☐ Mark if additional numbers attached

Enter either the Patent Application Number or the Patent Number (DO NOT ENTER BOTH numbers for the same property).

Patent Application Number(s)

Patent Number(s)

5,465,516

5,439,122

5,511,332

5,663,746

D 373,266

If this document is being filed together with a new Patent Application, enter the date the patent application was signed by the first named executing inventor.

Month Day Year

Patent Cooperation Treaty (PCT)

Enter PCT application number

PCT

PCT

PCT

only if a U.S. Application Number has not been assigned.

PCT

PCT

PCT

Number of Properties

Enter the total number of properties involved.

5

Fee Amount

Fee Amount for Properties Listed (37 CFR 3.41): \$ 140.00

Method of Payment:

Deposit Account

(Enter for payment by deposit account or if additional fees can be charged to the account.)

Enclosed ☒

Deposit Account ☐

Deposit Account Number:

16-0752

Authorization to charge additional fees:

Yes

☒

No

☐

Statement and Signature

To the best of my knowledge and belief, the foregoing information is true and correct and any attached copy is a true copy of the original document. Charges to deposit account are authorized, as indicated herein.

Jeffrey C. Narvil, Esq.

Name of Person Signing

Signature

Date

8/16/00

AMENDED AND RESTATED
LOAN AND SECURITY AGREEMENT

AMONG

SUNTRUST BANK,

AS LENDER

AND

ISD HOLDINGS, INC.,

MILLER/ZELL, INC.,

CDI GROUP, INC.

MZIP, INC.

TOWER CONSULTING GROUP, INC.

AND

MILLER/ZELL ENVIRONMENTS, INC.

AS BORROWERS

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LIST OF EXHIBITS

Exhibit A	Form of Borrowing Base Certificate
Exhibit B	Form of Compliance Certificate
Exhibit C	Form of Revolving Note
Exhibit D	Form of Stock Pledge Agreement
Exhibit E	Form of Stock Repurchase Agreement
Exhibit F-1	Form of Term A Note
Exhibit F-2	Form of Term B Note
Exhibit G	Form of Loan Certificate

AMENDED AND RESTATED LOAN AND SECURITY AGREEMENT, dated as of May 31, 2000, among SUNTRUST BANK (formerly known as SunTrust Bank, Atlanta) (the "Lender"), ISD HOLDINGS, INC., a Georgia corporation ("ISD"), MILLER/ZELL, INC., a Georgia corporation ("Miller Zell"), CDI GROUP, INC., a New York corporation ("CDI"), MZIP, Inc., a Georgia corporation ("MZip"), TOWER CONSULTING GROUP, INC., a Georgia corporation ("Tower") and MILLER/ZELL ENVIRONMENTS, INC., a Georgia corporation ("Environments") (ISD, Miller Zell, CDI, MZip, Tower and Environments may hereinafter be collectively referred to as the "Borrowers" and individually as a "Borrower"),

W I T N E S S E T H

WHEREAS, Miller Zell and the Lender are parties to that certain Loan and Security Agreement dated as of August 27, 1996, as amended by that certain First Amendment to Loan and Security Agreement dated August 27, 1998, and as further amended by that certain Second Amendment to Loan and Security Agreement dated May 10, 1999, pursuant to which the Lender agreed to make loans to Miller Zell in an aggregate principal amount not to exceed \$14,250,000.00 (the "Existing Loan Agreement," and as amended hereby, the "Loan Agreement"); and

WHEREAS, pursuant to the corporate restructuring of Miller Zell, Miller Zell, MZip, CDI, and Tower are now subsidiaries of ISD, and Environments continues to be a subsidiary of Miller Zell; and

WHEREAS, the Borrowers have requested and the Lender has agreed to modify the Loan Agreement as more fully described hereafter; and

WHEREAS, the Borrowers acknowledge and agree that the security interests granted to the Lender pursuant to the Existing Loan Agreement and the other Loan Documents (as defined in the Existing Loan Agreement) shall remain outstanding and in full force and effect in accordance with the Existing Loan Agreement and such other Loan Documents and shall continue to secure the Obligations (as defined herein).

NOW, THEREFORE, for and in consideration of the mutual covenants and agreements contained herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereby amend and restate the Loan Agreement in its entirety and further agree as follows:

1. **DEFINITIONS.** As used herein:

"Account" means, with respect to any Person, such Person's right to payment for a sale or lease and delivery of goods or rendition of services.

"Account Debtor" means each Person obligated in any way on or in connection with an Account.

"Affiliate" means, with respect to any Person, (a) any other Person which, directly or indirectly, controls, is controlled by or is under common control with, such Person; (b) any other Person which beneficially owns or holds, directly or indirectly, five percent (5%) or more of any class of voting stock of such Person; or (c) any other Person, five percent (5%) or more of any class of the voting stock (or if such other Person is not a corporation, five percent (5%) or more of the equity interest) of which is beneficially owned or held, directly or indirectly, by such Person. The term control (including the terms "controlled by" and "under common control with") means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of the Person in question.

"Agreement Date" means May 31, 2000.

"Availability" means: (a) the lesser on any calculation date of: (i) \$11,000,000; or (ii) the Borrowing Base; less (b) the sum of: (i) the unpaid balance of Revolving Loans at that time, calculated after deducting therefrom any repayments thereof for which the Lender has confirmed receipt of good funds prior to 1:00 p.m., Atlanta time, on such calculation date; (ii) the aggregate undrawn face amount of all outstanding Letters of Credit, issued by the Lender for the Borrowers' account; (iii) reserves for accrued interest on the Revolving Loans; (iv) reserves for landlords' liens; and (v) all other reserves which the Lender in its reasonable discretion deems necessary or desirable to maintain with respect to the Borrowers' account, including, without limitation, any amounts which the Lender may be obligated to pay in the future for the account of the Borrowers.

"Base Rate" means, on any date, the rate of interest publicly announced from time to time by the Lender in Atlanta, Georgia, as its prime rate for loans to large, creditworthy customers, as in effect on such date. The Base Rate is not necessarily the lowest rate charged by the Lender.

"Base Rate Loan" means any Loan bearing interest based upon the Base Rate in accordance with Section 2.2(a) or 2.2(c).

"Borrowers' Agent" means ISD Holdings, Inc., a Georgia corporation, acting in its capacity as agent for the other Borrowers pursuant to Section 12.17.

"Borrowing Base" means, as of any date, the sum of (a) 85% of Eligible Accounts, plus (b) 50% of Eligible Progress Billed Accounts, plus (c) 50% of Eligible Inventory, as such sum shall be set forth on the Borrowing Base Certificate most recently provided by the Borrowers to the Lender.

"Borrowing Base Certificate" means a certificate signed by the chief financial officer of a Borrower, substantially in the form of Exhibit A hereto, setting forth in detail the calculations necessary to determine the Availability.

"Business Day" means any day that is not a Saturday, Sunday, or day on which banks in Atlanta, Georgia are required or permitted to close and, if the applicable Business Day relates to any LIBOR Rate Loans, any day on which the London interbank market is open for business.

"Capital Expenditures" the cost, determined in accordance with GAAP, of any fixed asset or improvement, or replacement, substitution, or addition thereto, which have a useful life of more than one year, including, without limitation, those arising in connection with Capital Leases.

"Capital Lease" means any lease of Property by a Person that, in accordance with GAAP, should be reflected as a liability on the balance sheet of such Person.

"Code" means the Internal Revenue Code of 1986, as amended.

"Collateral" has the meaning given to such term in Section 6.1.

"Compliance Certificate" has the meaning given to such term in Section 9.27.

"Debt" means all liabilities, obligations and indebtedness of each Borrower or any of such Borrower's Subsidiaries to any Person, in each case on a consolidated basis and without double-counting, of any kind or nature, now or hereafter owing, arising, due or payable, howsoever evidenced, created, incurred, acquired or owing, whether primary, secondary, direct, contingent, fixed or otherwise, (excluding, with respect to Miller Zell, liabilities in respect of the Stock Repurchase Plan) and including, without in any way limiting the generality of the foregoing: (i) such Borrower's and such Subsidiary's liabilities and obligations to trade creditors; (ii) all Obligations; (iii) all obligations and liabilities of any Person secured by any Lien on such Borrower's or such Subsidiary's Property, even though such Borrower or such Subsidiary shall have assumed or become liable for the payment thereof; provided, however, that all such obligations and liabilities which are limited in recourse to such Property shall be included in Debt only to the extent of the book value of such Property as would be shown on a balance sheet prepared in accordance with GAAP; (iv) all obligations or liabilities created or arising under any Capital Lease or conditional sale or other title retention agreement with respect to Property used or acquired by such Borrower or such Subsidiary, even if the rights and remedies of the lessor, seller or lender thereunder are limited to repossession of such Property; provided, however, that all such obligations and liabilities which are limited in recourse to such Property shall be included in Debt only to the extent of the book value of such Property as would be shown on a balance sheet prepared in accordance with GAAP; (v) all accrued pension fund and other employee benefit plan obligations and liabilities; (vi) all obligations and liabilities under Guaranties; and (vii) deferred taxes.

"Debt Service" means, with respect to any period, the sum of any and all of the following: (a) interest expense; (b) dividends paid, other than any distribution in capital stock of the same class; (c) any principal amount permanently paid or required to be paid by the Borrowers to the Lender in respect of the principal amount of the Loans; and (d) any principal amount paid or required to be paid by the Borrowers in respect of long term Debt.

"Default" means any event or condition which, with notice, the passage of time, the happening of any other condition or event, or any combination thereof, would constitute an Event of Default.

"Default Rate" has the meaning given such term in Section 3.1.

"Distribution" means, in respect of any corporation: (a) the payment or making of any dividend or other distribution of Property in respect of capital stock of such corporation, other than distributions in capital stock of the same class; or (b) the redemption, repurchase or other acquisition of any capital stock of such corporation.

"EBITDA" means, with respect to any period of the Borrowers, the Borrowers' net income for such period, as determined on a consolidated basis together with any Subsidiary of any Borrower in accordance with GAAP and reported on the Financial Statements for such period, minus Capital Expenditures during such period, plus any and all of the following deducted in determining such net income: (a) interest expense; (b) income taxes; (c) depreciation; and (d) amortization; provided, however, that for the third and fourth Fiscal Quarters of 1995, **"EBITDA"** shall be further adjusted to reflect the recognition of losses in respect of Mexican currency trading with losses being recognized in the months in which they were accrued.

"Eligible Accounts" means all of the Accounts of each Borrower and each Borrower's Subsidiaries, but excluding each of the following Accounts:

(a) with respect to which more than sixty (60) days have elapsed since the due date of the original invoice therefor or more than ninety (90) days have elapsed since the date of the original invoice therefor;

(b) with respect to which any of the representations, warranties, covenants, and agreements contained in Article 6 are not or have ceased to be complete and correct or have been breached;

(c) with respect to which, in whole or in part, a check, promissory note, draft, trade acceptance or other instrument for the payment of money has been received, presented for payment and returned uncollected for any reason;

(d) which is a Progress Billed Account, other than a Progress Billed Account arising from a written contract with the Account Debtor and where (i) such Borrower has completed its performance of such contract in every respect

other than shipping any goods to the Account Debtor, and (ii) the Account Debtor is obligated, in accordance with such contract, to pay the entire remaining balance of such Account, without setoff or counterclaim;

(e) as to which any one or more of the following events has occurred with respect to the Account Debtor on such Account: death or judicial declaration of incompetency of an Account Debtor who is an individual; the filing by or against the Account Debtor of a request or petition for liquidation, reorganization, arrangement, adjustment of debts, adjudication as a bankrupt, winding-up, or other relief under the bankruptcy, insolvency, or similar laws of the United States, any state or territory thereof, or any foreign jurisdiction, now or hereafter in effect; the making of any general assignment by the Account Debtor for the benefit of creditors; the appointment of a receiver or trustee for the Account Debtor or for any of the assets of the Account Debtor, including, without limitation, the appointment of or taking possession by a "custodian," as defined in the Federal Bankruptcy Code; the institution by or against the Account Debtor of any other type of insolvency proceeding (under the bankruptcy laws of the United States or otherwise) or of any formal or informal proceeding for the dissolution or liquidation of, settlement of claims against, or winding up of affairs of, the Account Debtor; the sale, assignment, or transfer of all or any material part of the assets of the Account Debtor; the nonpayment generally by the Account Debtor of its debts as they become due; or the cessation of the business of the Account Debtor as a going concern;

(f) (i) those Accounts of Account Debtors for whom fifty percent (50%) or more of the aggregate dollar amount of such Account Debtors' outstanding Accounts are classified as ineligible under the other criteria other than this subsection or (ii) the aggregate dollar amount of all Accounts owed by the Account Debtor (other than Wal-Mart, H&R Block, Sunoco, [Exxon/Mobil], Rite Aid, or such other Account Debtor as to which the Lender gives its written consent to be exempted from this subsection) thereon exceeds ten percent (10%) of the aggregate amount of all Accounts at such time, but only to the extent of such excess;

(g) if the Account Debtor is either Wal-Mart, Rite Aid, H&R Block or Blockbuster and the aggregate dollar amount of all Accounts owed by such Account Debtor thereon exceeds fifty percent (50%) of the aggregate amount of all Accounts at such time; or (ii) if the Account Debtor is Sunoco or [Exxon/Mobil] and the aggregate dollar amount of all Accounts owed by such Account Debtor thereon exceeds twenty-five percent (25%) of the aggregate amount of all Accounts at such time, but in each case only to the extent of such excess amount;

(h) owed by an Account Debtor which: (i) does not maintain its chief executive office in the United States; or (ii) is not organized under the laws of the United States or any state thereof; or (iii) is the government of any foreign

country or sovereign state, or of any state, province, municipality, or other political subdivision thereof, or of any department, agency, public corporation, or other instrumentality thereof; except (i) to the extent that such Account is secured or payable by letter of credit or acceptance, or insured under foreign credit insurance in each case, on terms and conditions satisfactory to the Lender in its discretion; or (ii) Accounts due from non-U.S. Affiliates of Wal-Mart or [Exxon/Mobil] not exceeding, in the aggregate of any time outstanding, \$200,000 (valuing any amounts payable in foreign currencies at the spot rate for purchases of U.S. Dollars in such foreign currency offered by the Lender in Atlanta, Georgia on the applicable calculation date).

(i) owed by an Account Debtor which is an Affiliate of such Borrower;

(j) except as provided in (l) below, as to which either the perfection, enforceability, or validity of the Security Interest in such Account, or the Lender's right or ability to obtain direct payment to the Lender of the Proceeds of such Account, is governed by any federal, state, or local statutory requirements other than those of the UCC;

(k) which is owed by an Account Debtor to which such Borrower or such Subsidiary is indebted in any way, or which is subject to any right of setoff by the Account Debtor, unless the Account Debtor has entered into an agreement acceptable to the Lender to waive setoff rights; or if the Account Debtor thereon has disputed liability or made any claim with respect to any other Account due from such Account Debtor; but in each such case only to the extent of such indebtedness, setoff, dispute, or claim;

(l) which are owed by the government of the United States of America, or any department, agency, public corporation, or other instrumentality thereof, unless the Federal Assignment of Claims Act of 1940, as amended, and any other steps necessary to perfect the Lender's Security Interest therein, have been complied with to the Lender's satisfaction with respect to such Account;

(m) which is owed by any state, municipality, or other political subdivision of the United States of America, or any department, agency, public corporation, or other instrumentality thereof and as to which the Lender determines that its Security Interest therein is not or cannot be perfected;

(n) which represents a sale on a bill-and-hold, guaranteed sale, sale and return, sale on approval, consignment, or other repurchase or return basis (other than any such Account as to which the Lender has given its written consent to be exempted from this subsection);

(o) which is evidenced by a promissory note or other instrument or by chattel paper;

(p) if Lender believes in its sole judgment that the prospect of collection of such Account is impaired or that the Account may not be paid by reason of the Account Debtor's financial inability to pay (provided, however, that, at such Borrower's request, the Lender will give such Borrower its rationale for any Account so excluded under this subsection);

(q) if the Account Debtor thereunder is located in West Virginia, New Jersey or Minnesota unless if, at the time the Account was created and at all times thereafter, (a) such Borrower has filed and has maintained effective a current Notice of Business Activities Report with the appropriate office or agency of the State of West Virginia, New Jersey or Minnesota, as applicable, or (b) such Borrower was and has continued to be exempt from the filing of such Report and has provided the Lender with satisfactory evidence thereof; or

(r) which is owed by an Account Debtor which the Lender, in its sole judgment, otherwise deems to be uncreditworthy (provided, however, that, at such Borrower's request, the Lender will give such Borrower its rationale for any Account so excluded under this subsection).

"Eligible Inventory" means all of the Inventory of each Borrower and each Borrower's Subsidiaries, valued at the purchase price paid by such Borrower or such Subsidiary therefor, consisting of raw materials used in such Borrower's or such Subsidiary's ordinary course of business and which is subject to a perfected, first priority security interest in favor of the Lender and which conforms to all of such Borrower's applicable representations and warranties in this Agreement, but excluding any such Inventory: (i) that is subject to a negotiable warehouse receipt or other negotiable instrument, (ii) that is subject to any license or other agreement that limits or restricts the ability of such Borrower or such Subsidiary to sell or otherwise dispose of such inventory, or (iii) that is located on premises as to which the Lender has not received a duly executed waiver by the landlord (in form and substance acceptable to the Lender) regarding any lien or security interest of the landlord in such Inventory.

"Eligible Progress Billed Accounts" means all of the Progress Billed Accounts of each Borrower and each Borrower's Subsidiaries, but excluding each of the Progress Billed Accounts, that would be excluded from "Eligible Accounts" by virtue of any of subsections (a), (b), (c), (e), (f), (g), (h), (i), (j), (l), (m), (n), (o), (p), or (q) of the definition of "Eligible Accounts."

"Environmental Compliance Reserve" means all reserves which the Lender from time to time establishes for amounts that are reasonably required to be expended in order for each Borrower and such Borrower's operations and Property to comply with Environmental Laws or in order to correct any violation by such Borrower or such Borrower's operations or Property of Environmental Laws.

"Environmental Laws" means all federal, state and local laws, rules, regulations, ordinances, programs, permits, guidances, orders and consent decrees

relating to health, safety, hazardous substances, and environmental matters applicable to each Borrower's and each Borrower's Subsidiary's business and facilities (whether or not owned by it). Such laws and regulations include but are not limited to the Resource Conservation and Recovery Act, 42 U.S.C. § 6901 et seq., as amended; the Comprehensive Environmental Response, Compensation and Liability Act, 42 U.S.C. § 9601 et seq., as amended; the Toxic Substances Control Act, 15 U.S.C. § 2601 et seq., as amended; the Clean Water Act, 33 U.S.C. § 466 et seq., as amended; the Clean Air Act, 42 U.S.C. § 7401 et seq., as amended; state and federal superlien and environmental cleanup programs; and U.S. Department of Transportation regulations.

"Equipment" means all of each Borrower's or each Borrower's Subsidiaries' now owned and hereafter acquired machinery, equipment, furniture, furnishings, fixtures, and other tangible personal property (except Inventory), including, without limitation, data processing hardware and software, motor vehicles, aircraft, dies, tools, jigs, and office equipment, as well as all of such types of property leased by such Borrower or such Subsidiaries and all of such Borrower's or such Subsidiary's rights and interests with respect thereto under such leases (including, without limitation, options to purchase); together with all present and future additions and accessions thereto, replacements therefor, component and auxiliary parts and supplies used or to be used in connection therewith, and all substitutes for any of the foregoing, and all manuals, drawings, instructions, warranties and rights with respect thereto; wherever any of the foregoing is located.

"ERISA" means the Employee Retirement Income Security Act of 1974, as amended.

"Event of Default" has the meaning given to such term in Section 11.1.

"Existing Debt" shall mean indebtedness of Miller Zell to First Union National Bank of Georgia, pursuant to that certain Third Amended and Restated Loan and Security Agreement dated as of June 8, 1995, as amended from time to time.

"Federal Reserve Board" has the meaning given to such term in Section 8.25.

"Financial Statements" means, according to the context in which it is used, the financial statements required to be given to the Lender pursuant to Section 7.2(a) and (b) or any combination thereof.

"Fiscal Quarter" means any fiscal quarter of the Fiscal Year of the Borrowers.

"Fiscal Year" means the Borrowers' fiscal year for financial accounting purposes, ending on December 31.

"Fixed Charge Coverage Ratio" means the ratio determined in accordance with Section 9.21.

"Funded Debt" shall mean, at any date, the Obligations then outstanding.

"Funded Debt Ratio" means the ratio determined in accordance with Section 9.22.

"GAAP" means at any time generally accepted accounting principles as in effect at such time in the United States, consistently applied.

"General Intangibles" means all of each Borrower's and each Borrower's Subsidiary's now owned and hereafter arising or acquired: licenses, franchises, permits, patents, patent rights, copyrights, works which are the subject matter of copyrights, trademarks, trade names, trade styles, patent and trademark applications and licenses and rights thereunder, including without limitation those registered patents, trademarks and registered copyrights set forth on Schedule 2 hereto, and all other rights under any of the foregoing, all extensions, renewals, reissues, divisions, continuations, and continuations-in-part of any of the foregoing, and all rights to sue for past, present, and future infringement of any of the foregoing; inventions, trade secrets, formulae, processes, compounds, drawings, designs, blueprints, surveys, reports, manuals, and operating standards; goodwill; customer and other lists in whatever form maintained; and trade secret rights, copyright rights, rights in works of authorship, and contract rights relating to computer software programs, in whatever form created or maintained.

"Guaranty" by any Person means all obligations of such Person which in any manner directly or indirectly guarantee or assure, or in effect guarantee or assure, the payment or performance of any indebtedness, dividend or other obligation of any other Person (the "guaranteed obligations"), or to assure or in effect assure the holder of the guaranteed obligations against loss in respect thereof, including, without limitation, any such obligations incurred through an agreement, contingent or otherwise: (a) to purchase the guaranteed obligations or any Property constituting security therefor; (b) to advance or supply funds for the purchase or Payment of the guaranteed obligations or to maintain a working capital or other balance sheet condition; or (c) to lease Property or to purchase any debt or equity securities or other Property or services.

"Intercompany Accounts" means all assets and liabilities, however arising, which are due to any Borrower from, which are due from any Borrower to, or which otherwise arise from any transaction by any Borrower with, any Subsidiary or Affiliate of any Borrower.

"Interest Payment Date" means (i) with respect to any Base Rate Loan, the first Business Day of each month, commencing on the first day of the first month following the Closing Date, and (ii) with respect to any LIBOR Rate Loan, the last day of the Interest Period applicable thereto, provided that with respect to any LIBOR Rate Loan

having an Interest Period of more than three (3) months, the date falling three (3) months after the beginning of such Interest Period shall also be an Interest Payment Date.

“Interest Period” means, as to any LIBOR Rate Loan, the period commencing on the date of such LIBOR Rate Loan and ending on the numerically corresponding day (or, if there is no numerically corresponding day, on the last day) in the calendar month that is one (1), two (2), three (3), or six (6) months thereafter, as the Borrowers may (subject in all cases to availability) elect with respect to LIBOR Rate Loans; provided, however, that (x) if an Interest Period would end on a day that is not a Business Day, such Interest Period shall be extended to the next succeeding Business Day unless such next succeeding Business Day would fall in the next calendar month, in which case such Interest Period shall end on the next preceding Business Day, (y) no Interest Period shall end later than the Maturity Date, and (z) interest shall accrue from and including the first day of an Interest Period to but excluding the last day of such Interest Period.

“Inventory” means, with respect to any Person, all of such Person’s now owned and hereafter acquired goods, merchandise, and other personal property, wherever located, to be furnished under any contract of service or held for sale or lease, all raw materials, work-in-process, finished goods, returned goods, and materials and supplies of any kind, nature or description which are or might be used or consumed in such Person’s business or used in connection the manufacture, packing, shipping, advertising, selling or finishing of such goods, merchandise and such other personal property, and all documents of title or other documents representing them.

“IRS” means the Internal Revenue Service or any successor agency.

“Letter of Credit Agreement” has the meaning specified in Section 2.3.

“Letter of Credit” has the meaning specified in Section 2.3.

“LIBOR Rate” means, for each Interest Period in respect of any LIBOR Rate Loan, an interest rate per annum (rounded upward to the nearest 1/32nd of 1%) determined pursuant to the following formula:

$$\text{LIBOR Rate} = \frac{\text{LIBOR}}{1.00 \text{ minus the Eurodollar Reserve Percentage,}}$$

Where

“Eurodollar Reserve Percentage” means the maximum reserve percentage (expressed as a decimal, rounded upward to the nearest 1/100th of 1%) in effect on the date LIBOR for such Interest Period is determined under regulations issued from time to time by the Federal Reserve Board for determining the maximum reserve requirement (including any emergency, supplemental or other marginal reserve requirement) with

respect to Eurocurrency funding (currently referred to as "Eurocurrency liabilities") having a term comparable to such Interest Period.

"LIBOR" means the rate of interest per annum determined by the Lender with respect to any Interest Period, as the offered rate for deposits in U.S. dollars for a period comparable to the Interest Period appearing on the Telerate Page 3750 as of 11:00 am London time, on the day that is two London banking days prior to the Interest Period. If at least two such rates appear on Telerate Page 3750, the rate for such Interest Period will be the arithmetic average of such rates, rounded to the fourth decimal place; in either case as such rates may be adjusted for any applicable reserve requirements; and

"LIBOR Rate Loan" means a Loan bearing interest based on the LIBOR Rate in accordance with Article 2.

"Lien" means: (a) any interest in Property securing an obligation owed to, or a claim by, a Person other than the owner of the Property, whether such interest is based on the common law, statute, or contract, and including without limitation, a security interest, charge, claim, or lien arising from a mortgage, deed of trust, encumbrance, pledge, hypothecation, assignment, deposit arrangement, agreement, security agreement, conditional sale or trust receipt or a lease, consignment or bailment for security purposes; and (b) to the extent not included under clause (a), any reservation, exception, encroachment, easement, right-of-way, covenant, condition, restriction, lease or other title exception or encumbrance affecting Property.

"Loan Account" means any account maintained by the Lender reflecting Loans and other Obligations hereunder and under the other Loan Documents.

"Loan Certificate" means the loan certificate for each of the Borrowers substantially in the form of Exhibit B attached hereto.

"Loan Documents" means this Agreement, the Notes, the Letter of Credit Agreement, the Stock Pledge Agreement, the Lockbox Account Agreement, any interest rate hedge agreement and all other agreements, instruments, and documents heretofore, now or hereafter evidencing, securing, guaranteeing or otherwise relating to the Obligations, the Collateral, the Security Interest, or any other aspect of the transactions contemplated by this Agreement.

"Loans" means, collectively, the Revolving Loans, the Term Loans and all other loans and advances provided for in Article 2.

"Lockbox Account" means each blocked bank account or bank account associated with a lock-box, established pursuant to Section 6.10, to which the funds of any Borrower (including, without limitation, Proceeds of Accounts and other Collateral)

are deposited or credited, and which is maintained in the name of the Lender or any Borrower, as the Lender may determine, on terms acceptable to the Lender.

“Lockbox Account Agreement” means that certain Lockbox Agreement, as amended, executed and delivered by the Borrowers and the Lender, regarding the operation of the Lockbox Account, as the same may from time to time be amended, supplemented or modified.

“Maintenance Fee” has the meaning given such term in Section 3.4.

“Maturity Date” means August 27, 2001.

“Notes” means the Revolving Note and the Term Notes.

“Obligations” means all present and future loans, advances, liabilities, obligations, covenants, duties, and Debts owing by any Borrower to the Lender, whether or not arising under this Agreement, whether or not evidenced by any note, or other instrument or document, whether arising from an extension of credit, opening of a letter of credit, acceptance, loan, guaranty, interest rate hedge agreement indemnification or otherwise, whether direct or indirect (including, without limitation, those acquired by assignment from others, and any participation by the Lender in such Borrower's debts owing to others), absolute or contingent, due or to become due, primary or secondary, as principal or guarantor, and including, without limitation, all interest, charges, expenses, fees, attorneys' fees, filing fees and any other sums chargeable to such Borrower hereunder, in connection with any Letters of Credit or the Letter of Credit Agreement, under another Loan Document, or under any other agreement or instrument with the Lender.

“Original Agreement Date” means August 27, 1996.

“PBGC” means the Pension Benefit Guaranty Corporation or any Person succeeding to the functions thereof.

“Permitted Liens” means: (a) Liens for taxes not yet payable or Liens for taxes being contested in good faith and by proper proceedings diligently pursued, provided that a reserve or other appropriate provision, if any, as shall be required by GAAP shall have been made therefor on the applicable Financial Statements and that a stay of enforcement of any such Lien is in effect; (b) Liens in favor of the Lender; (c) Liens on real estate for real estate taxes not yet delinquent; (d) purchase money security interests which are perfected automatically by operation of law only for the period (not to exceed twenty (20) days) of automatic perfection under the law of the applicable jurisdiction and limited to Liens on assets so purchased, (e) Liens reflected by Uniform Commercial Code financing statements filed in respect of Capital Leases permitted hereunder and true leases of each Borrower and each Borrower's Subsidiaries; (f) Liens of carriers, warehousemen, mechanics, laborers and materialmen incurred in the ordinary course of business for sums not yet due or being diligently contested in good faith, if

reserves or appropriate provisions have been made therefor; and (g) Liens reflected on Schedule 1 hereto.

“Person” means any individual, sole proprietorship, partnership, joint venture, trust, unincorporated organization, association, corporation, Public Authority, or any other entity.

“Plan” means any pension or other employee benefit plan which is subject to Title IV of ERISA, and which is: (a) a plan maintained by any Borrower or any Related Company; (b) a plan to which any Borrower or any Related Company contributes or is required to contribute; (c) a plan to which any Borrower or any Related Company was required to make contributions at any time during the five (5) calendar years preceding the date of this Agreement; or (d) any other plan with respect to which any Borrower or any Related Company has incurred or may incur liability, including contingent liability, under Title IV of ERISA, either to such plan or to the PBGC.

“Premises” means the real property described on Schedule 2 hereto, together with all buildings, improvements, and fixtures thereon and all tenements, hereditaments, and appurtenances belonging or in any way appertaining thereto, and which constitutes all of the real Property in which the applicable Borrower has any interests on the Closing Date.

“Proceeds” means all products and proceeds (as defined in the UCC) of any Collateral, and all proceeds of such proceeds and products, including, without limitation, all cash and credit balances, all payments under any indemnity, warranty, or guaranty payable with respect to any Collateral, all awards for taking by eminent domain, all proceeds of fire or other insurance, and all money and other Property obtained as a result of any claims against third parties or any legal action or proceeding with respect to Collateral.

“Progress Billed Account” means an Account of any Borrower or of any Borrower’s Subsidiaries arising from a contract pursuant to which the Account Debtor’s obligation to pay the Account is conditioned upon such Borrower’s or such Subsidiary’s completion of any further performance.

“Property” means any interest in any kind of property or asset, whether real, personal or mixed, or tangible or intangible.

“Public Authority” means the government of any country or sovereign state, or of any state, province, municipality, or other political subdivision thereof, or any department, agency, public corporation or other instrumentality of any of the foregoing.

“Receivables Collateral” means, with respect to any Person, all of such Person’s now owned and hereafter arising or acquired: Accounts (whether or not earned by performance), including Accounts owed to such Person by any of its Subsidiaries or Affiliates, together with all interest, late charges, penalties, collection fees, and other

sums which shall be due and payable in connection with any Account; proceeds of any letters of credit naming such Person as beneficiary; accounts, contract rights, documents, and all forms of obligations owing to such Person (including, without limitation, in respect of loans, advances, and extensions of credit by such Person to its Subsidiaries and Affiliates and vice versa); guarantees and other security for any of the foregoing; goods represented by or the sale, lease or delivery of which gave rise to any of the foregoing; merchandise returned to or repossessed by such Person and rights of stoppage in transit, replevin, and reclamation; and other rights or remedies of an unpaid vendor, lienor, or secured party.

"Related Company" means any member of a controlled group of corporations (as defined in Section 414 of the Code) of which any Borrower or any Borrower's Subsidiaries are part, or any trade or business which together with such Borrower or such Subsidiary, would be treated as a single employer under Section 4001 of ERISA.

"Reportable Event" shall have the meaning assigned to that term in Title IV of ERISA, including, without limitation, a reportable event described in Section 4043 of ERISA or the regulations thereunder, a withdrawal from a Plan described in Section 4063 of ERISA, or a cessation of operations described in Section 4062(e) of ERISA.

"Restricted Investment" means any acquisition of Property by any Borrower or any Borrower's Subsidiaries in exchange for cash or other Property, whether in the form of an acquisition of Stock, debt security, or other indebtedness or obligation, or the purchase or acquisition of any other Property, or by loan, advance, capital contribution, or subscription, except acquisitions of the following: (a) repurchases of the stock of ISD Holdings, Inc. pursuant to the Stock Repurchase Plan as permitted by Section 9.8, (b) fixed assets and software to be used in the business of such Borrower or such Subsidiary, so long as the acquisition costs thereof constitute Capital Expenditures permitted hereunder; (c) goods held for sale or lease or to be used in the provision of services by such Borrower or such Subsidiary in the ordinary course of business; (d) current assets arising from the sale or lease of goods or rendition of services in the ordinary course of business of such Borrower or such Subsidiary; (e) direct obligations of the United States of America, or any agency thereof, or obligations guaranteed by the United States of America, provided that such obligations mature within one year from the date of acquisition thereof; (f) certificates of deposit maturing within one year from the date of acquisition, bankers acceptances, eurodollar bank deposits, or overnight bank deposits, in each case issued by, created by, or with a bank or trust company organized under the laws of the United States or any state thereof having capital and surplus aggregating at least \$100,000,000; and (g) commercial paper given the highest rating by a national credit rating agency and maturing not more than 270 days from the date of creation thereof.

"Revolving Loans" has the meaning specified in Section 2.2(a).

"Revolving Note" means that certain Revolving Note in the aggregate principal amount of \$11,000,000, issued by the Borrowers to the Lender, substantially in the form attached hereto as Exhibit C and any extensions, renewals or amendments to, or replacements of, the foregoing.

"Second Amendment Date" means May 10, 1999.

"Security Interest" means collectively the Liens granted to the Lender in the Collateral pursuant to this Agreement, the other Loan Documents, or any other agreement or instrument.

"Solvent" shall mean when used with respect to any Person that: (a) the fair value of all its Property is in excess of the total amount of its debts (including contingent liabilities); (b) it is able to pay its debts as they mature; and (c) it does not have unreasonably small capital for the business in which it is engaged or for any business or transaction in which it is about to engage.

"Subsidiary" means, with respect to any Person, any corporation of which more than 50% of the outstanding securities of any class or classes, the holders of which are ordinarily, in the absence of contingencies, entitled to elect a majority of the corporate directors (or Persons performing similar functions), is at the time, directly or indirectly through one or more intermediaries, owned by such Person or one or more of its Subsidiaries.

"Stock Pledge Agreements" means those certain Amended and Restated Stock Pledge Agreements delivered by ISD and Miller Zell of even date herewith substantially in the form of Exhibit D hereto, as the same may be supplemented or amended from time to time.

"Stock Purchase Agreement" means that certain Stock Purchase Agreement dated as of May 10, 1999 by and among Miller Zell, ISD, Gerald Lewis, an individual resident of the State of New York, Joe Bona, an individual resident of the State of New York, and Ralph Sloan, an individual resident of the State of New York.

"Stock Repurchase Plan" means the obligations of Miller Zell to repurchase the class A common stock of ISD Holdings, Inc. owned by certain employees, officers and directors of ISD Holdings, Inc. pursuant to a written agreement between Miller Zell and such employees, officers and directors, each substantially in the form attached hereto as Exhibit E.

"Tangible Net Worth" means, at any date, on a consolidated basis: (a) the Borrowers' total stockholders' equity as would be shown on a balance sheet of the Borrowers at such date prepared in accordance with GAAP; minus (b) the Borrowers' goodwill and other intangible assets, excluding software development costs capitalized in accordance with GAAP; and minus (c) accounts receivable and notes receivable due and payable to any Borrower by such Borrower's Affiliates, net of any accounts payable and

notes payable due and payable to any Borrower's Affiliates by the Borrowers (other than the Subordinated Debt); provided, however, that for purposes of this calculation, the amount of this subsection (c) shall not be less than zero (0).

"Term Loans" has the meaning specified in Section 2.2(b).

"Term A Note" means that certain Term A Note in the aggregate principal amount of \$1,875,000, issued by the Borrowers to the Lender, substantially in the form attached hereto as Exhibit F-1 and any extensions, renewals or amendments to, or replacements of, the foregoing.

"Term B Note" means that certain Term B Note in the aggregate principal amount of \$1,375,000, issued by the Borrowers to the Lender, substantially in the form attached hereto as Exhibit F-2 and any extensions, renewals or amendments to, or replacements of, the foregoing.

"Term Notes" means the Term A Note and the Term B Note.

-- "Termination Event" means: (a) a Reportable Event with respect to a Plan described in Section 4043 of ERISA and the regulations issued thereunder (other than a Reportable Event not subject to the provision for 30-day notice to the PBGC under such regulations); or (b) the withdrawal of any Borrower or any Related Company from a Plan during a plan year in which it was a "substantial employer" as defined in Section 4001(a)(2) of ERISA; or (c) the filing of a notice of intent to terminate a Plan or the treatment of a Plan amendment as a termination under Section 4041 of ERISA; or (d) the institution of proceedings by the PBGC to terminate or have a trustee appointed to administer a Plan; or (e) any other event or condition which might constitute grounds under Section 4042 of ERISA for the termination of, or the appointment of a trustee to administer, any Plan.

"Total Facility" has the meaning specified in Section 2.1.

"UCC" means the Uniform Commercial Code (or any successor statute) of the State of Georgia or of any other state the laws of which are required by Section 9-103 thereof to be applied in connection with the issue of perfection of security interests.

Accounting Terms. Any accounting term used in this Agreement shall have, unless otherwise specifically provided herein, the meaning customarily given in accordance with GAAP, and all financial computations hereunder shall be computed, unless otherwise specifically provided herein, in accordance with GAAP as consistently applied and using the same method for inventory valuation as used in the preparation of the Financial Statements. With respect to the Borrowers, except where otherwise noted, accounting and financial terms refer to the Borrowers on a consolidated basis together with their Subsidiaries.

Other Terms. All other undefined terms contained in this Agreement shall, unless the context indicates otherwise, have the meanings provided for by the UCC to the extent the same are used or defined therein. Wherever appropriate in the context, terms used herein in the singular also include the plural, and vice versa, and each masculine, feminine, or neuter pronoun shall also include the other genders.

2. LOANS.

2.1 Total Facility. Subject to all of the terms and conditions of this Agreement, the Lender shall make available up to a \$14,250,000 total credit facility (the "Total Facility") for Borrowers' use from time to time during the term of this Agreement. The Total Facility shall be comprised of a revolving line of credit up to the limits of the Availability, consisting of revolving loans and letters of credit, as described in Sections 2.2 and 2.3, and a term loan facility consisting of the Term Loan A in the original principal amount of \$1,875,000, and the Term Loan B in the original principal amount of \$1,375,000 (the Term Loan A and the Term Loan B are hereinafter collectively referred to as the "Term Loans").

2.2 Loans.

(a) Subject to all the terms and conditions of this Agreement and in the absence of a Default or Event of Default (either before or after giving effect to the relevant Revolving Loan), the Lender shall, upon the Borrowers' relevant request from time to time in accordance with paragraph (b) below, make revolving loans (the "Revolving Loans") to the Borrowers up to the limits of the Availability. Each Revolving Loan shall be either a Base Rate Loan or a LIBOR Rate Loan as the Borrowers may request pursuant to paragraph (c) below. The Lender, in its sole discretion, may elect to exceed the limits of the Availability on one or more occasions, but if it does so, the Lender shall not be deemed thereby to have changed the limits of the Availability or to be obligated to exceed the limits of the Availability on any other occasion. Without intending to limit the Lender's discretion with respect to Revolving Loans, if the unpaid balance of the Revolving Loans exceeds the Availability (with Availability determined as if the amount of the Revolving Loans were zero), then the Lender may refuse to make or may otherwise restrict Revolving Loans on such terms as the Lender determines until such excess has been eliminated.

(b) (1) Subject to all the terms and conditions of this Agreement and in the absence of a Default or Event of Default (either before or after giving effect to the making of the Term Loans), the Lender, in accordance with the Borrowers' instructions on the Original Agreement Date, disbursed the proceeds of a term loan in the principal amount of \$1,875,000 (the "Term Loan A"). The Term Loan A may, from time to time, be composed of a single LIBOR Rate Loan or Base Rate Loan as the Borrowers may request pursuant to paragraph (c) below.

(2) Subject to all the terms and conditions of this Agreement and in the absence of a Default or Event of Default (either before or after giving effect to the making of the Term Loans), the Lender has disbursed, as of the Second Amendment Date, the proceeds of a term loan in the principal amount of \$1,375,000 (the "Term Loan B"). The Term Loan B may, from time to time, be composed of a single LIBOR Rate Loan or Base Rate Loan as the Borrowers may request pursuant to paragraph (c) below.

(c) The Borrowers shall give the Lender irrevocable written or facsimile notice (promptly confirmed in writing) of each borrowing of a Loan (including, without limitation, a conversion or continuation as permitted by paragraph (f) below) not later than 1:00 p.m., Atlanta time, (i) three (3) Business Days before a proposed LIBOR Rate Loan borrowing or conversion to or continuation of a LIBOR Rate Loan or portion thereof and (ii) on the same Business Day of a proposed Base Rate Loan borrowing or conversion to a Base Rate Loan. Such notice shall specify (w) whether the Loans then being requested are to be Base Rate Loans or LIBOR Rate Loans and if a LIBOR Rate Loan or portion thereof is to be converted or continued, the particular LIBOR Rate Loan, (x) the date of such borrowing or conversion or continuation (which shall be a Business Day) and the amount of such borrowing or conversion or continuation and (y) if such Loans are to be LIBOR Rate Loans (including, without limitation, a conversion to or continuation of a LIBOR Rate Loan or portion thereof), the Interest Period with respect thereto. If no election as to the type of Loan is specified in any such notice, all such Loans shall be LIBOR Rate Loan with a one (1) month Interest Period. If no Interest Period with respect to any LIBOR Rate Loan is specified in any such notice, then an Interest Period of one (1) month's duration shall be deemed to have been selected. Each such notice for a Revolving Loan shall be conclusively presumed to be made by a person authorized by the Borrowers to do so and the crediting of a Loan to the Borrowers' deposit or operating account shall conclusively establish the joint and several obligation of the Borrowers to repay such Loan.

(d) The Lender will charge all Loans and other Obligations to a Loan Account. All fees, commissions, costs, expenses, and other charges due from the Borrowers pursuant to the Loan Documents, and all payments made and out-of-pocket expenses incurred by the Lender and authorized to be charged to the Borrowers pursuant to the Loan Documents, will be charged as Base Rate Loans to a Loan Account as of the date due from the Borrowers or the date paid or incurred by the Lender, as the case may be.

(e) Each LIBOR Rate Loan having an Interest Period of longer than one (1) month shall be in a minimum principal amount of \$500,000 or an integral multiple of \$500,000 in excess thereof. Not more than four (4) such LIBOR Rate Loans may be outstanding at any one time and the Borrowers may only request a borrowing of such a LIBOR Rate Loan (or any conversion of a Base Rate Loan into a LIBOR Rate Loan) twice in any calendar month. Conversions to and

continuations of LIBOR Rate Loans of portions thereof shall be in the amount of \$500,000 or an integral multiple of \$500,000 in excess thereof.

(f) The Borrowers shall have the right at any time upon prior irrevocable written or facsimile notice (promptly confirmed in writing) to the Lender given in the manner and at the times specified in paragraph (c) above with respect to the Loans into which conversion or continuation is to be made, to convert all or any portion of LIBOR Rate Loans into Base Rate Loans, to convert all or any portion of Base Rate Loans into LIBOR Rate Loans (specifying the Interest Period to be applicable thereto) and to continue all or any portion of any LIBOR Rate Loans into a subsequent Interest Period (specifying the Interest Period to be applicable thereto), subject to the terms and conditions hereof (including, without limitation, the provisions of paragraphs (c) and (e) above) and to the following:

(i) accrued interest on a Loan (or portion thereof) being converted or continued shall be paid by the Borrowers at the time of such conversion or continuation;

(ii) no LIBOR Rate Loan or portion thereof may be converted to a Base Rate Loan or continued as a LIBOR Rate Loan other than at the end of the Interest Period applicable thereto; and

(iii) no Default or Event of Default shall have occurred or be continuing.

The Interest Period applicable to any LIBOR Rate Loan resulting from a conversion or continuation shall be specified by the Borrowers in the irrevocable notice of conversion or continuation delivered pursuant hereto; provided, however, that if no such Interest Period shall be specified, the Borrowers shall be deemed to have selected an Interest Period of one (1) month's duration. If the Borrowers shall not have given timely notice to continue any LIBOR Rate Loan into a subsequent Interest Period (and shall not otherwise have given notice to convert such Loan), such Loan (unless repaid or required to be repaid pursuant to the terms hereof) shall automatically be converted into a LIBOR Rate Loan with a 1 month Interest Period.

(g) Notwithstanding anything to the contrary herein contained, if any change in any law or regulation or in the interpretation thereof by any governmental authority charged with the administration or interpretation thereof shall make it unlawful for the Lender to make or maintain any LIBOR Rate Loan or to give effect to its obligations to make LIBOR Rate Loans as contemplated hereby, then, by written notice to the Borrowers, the Lender may:

(i) declare that LIBOR Rate Loans will not thereafter be made hereunder, whereupon the Borrowers shall be prohibited from requesting LIBOR Rate Loans hereunder (including, without limitation, the conversion to or

continuation of LIBOR Rate Loans or portions thereof) unless such declaration is subsequently withdrawn; and

(ii) require that all outstanding LIBOR Rate Loans be converted to Base Rate Loans, in which event (A) all such LIBOR Rate Loans shall be automatically converted to Base Rate Loans as of the effective date of such notice as provided below and (B) all payments of principal which would otherwise have been applied to repay the converted LIBOR Rate Loans shall instead be applied to repay the Base Rate Loans resulting from the conversion of such LIBOR Rate Loans.

For purposes of this paragraph (g), a notice to the Borrowers shall be effective, if lawful, on the last day of the then current Interest Period or, if there are then two (2) or more current Interest Periods, on the last day of each such Interest Period, respectively; otherwise, such notice shall be effective with respect to the Borrowers on the date of receipt by any Borrower.

(h) In the event, and on each occasion, that on the day two (2) Business Days prior to the commencement of any Interest Period for a LIBOR Rate Loan the Lender shall have determined that dollar deposits in the amount of such LIBOR Rate Loan are not generally available in the London interbank market, or that reasonable means do not exist for ascertaining LIBOR, the Lender shall as soon as practicable thereafter give written notice (or facsimile notice) of such determination to the Borrowers, and any request by the Borrowers for the making of a LIBOR Rate Loan or conversion or continuation of any Loan or portion thereof into a LIBOR Rate Loan shall, until the circumstances giving rise to such notice no longer exist, be deemed to be a request for a Base Rate Loan. Each determination by the Lender made hereunder shall be conclusive absent manifest error.

2.3 Letters of Credit. The Lender may, in its sole discretion, upon the Borrowers' request from time to time, cause merchandise or standby letters of credit to be issued for the Borrowers' account (as the same may be amended, replaced or renewed from time to time, the "Letters of Credit"). The expiration date of any (i) merchandise Letter of Credit, shall not be later than 180 days from the date of issuance thereof and (ii) standby Letter of Credit shall not be later than 365 days from the date of issuance thereof (and no standby Letters of Credit shall have any automatic or "evergreen" renewal provisions) and, in any event, no Letter of Credit shall have an expiration date later than the Maturity Date. The Lender will not cause to be opened any Letter of Credit if the maximum face amount of the requested Letter of Credit, plus any commissions, fees, and charges due from the Borrowers to the Lender at such time, plus the aggregate undrawn face amount of all outstanding Letters of Credit, plus the unpaid balance of the Revolving Loans at that time would exceed the Availability. The Letters of Credit shall be governed by a Letter of Credit Agreement between the Lender and the Borrowers (as the same may from time to time be amended, supplemented or modified, the "Letter of Credit Agreement"), in addition to the terms and conditions hereof. All

payments made and expenses incurred by the Lender pursuant to or in connection with the Letters of Credit and the Letter of Credit Agreement will be charged to the Borrowers' Loan Account as Revolving Loans. In the event there shall remain outstanding any Letter of Credit on the Maturity Date, the Borrowers shall promptly deposit with the Lender cash collateral equal to the aggregate face amount of all such Letters of Credit.

3. INTEREST AND OTHER CHARGES.

3.1 Interest.

(a) Each Borrower jointly and severally agrees to pay the Lender interest on the unpaid daily principal balance of the Revolving Loans at a fluctuating per annum rate equal to the sum of either the Base Rate (with respect to Base Rate Loans) or the LIBOR Rate (with respect to LIBOR Rate Loans), plus the applicable interest rate margin determined by the Lender (i) with respect to Base Rate Loans, quoted to the Borrowers upon request, and (ii) with respect to LIBOR Rate Loans, based upon the Fixed Charge Coverage Ratio and the Funded Debt Ratio for the most recent Fiscal Quarter, effective as of the second Business Day after the financial statements referred to in Section 7.2(b) hereof are required to be furnished by the Borrowers to the Lender, expressed as a per annum rate of interest as follows:

LIBOR Rate Loan
Applicable Margin

<u>Fixed Charge Coverage Ratio</u>	<u>Funded Debt Ratio</u>			
	Less than 2.00	Greater than or equal to 2.00 but less than 2.50	Greater than or equal to 2.50 but less than 3.00	Greater than or equal to 3.00
Greater than 2.00	1.75	2.00	2.25	2.50
Greater than 1.50 but less than or equal to 2.00	2.00	2.25	2.50	2.75
Less than or equal to 1.50	2.25	2.50	2.75	3.00

(b) Each Borrower jointly and severally agrees to pay the Lender interest on the unpaid daily balance of the Term Loans at a fluctuating per annum rate equal to the sum of (i) the rate that would apply if such interest rate were calculated in accordance with the foregoing subsection (a), plus (ii) 0.50%.

(c) If an Event of Default occurs, then, from the date such Event of Default occurs until it is cured, or until all Obligations are paid and performed in full, as the case may be, each Borrower will jointly and severally pay interest on the unpaid principal balances of the Loans at a per annum rate two percent (2%) greater than the highest applicable margin specified herein (such rate being the "Default Rate").

3.2 Maximum Interest Rate. In no event shall the interest rate and other charges hereunder exceed the highest rate permissible under any law which a court of competent jurisdiction shall, in a final determination, deem applicable hereto. In the event that a court determines that the Lender has received interest and other charges hereunder in excess of the highest rate applicable hereto, such excess shall be deemed received on account of, and shall automatically be applied to reduce, the Obligations, other than interest in the inverse order of maturity, and the provisions hereof shall be deemed amended to provide for the highest permissible rate. If there are no Obligations outstanding, the Lender shall refund to the Borrowers such excess.

4. PAYMENTS AND PREPAYMENTS.

4.1 Revolving Loans. Each Borrower jointly and severally agrees to pay to the Lender the interest on the Revolving Loans (as determined under Section 3.1 hereof) on each Interest Payment Date until paid in full and to repay the outstanding principal balance of the Revolving Loans, plus all accrued but unpaid interest thereon, on the Maturity Date. In addition, each Borrower jointly and severally agrees to pay to the Lender, on demand, the amount by which (A) the sum of (x) the unpaid principal balance of the Revolving Loans at any time plus (y) the amount, if any, of (1) amounts drawn under the Letters of Credit at such time to the extent not already included in the Revolving Loans, and (2) the undrawn amount of all Letters of Credit at such time exceeds (B) the Availability at such time (with clause (b) of such defined term determined as if the amount of the Revolving Loans and the undrawn amount of Letters of Credit and the amount of unreimbursed drawings under Letters of Credit were zero). If after repaying in full the Revolving Loans as provided in the immediately preceding sentence any portion of such excess still remains, then the Borrowers shall deposit cash in the amount thereof in a cash collateral account with the Lender to be held in such account on terms satisfactory to the Lender. Any prepayments required pursuant to the second preceding sentence shall be first applied to outstanding Base Rate Loans up to the full amount thereof before they are applied to outstanding LIBOR Rate Loans. The Lender shall debit the Borrowers' Loan Account from time to time to pay any interest, fees or principal then due hereunder, and the Lender shall be authorized to do so without any further notice to or consent of the Borrowers at any time. The Lender shall provide the Borrowers with a monthly statement of transactions in the Borrower's Loan Account.

4.2 Term Loans. Each Borrower jointly and severally agrees to pay to the Lender interest on the Term Loans (as determined under Section 3.1 hereof) on each Interest Payment Date until paid in full. In addition, the Borrowers shall jointly and severally repay the principal amount of the Term Loan A in eleven (11) equal payments

of \$125,000, commencing on September 1, 1998 and continuing on the same date each December, March, June and September thereafter, together with a twelfth and final payment of the entire remaining principal amount together with any remaining unpaid interest on the Maturity Date. In addition, the Borrowers shall jointly and severally repay only so much interest as is then due and owing under the Term B Loan on May 27, 1999. Thereafter, the Borrowers shall jointly and severally repay seventy-five percent (75%) of the principal amount of the Term Loan B in eight (8) equal payments of \$125,000, commencing on August 27, 1999, and continuing on the same date each November, February, May and August thereafter, together with a ninth and final payment of the entire remaining principal amount together with any remaining unpaid interest on the Maturity Date. The Lender shall debit the Borrowers' Loan Account from time to time to pay any interest, fees or principal then due hereunder, and the Lender shall be authorized to do so without any further notice to or consent of the Borrowers at any time. With respect to any payment of principal of the Term Loans, unless the Borrowers shall otherwise direct in writing, such payment shall be applied first to any outstanding Base Rate Loans and, if no Base Rate Loans shall be outstanding, next to any outstanding LIBOR Rate Loan. Subject to the foregoing sentence, prepayments of principal shall be applied to scheduled payments of the Term Loans in inverse order of maturity.

4.3 Reimbursement. Whenever the Lender shall sustain or incur any losses or reasonable out-of-pocket expenses in connection with (i) failure by the Borrowers to borrow any LIBOR Rate Loan after having given notice of its intention to borrow in accordance with Section 2.2 hereof (whether by reason of the Borrowers' election not to proceed or the non-fulfillment of any of the conditions set forth in this Agreement or otherwise), or (ii) prepayment of any LIBOR Rate Loan in whole or in part for any reason, the Borrowers jointly and severally agree to pay to the Lender, upon the earlier of the Lender's demand or the Maturity Date, an amount sufficient to compensate Lender for all such losses and reasonable out-of-pocket expenses. The Lender's good faith determination of the amount of such losses or reasonable out-of-pocket expenses, as set forth in writing and accompanied by calculations in reasonable detail demonstrating the basis for its demand, shall be presumptively correct. A certificate setting forth the amount to be paid to the Lender as a result of any event referred to in this Section 4.3, demonstrating in reasonable detail the Lender's basis for such determination, shall be delivered to the Borrowers by the Lender upon any such demand for payment.

4.4 Place and Form of Payments; Extension of Time. All payments of principal, interest, premium, and other sums due to the Lender shall be made on the day when due in U.S. dollars at the Lender's address set forth in or specified pursuant to Section 12.10 not later than 1:00 p.m. (Atlanta time). Except for Proceeds received directly by the Lender, all such payments shall be made in immediately available funds. If any payment of principal, interest, premium, or other sum to be made hereunder becomes due and payable on a day other than a Business Day, the due date of such payment shall be extended to the next succeeding Business Day (except as

otherwise specified in the definition of "Interest Period") and interest thereon shall be payable at the applicable interest rate during such extension.

4.5 Application and Reversal of Payments. Except as otherwise provided in Sections 4.1 and 4.2 hereof, the Lender shall determine in its sole discretion the order and manner in which Proceeds of Collateral and other payments that the Lender receives are applied to the Loans, interest thereon, and the other Obligations, and each Borrower hereby irrevocably waives the right to direct the application of any payment or Proceeds. The Lender shall have the continuing and exclusive right to apply and reverse and reapply any and all such Proceeds and payments to any portion of the Obligations.

4.6 Indemnity for Returned Payments. If after receipt of any payment of, or Proceeds applied to the payment of, all or any part of the Obligations, the Lender is for any reason compelled to surrender such payment or Proceeds to any Person, because such payment or Proceeds is invalidated, declared fraudulent, set aside, determined to be void or voidable as a preference, impermissible setoff, or a diversion of trust funds, or for any other reason, then: the Obligations or part thereof intended to be satisfied shall be revived and continue and this Agreement shall continue in full force as if such payment or Proceeds had not been received by the Lender; and the Borrowers shall be liable to pay to the Lender, and hereby do, jointly and severally, indemnify the Lender and hold the Lender harmless for, the amount of such payment or Proceeds surrendered. The provisions of this Section 4.6 shall be and remain effective notwithstanding any contrary action which may have been taken by the Lender in reliance upon such payment or Proceeds, and any such contrary action so taken shall be without prejudice to the Lender's rights under this Agreement and shall be deemed to have been conditioned upon such payment or Proceeds having become final and irrevocable. The provisions of this Section 4.6 shall survive the termination of this Agreement.

5. LENDER'S BOOKS AND RECORDS; MONTHLY STATEMENTS.
Each Borrower agrees that the Lender's books and records showing the Obligations and the transactions pursuant to this Agreement and the other Loan Documents shall be admissible in any action or proceeding arising therefrom, and shall constitute prima facie proof thereof, irrespective of whether any Obligation is also evidenced by a promissory note or other instrument. The Lender will provide to the Borrowers a monthly statement of Loans, payments, and other transactions pursuant to this Agreement. Such statement shall be deemed correct, accurate, and binding on the Borrowers and as an account stated (except for reversals and reapplications of payments made as provided in Section 4.4 and corrections of errors discovered by the Lender), unless the Borrowers notify the Lender in writing to the contrary within thirty (30) days after such statement is rendered. In the event a timely written notice of objections is given by the Borrowers, only the items to which exception is expressly made will be considered to be disputed by the Borrowers.

6. COLLATERAL.

6.1 Grant of Security Interest.

(a) As security for all Obligations, each Borrower hereby grants to the Lender a continuing security interest in, lien on, and assignment of all of such Borrower's: (i) Receivables Collateral, Inventory, and Proceeds, wherever located and whether now existing or hereafter arising or acquired; (ii) all of such Borrower's machinery, equipment, supplies, motor vehicles, licenses, contracts, contract rights and general intangibles, (iii) all moneys, securities and other property and the Proceeds thereof, now or hereafter held or received by, or in transit to, the Lender or any of its affiliates from or for such Borrower, whether for safekeeping, pledge, custody, transmission, collection or otherwise, including, without limitation, all of such Borrower's deposit accounts, credits, and balances with the Lender or any of its affiliates; and (iv) all books, records and other Property relating to or referring to any of the foregoing, including, without limitation, all books, records, ledger cards, data processing records, computer software and other property at any time evidencing or relating to such Borrower's Receivables Collateral, Inventory, Proceeds, and other property referred to above (all of the foregoing, together with all other property in which the Lender may at any time be granted a Lien by such Borrower being herein collectively referred to as the "Collateral"). The Lender shall have all of the rights of a secured party with respect to the Collateral under the UCC and the other laws of the State of Georgia and any other applicable jurisdiction.

(b) All Obligations shall constitute a single loan secured by the Collateral. The Lender may, in its sole discretion, (i) exchange, waive, or release any of the Collateral, (ii) after an Event of Default, apply Collateral and direct the order or manner of sale thereof as the Lender may determine, and (iii) after an Event of Default, settle, compromise, collect, or otherwise liquidate any Collateral in any manner, all without affecting the Obligations or the Lender's right to take any other action with respect to any other Collateral.

(c) In the event any Borrower or any such Borrower's Subsidiaries shall acquire any real property, such Borrower shall notify the Lender and promptly prepare, execute (or cause to be executed) and file such mortgages or deeds of trust as the Lender may request to grant the Lender an enforceable first priority security interest in such real property.

6.2 Perfection and Protection of Security Interest. Each Borrower shall perform all steps reasonably requested by the Lender at any time to perfect, maintain, protect, and enforce the Security Interest including, without limitation: (a) executing and filing financing or continuation statements, and amendments thereof, in form and substance satisfactory to the Lender; (b) delivering to the Lender the originals of all documents and all other Collateral of which the Lender determines it should have physical possession in order to perfect and protect the Security Interest therein, duly endorsed or assigned to the Lender without restriction; (c) delivering to the Lender warehouse receipts covering any portion of the Collateral located in warehouses and for which warehouse receipts are issued; (d) placing notations on such Borrower's books of account to disclose the Security Interest; (e) delivering to the Lender all letters of credit

on which such Borrower is named beneficiary; and (f) taking such other steps as are deemed reasonably necessary by the Lender to maintain the Security Interest. To the extent permitted by applicable law, the Lender may file, without such Borrower's signature, one or more financing statements disclosing the Security Interest. Each Borrower agrees that a carbon, photographic, photostatic, or other reproduction of this Agreement or of a financing statement is sufficient as a financing statement. If any Collateral is at any time in the possession or control of any warehouseman, bailee or any of such Borrower's agents or processors, then such Borrower shall notify the Lender thereof and shall notify such Person of the Security Interest in such Collateral and, upon the Lender's request, instruct such Person to hold all such Collateral for the Lender's account subject to the Lender's instructions. If at any time any Collateral is located on any Premises that are not owned by such Borrower, then such Borrower shall use its best efforts to obtain written waivers, in form and substance satisfactory to the Lender, of all present and future Liens to which the owner or lessor or any mortgagee of such Premises may be entitled to assert against the Collateral; provided, however, that such waivers shall not be required with respect to Inventory located at retail premises and held for sale in the ordinary course of such retailer's business. From time to time, each Borrower shall, upon Lender's request, execute and deliver confirmatory written instruments pledging to the Lender the Collateral, but such Borrower's failure to do so shall not affect or limit the Security Interest or the Lender's other rights in and to the Collateral. So long as this Agreement is in effect and until all Obligations have been fully satisfied, the Security Interest shall continue in full force and effect in all Collateral (whether or not deemed eligible for the purpose of calculating the Availability or as the basis for any advance, loan, extension of credit, or other financial accommodation).

6.3 Location of Collateral. As of the date hereof, each Borrower jointly and severally represents and warrants to the Lender that Schedule 2 hereto contains a correct and complete list of such Borrower's chief executive office, the location of its books and records, the locations of the Collateral, and the locations of all of its other places of business, and that Schedule 2 correctly identifies any of such facilities and locations that are not owned by such Borrower and sets forth the names of the owners and lessors or sub-lessors of, and, to the best of such Borrower's knowledge, the holders of any mortgages on, such facilities and locations. Each Borrower covenants and agrees that it will not maintain any Collateral at any location other than those listed on Schedule 2, and it will not otherwise change or add to any of such locations, unless it gives the Lender at least 30 days prior written notice thereof (except (i) in the case of any relocation of Collateral, singly or in the aggregate during any calendar year, having a fair market value of less than \$10,000 as to which no such notice shall be required and (ii) with respect to any job site Inventory of such Borrower, having an aggregate value at any time of not more than \$100,000) and executes any and all financing statements and other documents that the Lender requests in connection therewith.

6.4 Title to, Liens on, and Sale and Use of Collateral. Each Borrower jointly and severally represents and warrants to the Lender and agrees with the Lender that: (a) all Collateral is and will continue to be owned by such Borrower free

and clear of all Liens whatsoever, except for the Security Interest and other Permitted Liens; (b) the Security Interest will not be subject to any prior Lien except for Permitted Liens, if any; (c) such Borrower will use, store, and maintain the Collateral with all reasonable care and will use the Collateral for lawful purposes only; and (d) without the Lender's prior written approval, such Borrower will not sell, or dispose of or permit the sale or disposition of any Collateral, except for sales of Inventory in the ordinary course of business and except for incidental sales of Equipment not exceeding, in the aggregate in any calendar year, \$100,000. The inclusion of Proceeds in the Collateral shall not be deemed the Lender's consent to any sale or other disposition of the Collateral except as expressly permitted herein.

6.5 Appraisals. Whenever a Default or Event of Default exists, each Borrower shall, at its expense and upon the Lender's request, provide the Lender with appraisals or updates thereof of any or all of the Collateral from an appraiser, and prepared on a basis, satisfactory to the Lender.

6.6 Access and Examination. The Lender may at all reasonable times (and at any time when an Event of Default exists) have access to examine, audit, make extracts from and inspect each Borrower's records, files, and books of account and the Collateral and to discuss such Borrower's affairs with such Borrower's officers and management. Each Borrower will deliver to the Lender any instrument necessary for the Lender to obtain records from any service bureau maintaining records for such Borrower. The Lender may, at any time when an Event of Default exists, and at such Borrower's expense, make copies of all of each Borrower's books and records, or require such Borrower to deliver such copies to the Lender. The Lender may, without expense to the Lender, use such Borrower's personnel, supplies, and Premises as may be reasonably necessary for maintaining or enforcing the Security Interest.

6.7 Insurance. Each Borrower shall insure the Collateral against loss or damage by fire with extended coverage, theft, burglary, pilferage, loss in transit, and such other hazards as the Lender shall specify, in amounts, under policies and by insurers acceptable to the Lender. Each Borrower shall cause the Lender to be named in each such policy as secured party and loss payee or additional insured, in a manner acceptable to the Lender. Each policy of insurance shall contain a clause or endorsement requiring the insurer to give not less than thirty (30) days' prior written notice to the Lender in the event of cancellation of the policy for any reason whatsoever and a clause or endorsement stating that the interest of the Lender shall not be impaired or invalidated by any act or neglect of such Borrower or the owner of any Premises where Collateral is located nor by the occupation of such Premises for purposes more hazardous than are permitted by such policy. All premiums for such insurance shall be paid by such Borrower when due, and certificates of insurance and, if requested, photocopies of the policies shall be delivered to the Lender. If such Borrower fails to procure such insurance or to pay the premiums therefor when due, the Lender may (but shall not be required to) do so and charge the costs thereof to the Borrowers' Loan Account as a Revolving Loan. Each Borrower shall promptly notify the Lender of any loss, damage, or destruction to the Collateral or arising from its use, whether or not covered by

insurance. The Lender is hereby authorized to collect all insurance proceeds directly, except that, so long as no Default then exists, insurance proceeds which, in the aggregate during any calendar year, equal less than \$100,000 shall be remitted by the Lender to such Borrower. After deducting from such proceeds the expenses, if any, incurred by Lender in the collection or handling thereof, the Lender may apply such proceeds to the reduction of the Obligations, in such order as Lender determines, or at the Lender's option may permit or require such Borrower to use such money, or any part thereof, to replace, repair or restore the Collateral in a diligent and expeditious manner with materials and workmanship of substantially the same quality as existed before the loss, damage or destruction.

6.8 Collateral Reporting. Each Borrower will provide the Lender with the following documents at the following times in form satisfactory to the Lender: (a) from time to time at Lender's request, copies of customer statements and credit memos, remittance advises and reports, and copies of deposit slips; (b) commencing September 15, 1996, for the monthly period ending August 31, 1996, and on the fifteenth (15th) day of each month thereafter for the calendar month then most recently ended, an Inventory Report and a Receivables Collateral report; (c) within two (2) Business Days following the close of each calendar week, a Borrowing Base Certificate; (d) upon request, copies of shipping and delivery documents; (e) upon request, copies of purchase orders, invoices, and delivery documents for Inventory acquired by such Borrower; (f) such other reports as to the Collateral as the Lender shall reasonably request from time to time; and (g) certificates of an officer of such Borrower certifying as to the foregoing. If any Borrower's records or reports of the Collateral are prepared by an accounting service or other agent, such Borrower hereby authorizes such service or agent to deliver such records, reports, and related documents to the Lender.

6.9 Accounts. Each Borrower hereby jointly and severally represents and warrants to the Lender and agrees with the Lender that: (i) each existing Account of such Borrower or any of its Subsidiaries represents, and each such future Account will represent, a bona fide sale or lease of goods by such Borrower or such Subsidiary, or rendition of services by such Borrower or such Subsidiary, in the ordinary course of such Borrower's or such Subsidiary's business; (ii) each existing Account of such Borrower or any of its Subsidiaries is, and each future Account of such Borrower or any of its Subsidiaries will be, for a liquidated amount payable by the Account Debtor thereon on the terms set forth in the invoice therefor or in the schedule thereof delivered to the Lender, without offset, deduction, defense, or counterclaim; (iii) no payment will be received with respect to any Account of such Borrower or any of its Subsidiaries, and no credit, discount, or extension, or agreement therefor will be granted on any Account of such Borrower or any of its Subsidiaries, except permitted by Section 6.9(d); (iv) each copy of an invoice delivered to the Lender by such Borrower will be a genuine copy of the original invoice sent to the Account Debtor named therein; and (v) all goods described in each invoice will have been delivered to the Account Debtor and all services of such Borrower or any of its Subsidiaries described in each invoice will have been performed (other than with respect to Progress Billed Accounts).

(a) Neither the Borrowers nor any of their Subsidiaries shall re-date any invoice or sale or make sales on extended dating beyond that customary in the business or such Person or extend or modify any of its Accounts. If any Borrower becomes aware of any matter affecting any Account Debtor of such Borrower or any of its Subsidiaries, having an aggregate balance exceeding \$100,000, including information regarding the Account Debtor's creditworthiness, such Borrower will promptly so advise the Lender.

(b) Neither the Borrowers nor any of their Subsidiaries shall accept any note or other instrument (except a check or other instrument for the immediate payment of money) with respect to any Eligible Accounts without the Lender's written consent. If the Lender consents to the acceptance of any such note or other instrument, it shall be considered as evidence of the Account and not payment thereof, and such Borrower or such Subsidiary, at the Lender's request, will promptly deliver such note or instrument to the Lender appropriately endorsed. Regardless of the form of presentment, demand, notice of dishonor, protest, and notice of protest with respect thereto, such Borrower or the applicable Subsidiary will remain liable on the applicable Account, note or other instrument until such note or instrument is paid in full.

(c) Each Borrower shall notify the Lender promptly of all material disputes and claims with Account Debtors and settle or adjust them at no expense to the Lender, but no discount, credit or allowance shall be granted to any Account Debtor (on behalf of such Borrower or any of its Subsidiaries) without the Lender's consent, except for discounts, credits and allowances made or given solely for corrective purposes or in the ordinary course of such Borrower's business when no Event of Default exists and of not more than \$50,000 with respect to any individual Account Debtor. Each Borrower shall deliver to the Lender a report of each credit memorandum in excess of \$25,000 on a monthly basis. The Lender may, at all times when an Event of Default exists hereunder, settle or adjust disputes and claims directly with customers or Account Debtors for amounts and upon terms which the Lender considers advisable and, in all cases, the Lender will credit the Borrowers' Loan Account with only the net amounts received by the Lender in payment of any Accounts.

(d) If an Account Debtor returns any Inventory to any Borrower when no Event of Default exists, then such Borrower shall promptly determine the reason for such return and shall issue a credit memorandum to the Account Debtor in the appropriate amount. Such Borrower shall immediately report to the Lender any return involving an amount in excess of \$10,000 and shall report all returns to the Lender on a monthly basis. Each such report shall indicate the reasons for the returns and the locations and condition of the returned Inventory. In the event any Account Debtor returns Inventory to such Borrower when an Event of Default exists, such Borrower shall: (i) hold the returned Inventory in trust for the Lender; (ii) segregate all returned Inventory from all of its other Property; (iii) dispose of the returned Inventory solely according to the Lender's

written instructions; and (iv) not issue any credits or allowances with respect thereto without the Lender's prior written consent. All returned Inventory shall remain subject to the Security Interest. Whenever any Inventory is returned, the related Account shall be deemed ineligible to the extent of such return, and Availability shall be adjusted accordingly.

6.10 Collection of Accounts; Payments.

(a) Each Borrower shall establish a Lockbox Account with the Lender pursuant to the Lockbox Account Agreement for collections of the Accounts. Each Borrower shall instruct all Account Debtors to make all payments directly to the address established for such service. The aggregate outstanding balance of each Lockbox Account shall be transferred to the Lender for application to the Obligations and (i) if so received by the Lender prior to 12:00 noon on any Business Day, shall be credited to the Loan Account on the same Business Day, and (ii) if so received by the Lender after 12:00 noon on any Business Day or at any time on any non-Business Day, shall be credited to the Loan Account on the immediately following Business Day.

(b) If sales of Inventory are made for cash, each Borrower shall immediately deliver to the Lender the identical checks, cash, or other forms of payment which such Borrower receives.

(c) All Payments received by the Lender on account of Accounts or as Proceeds of other Collateral will be the Lender's sole property and will be credited to the Borrowers' Loan Account (conditional upon final collection) after allowing one (1) Business Day for collection.

6.11 Inventory. Each Borrower jointly and severally represents and warrants to the Lender and agrees with the Lender that all of the Inventory (other than any returned goods) of such Borrower and its Subsidiaries is and will be held for sale, or to be furnished in connection with the rendition of services, in the ordinary course of the business of such Borrower and its Subsidiaries, and is and will be fit for such purposes. Each Borrower and each of its Subsidiaries will keep its Inventory in good and marketable condition, at its own expense. Neither the Borrowers nor any of their Subsidiaries will, without prior written notice to the Lender acquire or accept any Inventory on consignment or approval. All of the Inventory of each Borrower and each of its Subsidiaries will be produced in accordance with the Federal Fair Labor Standards Act of 1938, as amended, and all rules, regulations, and orders thereunder. Each Borrower and each of its Subsidiaries will maintain a perpetual inventory reporting system at all times. Each Borrower will conduct a physical count of its Inventory (and the Inventory of its Subsidiaries) at least once per Fiscal Year, and at such other times as the Lender requests after an Event of Default, and shall promptly supply the Lender, at the Lender's request, with a copy of such count accompanied by a report of the value of such Inventory (valued at the lower or cost, on a first-in, first-out basis, or market value).

6.12 Documents. Each Borrower jointly and severally represents and warrants to the Lender and agrees with the Lender that: (a) all documents describing, evidencing, or constituting Collateral, and all signatures and endorsements thereon, are and will be complete, valid, and genuine; and (b) all goods evidenced by such documents are and will be owned by such Borrower free and clear of all Liens other than Permitted Liens. Each Borrower warrants the value, quantities, sound condition, grades and qualities of the goods described in such documents.

6.13 Right to Cure. The Lender may, in its sole discretion and at any time, for the Borrowers' account and expense, pay any amount or do any act required of any Borrower hereunder or requested by the Lender to preserve, protect, maintain or enforce the Obligations, the Collateral or the Security Interest, and which such Borrower fails to pay or do, including, without limitation, payment of any judgment against such Borrower, any insurance premium, any warehouse charge, any finishing or processing charge, any landlord's claim, and any other Lien upon or with respect to the Collateral. All payments that the Lender makes under this Section and all out-of-pocket costs and expenses that the Lender pays or incurs in connection with any action taken by it hereunder shall be charged to the Borrowers' Loan Account as a Revolving Loan. Any payment made or other action taken by the Lender under this Section shall be without prejudice to any right to assert an Event of Default hereunder and to proceed thereafter as herein provided.

6.14 Power of Attorney. Each Borrower hereby appoints the Lender and the Lender's designees as such Borrower's attorney, with power (such power to be exercisable at any time with respect to items (a), (c) and (d), and exercisable only upon the occurrence of an Event of Default with respect to item (b): (a) to endorse such Borrower's name on any checks, notes, acceptances, money orders, or other forms of payment or security that come into the Lender's possession and to sign such Borrower's name on, and file, financing statements; (b) to sign such Borrower's name on any invoice, bill of lading, or other document of title relating to any Collateral, on drafts against customers, on assignments of Accounts, on notices of assignment, public records, on verifications of Accounts and on notices to Account Debtors; (c) to send requests for verification of Accounts to Account Debtors; and (d) to do all things necessary to carry out this Agreement. Each Borrower ratifies and approves all acts of such attorney. Neither the Lender nor the attorney will be liable for any acts or omissions or for any error of judgment or mistake of fact or law other than such resulting from gross negligence or willful misconduct of such attorney. This power, being coupled with an interest, is irrevocable until this Agreement has been terminated and the Obligations have been fully satisfied.

6.15 Lender's Rights, Duties, and Liabilities. Each Borrower assumes all responsibility and liability arising from or relating to the use, sale, or other disposition of the Collateral. Neither the Lender nor any of its officers, directors, employees, and agents shall be liable or responsible in any way for the safekeeping of any of the Collateral, or for any act or failure to act with respect to the Collateral, or for any loss or damage thereto, or for any diminution in the value thereof, or for any act of

default or any warehouseman, carrier, forwarding agency or other person whomsoever, all of which shall be at such Borrower's sole risk. The Obligations shall not be affected by any failure of the Lender to take any steps to perfect the Security Interest or to collect or realize upon the Collateral, nor shall loss of or damage to the Collateral release such Borrower from any of the Obligations. From and after the occurrence of an Event of Default, the Lender may (but shall not be required to), without notice to or consent from such Borrower sue upon or otherwise collect, extend the time for payment of, modify or amend the terms of, compromise or settle for cash, credit, or otherwise upon any terms, grant other indulgences, extensions, renewals, compositions, or releases, and take or omit to take any other action with respect to the Collateral, any security therefor, any agreement relating thereto, any insurance applicable thereto, or any Person liable directly or indirectly in connection with any of the foregoing, without discharging or otherwise affecting the liability of such Borrower for the Obligations or under this Agreement or any other agreement now or hereafter existing between the Lender and such Borrower.

7. BOOKS AND RECORDS; FINANCIAL INFORMATION; NOTICES.

7.1 **Books and Records.** Each Borrower and each of its Subsidiaries shall maintain, at all times, correct and complete books, records and accounts in which complete, correct and timely entries are made of its transactions in accordance with GAAP consistent with those applied in the preparation of the Financial Statements. Each Borrower and each of its Subsidiaries shall, by means of appropriate entries, reflect in such accounts and in all Financial Statements proper liabilities and reserves for all taxes and proper provision for depreciation and amortization of Property and bad debts, all in accordance with GAAP. Each Borrower and each of its Subsidiaries shall maintain at all times books and records pertaining to the Collateral in such detail, form, and scope as the Lender shall reasonably require, including without limitation records of: (a) all payments received and all credits and extensions granted with respect to their respective Accounts; (b) the return, rejections repossession, stoppage in transit, loss, damage, or destruction of any Inventory; and (c) all other dealings affecting the Collateral.

7.2 **Financial Information.** Each Borrower shall furnish promptly to the Lender or its agents all such financial information as the Lender shall reasonably request. Without limiting the foregoing, each Borrower will furnish to the Lender, in such detail as the Lender shall request, the following:

(a) As soon as available, but in any event not later than one hundred twenty (120) days after the close of each Fiscal Year, audited balance sheets, and statements of operations, stockholders equity and cash flows of such Borrower, on a consolidated basis with its Subsidiaries, for such Fiscal Year, and the accompanying notes thereto, setting forth in each case in comparative form figures for the previous Fiscal Year, all in reasonable detail, fairly presenting the financial position and the results of operations of such Borrower as at the date thereof and for the Fiscal Year then ended, and prepared in accordance with

GAAP. Such statements shall be examined in accordance with generally accepted auditing standards by and accompanied by a report thereon unqualified as to scope of independent certified public accountants selected by such Borrower and reasonably satisfactory to the Lender.

(b) As soon as available, but in any event not later than twenty-five (25) days after the close of each Fiscal Quarter other than the fourth quarter of a Fiscal Year, unaudited balance sheets of such Borrower, on a consolidated basis with its Subsidiaries, as at the end of such quarter, and unaudited statements of operations, stockholders equity and cash flows of such Borrower for such quarter and for the period from the beginning of the Fiscal Year to the end of such quarter, all in reasonable detail, fairly presenting the financial position and results of operation of such Borrower as at the date thereof and for such periods, prepared in accordance with GAAP consistent with the audited Financial Statements required pursuant to Section 7.2(a). Such statements shall be certified to be correct by the chief financial or accounting officer of such Borrower subject to normal year-end adjustments. In addition, such Borrower shall submit with such financial statements a comparison of such Borrower's actual performance to such Borrower's budget for such quarter.

(c) As soon as available, but in any event not later than twenty-five (25) days after the end of each month, unaudited balance sheets of such Borrower, on a consolidated basis with its Subsidiaries, as at the end of such month, and unaudited statements of operations, stockholders equity and cash flows of such Borrower for such month and for the period from the beginning of the Fiscal Year to the end of such month, all in reasonable detail, fairly presenting the financial position and results of operations of such Borrower as at the date thereof and for such periods, and prepared in accordance with GAAP consistent with the audited Financial Statements required pursuant to Section 7.2(a). Such statements shall be certified to be correct by the chief financial or accounting officer of such Borrower subject to normal year-end adjustments. In addition, such Borrower shall submit with such financial statements a comparison of such Borrower's actual performance to such Borrower's budget for such month.

(d) With each of the audited Financial Statements delivered pursuant to Section 7.2(a), a certificate of the independent certified public accountants that examined such statements to the effect that they are not aware of any fact or condition which constitutes a Default or Event of Default under Sections 9.21, 9.22, 9.23 and 9.25 hereof, except for those, if any, described in reasonable detail in such certificate.

(e) With each of the annual audited and quarterly unaudited Financial Statements delivered pursuant to Sections 7.2(a) and 7.2(b), a certificate of the chief executive or chief financial officer of such Borrower (i) setting forth in reasonable detail the calculations required to establish that such Borrower was in compliance with its covenants set forth in Sections 9.21 through 9.25 during the

period covered in such Financial Statements and as at the end thereof, and (ii) stating that, except as explained in reasonable detail in such certificate, to the best of his knowledge (A) all of the representations and warranties of such Borrower contained in this Agreement and the other Loan Documents are correct and complete as at the date of such certificate as if made at such time, (B) such Borrower is, at the date of such certificate, in compliance with all of its covenants and agreements in this Agreement and the other Loan Documents, and (C) no Default or Event of Default then exists or existed during the period covered by such Financial Statements. If such certificate discloses that a representation or warranty is not correct or complete, or that a covenant has not been complied with, or that a Default or Event of Default existed or exists, such certificate shall set forth what action such Borrower has taken or proposes to take with respect thereto.

(f) Promptly after their preparation, copies of any and all financial statements, and related reports which such Borrower makes available to its stockholders, in such capacity.

(g) Promptly after filing with the PBGC, Department of Labor, or IRS, a copy of each annual report filed with respect to each Plan of such Borrower.

(h) Such additional information as the Lender may from time to time reasonably request regarding the financial and business affairs of such Borrower, including, without limitation, projections of future operations.

7.3 Notices to Lender. Each Borrower shall notify the Lender in writing of the following matters at the following times:

(a) Immediately after becoming aware thereof, any Default or Event of Default.

(b) Immediately after becoming aware thereof: the assertion by the holder of any capital stock of such Borrower or of any Debt in an outstanding principal amount in excess of \$100,000 that a default exists with respect thereto or that such Borrower is not in compliance with the terms thereof; or the threat or commencement by such holder of any enforcement action because of such asserted default or non-compliance.

(c) Immediately after becoming aware thereof, any material adverse change in such Borrower's or any of its Subsidiaries' Property, business, operations, or condition (financial or otherwise).

(d) Immediately after becoming aware thereof, any pending or threatened action, suit, proceeding, or counterclaim by any Person, or any pending or threatened investigation by a Public Authority, which may materially and adversely affect the Collateral, the repayment of the

Obligations, the Lender's rights under the Loan Documents, or such Borrower's or any of its Subsidiaries' Property, business, operations, or condition (financial or otherwise).

(e) Immediately after becoming aware thereof, any pending or threatened strike, work stoppage, material unfair labor practice claim, or other material labor dispute affecting such Borrower or any of its Subsidiaries.

(f) Immediately after becoming aware thereof, any violation of any law, statute, regulation, or ordinance of a Public Authority applicable to such Borrower, any of its Subsidiaries or any of their respective Properties which may materially and adversely affect the Collateral, the repayment of the Obligations, the Lender's rights under the Loan Documents, or such Borrower's or such Subsidiary's Property, business, operations, or condition (financial or otherwise).

(g) Immediately after becoming aware thereof, any violation by such Borrower or any of its Subsidiaries of Environmental Laws; or, immediately upon its receipt thereof, any notice that such Borrower or any of its Subsidiaries receives from a Public Authority asserting that such Borrower or such Subsidiary is not in compliance with Environmental Laws or that its compliance is being investigated.

(h) Immediately after any such decision is made by such Borrower, any change in the identify of the chief executive officer or chief operating officer of such Borrower.

(i) Any change in the name, state of incorporation, or form of organization of such Borrower or any of its Subsidiaries, at least thirty (30) days prior thereto.

(j) Any Termination Event with respect to a Plan, within ten (10) days after becoming aware thereof, and any other Reportable Event, within thirty (30) days after becoming aware thereof, in each case accompanied by any materials required to be filed with the PBGC with respect thereto; immediately after such Borrower's receipt thereof, any notice received by such Borrower concerning the imposition of any withdrawal liability under Section 4042 of ERISA with respect to a Plan; the establishment of any Plan not existing at the Agreement Date, or the commencement of contributions by such Borrower to any Plan to which such Borrower was not contributing at the Agreement Date, within forty-five (45) days after the end of the fiscal quarter in which such event occurs; or immediately after becoming aware thereof, any other event or condition regarding a Plan or the compliance with ERISA by such

Borrower which may materially and adversely affect such Borrower's Property, business, operation, or condition (financial or otherwise).

Each notice given under this Section shall describe the subject matter thereof in reasonable detail, and shall set forth the action that such Borrower has taken or proposes to take with respect thereto.

8. GENERAL WARRANTIES AND REPRESENTATIONS.

Each Borrower, jointly and severally, continuously warrants and represents to the Lender, at all times during the term of this Agreement and until all Obligations have been satisfied, that, except as hereafter disclosed to and accepted by the Lender in writing:

8.1 Authorization, Validity, and Enforceability of this Agreement and the Loan Documents. Such Borrower has the corporate power and authority to execute, deliver and perform this Agreement and the other Loan Documents, to incur the Obligations, and to grant the Security Interest. Each Subsidiary of such Borrower has the corporate power and authority to execute, deliver and perform the Loan Documents to which it is party. Such Borrower has taken all necessary corporate action (including, without limitation, obtaining approval of its stockholders) to authorize its execution, delivery, and performance of this Agreement and the other Loan Documents. Each Subsidiary of such Borrower has taken all necessary corporate action to authorize its execution, delivery and performance of the Loan Documents to which it is party. No consent, approval, or authorization of, or declaration or filing with, any Public Authority, and no consent of any other Person, is required in connection with such Borrower's execution, delivery, and performance of this Agreement and the other Loan Documents, or any Subsidiary's execution, delivery and performance of the Loan Documents to which it is party, except for those already duly obtained. Each of this Agreement and the other Loan Documents has been duly executed and delivered by such Borrower and each Subsidiary of such Borrower, as applicable, and constitutes the legal, valid and binding obligation of such Borrower and such Subsidiary, as applicable, enforceable against it in accordance with its terms without defense, setoff, or counterclaim. Such Borrower's execution, delivery, and performance of this Agreement and the other Loan Documents, and each Subsidiary's execution, delivery and performance of the Loan Documents to which it is party, do not and will not conflict with, or constitute a violation or breach of, or constitute a default under, or result in the creation or imposition of any Lien upon the Property of such Borrower or any Subsidiary (except as contemplated by this Agreement and the other Loan Documents) by reason of the terms of (a) any contract, mortgage, lien, lease, agreement, indenture, or instrument to which such Borrower is a party or which is binding upon it, (b) any judgment, law, statute, rule or governmental regulation applicable to such Borrower or any of its Subsidiaries, or (c) the Certificate or Articles of Incorporation or By-Laws of such Borrower or any of its Subsidiaries.

8.2 Validity and Priority of Security Interest. The provisions of this Agreement and the other Loan Documents create legal and valid Liens on all the

Collateral in the Lender's favor, and when all proper filings, recordings, and other actions necessary to perfect such Liens have been made or taken, such Liens will constitute perfected and continuing Liens on all the Collateral, having priority over all other Liens on the Collateral except Permitted Liens, securing all the Obligations, and enforceable against such Borrower and all third parties.

8.3 Organization and Qualification. Such Borrower: (a) is duly incorporated and organized and validly existing in good standing under the laws of the state of its incorporation; (b) is qualified to do business as a foreign corporation and is in good standing in the States identified on Schedule 2 hereto, which are the only states in which qualification is necessary in order for it to own or lease its Property and conduct its business and where the failure to be so qualified would have a significant adverse impact on such Borrower; and (c) has all requisite power and authority to conduct its business and to own its Property.

8.4 Corporate Name; Prior Transactions. As of the date hereof, such Borrower has not, during the past five years, been known by or used any other corporate or fictitious name, or been a party to any merger or consolidation, or acquired all or substantially all of the assets of any Person, or acquired any of its Property out of the ordinary course of business, except as set forth on Schedule 8.4.

8.5 Subsidiaries and Affiliates. Such Borrower has no Subsidiaries, except as set forth on Schedule 8.5 or as permitted by the Lender in writing. Each such Subsidiary: (a) is duly incorporated and organized and validly existing in good standing under the laws of the state of its incorporation; (b) is qualified to do business as a foreign corporation and is in good standing in the States identified in Schedule 8.5 hereto, which are the only states in which qualification is necessary in order for it to own or lease its Property and conduct its business and where the failure to be so qualified would have a significant adverse impact on such Subsidiary; and (c) has all requisite power and authority to conduct its business and to own its Property.

8.6 Financial Statements and Projections. Such Borrower has delivered to the Lender a preliminary draft of the audited balance sheet and related statements of income, retained earnings, cash flows, and changes in stockholders equity for such Borrower, on a consolidated basis with its Subsidiaries, as of December 31, 1999 and for the Fiscal Year then ended (the "1999 Financial Statements"). Such Borrower will deliver a final version of the 1999 Financial Statements, accompanied by the report thereon of such Borrower's independent certified public accountants, Ernst & Young LLP, on or before June 6, 2000. All such financial statements, when so delivered, will have been prepared in accordance with GAAP and present accurately and fairly the financial position of such Borrower as at the date thereof and its results of operations for the periods then ended.

8.7 Capitalization. As of the date hereof, such Borrower's authorized capital stock is validly issued and outstanding, fully paid and non-assessable, and is owned beneficially and of record by the Persons listed on Schedule 8.7. Schedule

8.7 also sets forth a list of each option holder, warrant holder and other person owning a security or other interest convertible into any equity security of such Borrower.

8.8 Solvency. Such Borrower is Solvent prior to and after giving effect to the making of the Term Loans and each Revolving Loan.

8.9 Debt. As of the date hereof, neither such Borrower nor any of its Subsidiaries has any Debt, except (a) the Obligations, (b) Debt set forth in the most recent Financial Statements delivered to the Lender (_____, ____), or the notes thereto, (c) trade payables and other contractual obligations arising in the ordinary course of business since the date of such Financial Statements, and (d) Debt incurred since the date of such Financial Statements to finance Capital Expenditures permitted hereby.

8.10 Distributions. Since the Original Agreement Date, no Distribution has been declared, paid, or made upon or in respect of any stock or other securities of such Borrower except as expressly permitted hereby.

8.11 Title to Property. Except for Permitted Liens, and except for Property which such Borrower or any Subsidiary leases, such Borrower and each of its Subsidiaries has good and marketable title in fee simple to the Premises and good, indefeasible, and merchantable title to all of its other Property including, without limitation, the assets reflected on the most recent Financial Statements delivered to the Lender, except as disposed of since the date thereof in the ordinary course of business or as otherwise expressly permitted hereby, free of all Liens except Permitted Liens.

8.12 Adequate Assets. Such Borrower possesses adequate assets for the conduct of its business.

8.13 Real Property; Leases. Schedule 8.13 hereto is a correct and complete list of all real property owned by such Borrower and its Subsidiaries, all material leases and subleases of real or personal property by such Borrower or any Subsidiary as lessee or sublessee, and all leases and subleases of real or personal property by such Borrower or such Subsidiary as lessor or sublessor. To such Borrower's best knowledge, each of such leases and subleases is valid and enforceable in accordance with its terms and is in full force and effect. No material default by any party to any such lease or sublease exists. For purposes of the truthfulness and accuracy of the foregoing representations after the Agreement Date, Schedule 8.13 to this Agreement may be supplemented or amended from time to time, with the Lender's consent and, after the date of such supplement or amendment, such representations shall refer to such Schedule 8.13 as thereby supplemented or amended.

8.14 General Intangibles. Schedule 8.14 hereto is a correct and complete list of all of the registered patents, patent applications, trademarks and registered copyrights of such Borrower. None of such registered patents, patent applications, trademarks and registered copyrights of such Borrower is subject to any licensing agreement or similar arrangement except as set forth on Schedule 8.14. To the

best of such Borrower's knowledge, none of the General Intangibles of such Borrower infringes on or conflicts with any other Person's Property, and no other Person's Property infringes on or conflicts with the General Intangibles of such Borrower. The registered patents, patent applications, trademarks and registered copyrights of such Borrower described on Schedule 8.14 constitute all of the Property of such type necessary to the current and anticipated future conduct of such Borrower's business. For purposes of the truthfulness and accuracy of the foregoing representations after the Agreement Date, Schedule 8.14 to this Agreement may be supplemented or amended from time to time, with the Lender's consent and, after the date of such supplement or amendment, such representations shall refer to such Schedule 8.14 as thereby supplemented or amended.

8.15 Trade Names and Terms of Sale. All trade names or styles under which such Borrower will sell Inventory or create Accounts, or to which instruments in payment of Accounts may be made payable, are listed on Schedule 8.15 hereto. The terms of sale on which such sales of Inventory generally will be made are that invoices must be paid within thirty (30) days of invoice date.

8.16 Litigation. As of the date hereof, except as set forth on Schedule 8.16, there is no pending or, to the best of such Borrower's knowledge, threatened action, suit, proceeding, or counterclaim by any Person, or investigation by any Public Authority, or any basis for any of the foregoing against such Borrower or any of its Subsidiaries. None of such actions, suits, proceedings or counterclaims will, if determined adversely to such Borrower or any of its Subsidiaries, have a material adverse effect on the Collateral, the repayment of the Obligations, the Lender's rights under the Loan Documents, or the Property, business, operations, or condition (financial or otherwise) of such Borrower or any of its Subsidiaries.

8.17 Restrictive Agreements. Neither such Borrower nor any of its Subsidiaries is a party to any contract or agreement, or any charter or other corporate restriction, which affects its ability to execute, deliver, and perform the Loan Documents to which it is a party and repay the Obligations or which materially and adversely affects or, insofar as such Borrower can reasonably foresee, could materially and adversely affect, such Borrower's or such Subsidiary's Property, such Borrower's or such Subsidiary's business, operations, or condition (financial or otherwise), or would in any respect materially and adversely affect the Collateral, the repayment of the Obligations, or the Lender's rights under the Loan Documents.

8.18 Labor Disputes. Except as set forth on Schedule 8.18: (a) there is no collective bargaining agreement or other labor contract covering employees of such Borrower or any of its Subsidiaries; (b) no such collective bargaining agreement or other labor contract is scheduled to expire during the term of this Agreement; (c) no union or other labor organization is seeking to organize, or to be recognized as, a collective bargaining unit of employees of such Borrower or any of its Subsidiaries or for any similar purpose; and (d) there is no pending or, to the best of such Borrower's knowledge, threatened strike, work stoppage, material unfair labor practice claims, or

other material labor dispute against or affecting such Borrower or any of its Subsidiaries or any of their respective employees.

8.19 Environmental Laws. Except as revealed in any report or other documents provided by such Borrower to the Lender, neither such Borrower nor any of its Subsidiaries has generated, handled, used, stored, or disposed of any hazardous or toxic waste or substance, as defined pursuant to Environmental Laws, on or off its Premises, whether or not owned by it. Such Borrower and each of its Subsidiaries has complied in all respects with all Environmental Laws applicable to transfer, construction on, and operation of each of its Property and business. Neither such Borrower nor any of its Subsidiaries has any material contingent liability with respect to non-compliance with Environmental Laws or the generation, handling, use, storage, or disposal of hazardous or toxic wastes or substances. Neither such Borrower nor any of its Subsidiaries has received any summons, complaint, order or similar notice that it is not in compliance with, or that any Public Authority is investigating its compliance with, Environmental Laws.

8.20 No Violation of Law. Neither such Borrower nor any of its Subsidiaries is in violation of any law, statute, regulation, ordinance, judgment, order, or decree applicable to any of them which violation would in any respect materially and adversely affect the Collateral, the repayment of the Obligations, the Lender's rights under the Loan Documents, or the Property, business, operations, or condition (financial or otherwise) of such Borrower or any of its Subsidiaries.

8.21 No Default. Neither such Borrower nor any of its Subsidiaries is in default with respect to any note, indenture, loan agreement, mortgage, lease, deed, or other agreement to which such Borrower or any such Subsidiary is a party or bound, which default would materially and adversely affect the Collateral, the repayment of the Obligations, the Lender's rights under the Loan Documents, or the Property, business, operations, or condition (financial or otherwise) of such Borrower or any of its Subsidiaries.

8.22 ERISA. Neither such Borrower nor any of its Subsidiaries has any Plan other than those listed on Schedule 8.22 hereto. No Plan has been terminated or partially terminated or is insolvent or in reorganization, nor have any proceedings been instituted to terminate or reorganize any Plan. Neither such Borrower nor any of its Subsidiaries has withdrawn from any Plan in a complete or partial withdrawal, nor has a condition occurred which if continued would result in a complete or partial withdrawal. Neither such Borrower nor any of its Subsidiaries has any withdrawal liability, including contingent withdrawal liability, to any Plan pursuant to Title IV of ERISA. Such Borrower has no liability to the PBGC other than for required insurance premiums which have been paid when due. No Reportable Event has occurred with respect to a Plan. No Plan has an "accumulated funding deficiency" (whether or not waived) as defined in Section 302 of ERISA or in Section 412 of the Code. Such Plan is in substantial compliance with ERISA, and neither such Borrower nor any of its Subsidiaries has received any notice asserting that a Plan is not in compliance with ERISA. Neither such

Borrower, nor any of its Subsidiaries, nor any other "party-in-interest" or "disqualified person" has engaged in a "prohibited transaction," as such terms are defined in Section 4975 of the Code and Title I of ERISA, in connection with any Plan which would subject a party-in-interest or disqualified person (after giving effect to any exemption) to the tax on prohibited transactions imposed by Section 4975 of the Code or any other liability.

8.23 Taxes. Such Borrower and each of its Subsidiaries has filed all tax returns and other reports which it was required by law to file on or prior to the date hereof and has paid all taxes, assessments, fees, and other governmental charges, and penalties and interest, if any, against it or its Property, income, or franchise, that are due and payable, other than taxes that such Borrower believes are not due and which, if the same were overdue and unpaid, would not cause a significant adverse impact on such Borrower.

8.24 Investment Company Act. Such Borrower is not an "investment company" or an "affiliated person" of, or "promoter" or "principal underwriter" for, an "investment company," as such terms are defined in the Investment Company Act of 1940, as amended (15 U.S.C. § 80(a)(1), et seq.). The making of the Loans and other financial accommodations hereunder by the Lender, the application of the proceeds and repayment thereof by such Borrower and the consummation of the other transactions contemplated by this Agreement and the Loan Documents do not violate any provisions of such Act or any rule, regulation or order issued by the Securities and Exchange Commission thereunder.

8.25 Margin Securities. The proceeds of the Loans and the other financial accommodations made pursuant to this Agreement will be used only for the purposes contemplated hereunder and not for the purchase or carrying of any "margin security," as that term is defined in Regulation U of the Board of Governors of the Federal Reserve System (the "Federal Reserve Board"). None of the Loans and the other financial accommodations hereunder will be used, directly or indirectly, for the purpose of reducing or retiring any Debt or other Person's indebtedness which was originally incurred to purchase or carry any margin security, or for any other purpose which might cause any such loan or other financial accommodation to be considered a "purpose credit" within the meaning of Regulation U or X of the Federal Reserve Board. Such Borrower will neither take nor permit any agent acting on its behalf to take any action which might cause any transaction, obligation or right created by this Agreement, or any document or instrument delivered pursuant hereto, to violate any regulation of the Federal Reserve Board.

8.26 Broker's Fees. No broker or finder is entitled to receive compensation for services rendered with respect to the transactions described in this Agreement.

8.27 No Material Adverse Change. No material adverse change has occurred in the Property, business, operations, or conditions (financial or otherwise) of

such Borrower and its Subsidiaries, taken as a whole, since the date of the Financial Statements delivered to the Lender.

8.28 Disclosure. Neither this Agreement nor any document or statement furnished to the Lender by or on behalf of such Borrower hereunder contains any untrue statement of a material fact or omits to state any material fact necessary in order to make the statements contained herein or therein not misleading.

8.29 Fiscal Year. Such Borrower and each of its Subsidiaries maintains a Fiscal Year ending December 31.

9. AFFIRMATIVE AND NEGATIVE COVENANTS. Each Borrower covenants that, so long as any of the Obligations remain outstanding or this Agreement is in effect:

9.1 Taxes and Other Obligations. Such Borrower and each of its Subsidiaries shall: (a) file when due or within any extension period applied for all tax returns and other reports which it is required to file, pay, or provide for the payment, when due, or prior to delinquency, of all taxes, fees, assessments and other governmental charges against it or upon its Property, income, and franchises, make all required withholding and other tax deposits, and establish adequate reserves for the payment of all such items, other than taxes that such Borrower believes are not due and which, if the same were overdue and unpaid, would not result in a significant adverse impact on such Borrower, and shall provide to the Lender, upon request, satisfactory evidence of its timely compliance with the foregoing; and (b) pay when due all Debt owed by it and perform and discharge in a timely manner all other material obligations undertaken by it; provided, however that such Borrower and its Subsidiaries need not pay any tax, fee, assessment, governmental charge, or Debt, or perform or discharge any other obligation, that it is contesting in good faith by appropriate proceedings diligently pursued.

9.2 Corporate Existence and Good Standing. Such Borrower and each of its Subsidiaries shall maintain its corporate existence and its qualification and good standing in all states necessary to conduct its business and own its Property, other than such where the failure to be so qualified would have a significant adverse impact on such Borrower, and shall obtain and maintain all licenses, permits, franchises and governmental authorizations necessary to conduct its business and own its Property.

9.3 Compliance with Law and Agreements. Such Borrower and each of its Subsidiaries shall comply with the terms and provisions of each judgment, law, statute, rule, and governmental regulation applicable to it and each contract, mortgage, lien, lease, indenture, order, instrument, agreement, or document to which it is a party or by which it is bound.

9.4 Maintenance of Property and Insurance. Such Borrower and each of its Subsidiaries shall: (a) maintain all of its Property necessary and useful in its business in good operating condition and repair, ordinary wear and tear excepted; and (b)

in addition to the insurance required by Section 6.7, maintain with financially sound and reputable insurers such other insurance with respect to its Property and business against casualties and contingencies of such types (including, without limitation, business interruption, flood, environmental liability, public liability, product liability, and larceny, embezzlement or other criminal misappropriation) and in such amounts as is customary for Persons of established reputation engaged in the same or a similar business and similarly situated, naming the Lender, at its request, as additional insured under each such policy.

9.5 Environmental Laws. Such Borrower and each of its Subsidiaries shall conduct its business in full compliance with all applicable Environmental Laws, including, without limitation, those relating to the generation, handling, use, storage, and disposal of hazardous and toxic wastes and substances. Such Borrower and each of its Subsidiaries shall take prompt and appropriate action to respond to any non-compliance with Environmental Laws and shall regularly report to the Lender on such response. Without limiting the generality of the foregoing, whenever such Borrower gives notice to the Lender pursuant to Section 7.3(g), such Borrower shall, at the Lender's request and such Borrower's expense: (a) cause an independent environmental engineer acceptable to the Lender to conduct such tests of the site where such Borrower's or any Subsidiary's noncompliance or alleged non-compliance with Environmental Laws has occurred and prepare and deliver to the Lender a report setting forth the results of such tests, a proposed plan for responding to any environmental problems described therein, and an estimate of the costs thereof; and (b) provide to the Lender a supplemental report of such engineer whenever the scope of the environmental problems, or such Borrower's response thereto or the estimated costs thereof, shall change.

9.6 ERISA. Such Borrower shall cause each Plan to be qualified within the meaning of Section 401(a) of the Code and to be administered in all respects in compliance with ERISA and Section 401(a) of the Code.

9.7 Mergers, Consolidations, Acquisitions, or Sales. Neither such Borrower nor any of its Subsidiaries shall enter into any transaction of merger, reorganization, or consolidation, or acquire all or any substantial portion of the assets of any third party or transfer, sell, assign, lease, or otherwise dispose of all or any part of its Property, or wind up, liquidate or dissolve, or agree to do any of the foregoing, except (a) sales of Inventory in the ordinary course of its business or as otherwise expressly permitted hereby, (b) transactions involving Property of such Borrower or any of its Subsidiaries (other than any Collateral) which transactions relate to such Property having a value, in the aggregate during any Fiscal Year of such Borrower, of not more than \$100,000, (c) loans and other payments by such Borrower to its Subsidiaries in the aggregate at any time outstanding not exceeding \$750,000, and (d) distributions and other transfers by such Subsidiaries to such Borrower.

9.8 Distributions; Capital Changes. Such Borrower shall not make any change in its capital structure which could adversely affect the repayment of the

Obligations. Such Borrower shall not directly or indirectly declare or make, or incur any liability to make, any Distribution except that: (a) so long as no Event of Default then exists, Miller Zell may make Distributions pursuant to the Stock Repurchase Plan, and (b) at any time that an Event of Default exists, Miller Zell may make Distributions pursuant to the Stock Repurchase Plan only in the form of subordinated promissory notes on terms and conditions reasonably acceptable to the Lender.

9.9 Transactions Affecting Collateral or Obligations. Such Borrower shall not enter into any transaction which materially and adversely affects the Collateral or such Borrower's ability to repay the Obligations.

9.10 Guaranties. Such Borrower shall not make, issue, or become liable on any Guaranty, except (a) Guarantees in favor of the Lender and endorsements of instruments for deposit, (b) Guarantees of amounts at any time outstanding in the aggregate not exceeding \$100,000, and (c) Guarantees of the obligations of any Subsidiary (except that for purposes of this Section 9.10, Subsidiary shall not include Miller Zell S.R.L.), not exceeding, in the aggregate at any time outstanding, together with any amounts included under Section 9.7(c), \$750,000; provided, however, that the Guarantees issued by Miller Zell in connection the Stock Purchase Agreement in favor of Janco Company, LLC (the CDI landlord) and Gerald Lewis, Joseph Bona and Ralph Sloan (the CDI selling shareholders) shall not be considered or included in determining compliance with this Section 9.10(c).

9.11 Debt. Such Borrower shall not incur or maintain any Debt, other than: (a) the Obligations; (b) trade payables and contractual obligations to employees, suppliers and customers incurred in the ordinary course of business; (c) accrued pension fund and other employee benefit plan obligations and liabilities, (d) accrued taxes, (e) with respect to ISD Holdings, Inc., liabilities in respect of the Stock Purchase Plan, (f) Capital Leases permitted by this Agreement, and (g) other Debt not exceeding, in the aggregate, \$150,000.

9.12 Transactions with Affiliates. Except as set forth below or otherwise permitted herein, such Borrower shall not: sell, transfer, distribute, or pay any money or Property to any Affiliate, or lend or advance money or Property to any Affiliate, or invest in (by capital contribution or otherwise) or purchase or repurchase any Stock or indebtedness, or any Property, of any Affiliate, or become liable on any Guaranty of the indebtedness, dividends, or other obligations of any Affiliate except as permitted by Section 9.10(c).

9.13 Investment Banking and Finder's Fees. Such Borrower shall not pay or agree to pay any investment banking or similar or related fee, underwriter's fee, finder's fee, or broker's fee to any Person in connection with this Agreement. Such Borrower shall defend and indemnify the Lender against and hold it harmless from all claims of any Person for any such fees, and all costs and expenses (including, without limitation, attorneys' fees) incurred by the Lender in connection therewith.

9.14 Business Conducted. Such Borrower shall not engage, directly or indirectly, in any line of business other than the businesses in which such Borrower is engaged on the date hereof.

9.15 Liens. Neither such Borrower nor any of its Subsidiaries shall create, incur, assume, or permit to exist any Lien on any of its Property now owned or hereafter acquired by any of them, except Permitted Liens.

9.16 Sale and Leaseback Transactions. Such Borrower shall not directly or indirectly, enter into any arrangement with any Person providing for such Borrower to lease or rent Property that such Borrower has or will sell or otherwise transfer to such Person.

9.17 New Subsidiaries. Such Borrower shall not, directly or indirectly, organize or acquire any Subsidiary that is not listed on Schedule 8.5 hereto.

9.18 Restricted Investments. Such Borrower shall not make any Restricted Investment.

9.19 General Intangibles. Such Borrower shall not transfer, sell, assign, lease or otherwise dispose of any of such Borrower's registered patents, patent applications, trademarks or registered copyrights, or create, incur, assume or permit to exist any Lien on any of such Borrower's General Intangibles.

9.20 Capital Expenditures. Such Borrower and its Subsidiaries shall not make or incur any Capital Expenditure if, after giving effect thereto, the aggregate amount of all Capital Expenditures by the Borrowers and their Subsidiaries, in the aggregate, exceed the following: (i) for that Fiscal Year ending December 31, 1999, \$2,500,000, (ii) for that Fiscal Year ending December 31, 2000, \$2,500,000, or (iii) for that Fiscal Year ending December 31, 2001, \$2,600,000.

9.21 Fixed Charge Coverage Ratio. As of the last day of each Fiscal Quarter, such Borrower will maintain a ratio of (a) EBITDA for the four (4) Fiscal Quarters then most recently ended to (b) Debt Service for such period of not less than 1.25 to 1.00.

9.22 Funded Debt Ratio. As of the last day of each Fiscal Quarter, such Borrower will maintain a ratio of (a) Funded Debt to (b) EBITDA for the four (4) Fiscal Quarters then most recently ended, of not more than 4.50 to 1.00.

9.23 Tangible Net Worth. Such Borrower's Tangible Net Worth, as of the last day of any Fiscal Year, shall be at least \$350,000 more than such Borrower's Tangible Net Worth as of the last day of the immediately preceding Fiscal Year.

9.24 Availability. [INTENTIONALLY OMITTED]

9.25 Tangible Net Worth Ratio. As of the last day of any Fiscal Quarter, the ratio of (a) such Borrower's Debt to (b) such Borrower's Tangible Net Worth shall not exceed 4.25 to 1.00; provided, however, that billings in excess of costs and estimated earnings on incomplete projects shall offset costs and estimated earnings in excess of billings on incomplete projects and vice versa.

9.26 Further Assurances. Such Borrower shall execute and deliver, or cause to be executed and delivered, to the Lender such documents and agreements, and shall take or cause to be taken such actions, as the Lender may, from time to time, reasonably request to carry out the terms and conditions of this Agreement and the other Loan Documents.

9.27 Quarterly Compliance Certificates. At the time the financial statements are furnished pursuant to Section 7.2 hereof with respect to each calendar quarter end, a certificate of the Borrowers' Agent, in the form of Exhibit G attached hereto:

(a) Setting forth as at the end of such quarter or year, as the case may be, the arithmetical calculations required to establish whether or not the
--- Borrowers were in compliance with the requirements of Sections 9.20, 9.21, 9.22 and 9.25 hereof; and

(b) Stating that no Default or Event of Default has occurred as at the end of such quarter or year, as the case may be, or, if a Default or an Event of Default has occurred, disclosing each such Default or Event of Default and its nature, when it occurred, whether it is continuing, and the steps being taken by the Borrowers with respect to such Default or Event of Default.

10. CLOSING; CONDITIONS TO CLOSING. The Lender will not be obligated to make any Loans or issue any Letters of Credit unless the following conditions precedent have been satisfied as determined by the Lender:

10.1 Representations and Warranties; Covenants; Events. The representations and warranties by each Borrower contained in this Agreement and the other Loan Documents shall be correct and complete. Each Borrower shall have performed and complied with all covenants, agreements, and conditions contained herein and in the other Loan Documents which are required to have been performed or complied with; and there shall exist no Default or Event of Default.

10.2 Delivery of Documents. Each Borrower shall have delivered, or cause to be delivered, to the Lender the Notes, the Loan Certificates and any documents required to be delivered by this Agreement and such other documents, instruments and agreements as the Lender shall request in connection herewith, duly executed by all parties thereto other than the Lender, and in form and substance satisfactory to the Lender and its counsel.

10.3 Termination of Existing Debt. The Lender shall have received evidence satisfactory to it that Miller Zell's Existing Debt has been or upon funding of the Loans by Lender will be, satisfied and that all documents executed in connection therewith have been or will be cancelled or terminated.

10.4 Termination of Liens. The Lender shall have received duly executed such UCC-3 Termination Statements and other instruments, in form and substance satisfactory to the Lender, as shall be necessary to terminate and satisfy all Liens on the Property of each Borrower and its Subsidiaries except Permitted Liens.

10.5 [Reserved]. [INTENTIONALLY OMITTED]

10.6 Required Approvals. The Lender shall have received certified copies of all consents or approvals of any Public Authority or other Person which the Lender reasonably determines is required in connection with the transactions contemplated by this Agreement, including without limitation appropriate landlord waivers in form and substance satisfactory to Lender from each landlord or lessor of any Premises of any Borrower.

10.7 No Material Adverse Change. There shall have occurred no material adverse change in the business or financial condition of any Borrower or in the condition of the Collateral since December 31, 1998, and the Lender shall have received a certificate of each Borrower's chief financial officer to such effect.

10.8 Excess Availability. The Lender shall have received the initial Borrowing Base Certificate or other evidence satisfactory to it, together with a closing certificate in form and substance acceptable to the Lender that each Borrower has, as of the date hereof, after giving effect to payment of all fees and expenses contemplated under this Agreement to be paid to the Lender and its counsel on the date hereof and the repayment of the Existing Debt, Availability of not less than \$1,000,000.

10.9 Proceedings. All proceedings to be taken in connection with the transactions contemplated by this Agreement, and all documents, instruments, guaranties and other assignments incident hereto or contemplated in connection herewith (whether or not forms thereof are annexed hereto as Exhibits), shall be satisfactory in form and substance to the Lender and its counsel. Each Borrower's Subsidiaries shall have executed and delivered to the Lender a Subsidiary Security Agreement.

10.10 Collateral Assignment of Life Insurance. Miller Zell shall have collaterally assigned to the Lender a key man life insurance policy in a face amount of not less than \$1,000,000 on the life of Harmon B. (Sandy) Miller, III pursuant to an assignment agreement in form and substance satisfactory to Lender.

10.11 Lockbox Account. Each Borrower shall have executed and delivered to the Lender the Lockbox Account Agreement.

10.12 Opinion. The Lender shall have received an opinion of counsel for the Borrowers in form and substance satisfactory to Lender and its counsel.

10.13 [Reserved]. [INTENTIONALLY OMITTED]

10.14 Letter of Credit Agreement. Each Borrower shall have executed and delivered the Letter of Credit Agreement.

11. DEFAULT; REMEDIES.

11.1 Events of Default. It shall constitute an event of default ("Event of Default") if any one or more of the following shall occur for any reason:

(a) any failure to pay (i) the principal any of the Obligations when due, or whether upon demand or otherwise, or (ii) interest or other charges in respect of any of the Obligations when due, which failure continues two (2) Business Days after the Lender has given the applicable Borrower written notice of such failure, whether upon demand or otherwise;

(b) any representation or warranty made by any Borrower or any Subsidiary in this Agreement, any of the other Loan Documents, any Financial Statement, or any certificate furnished by any Borrower at any time to the Lender shall prove to be untrue in any material respect as of the date on which made;

(c) any default shall occur under any of the Loan Documents (other than this Agreement) and such default shall continue unremedied ten (10) days after the first to occur of the Lender's giving of notice thereof to the applicable Borrower or the date on which the applicable Borrower should have known, in the exercise of reasonable diligence, of the existence of such default;

(d) default shall occur in the observance or performance of any of the covenants and agreements contained in this Agreement (not otherwise referred to in this Section 11.1) and such default shall continue unremedied ten (10) days after the first to occur of the Lender's giving of notice thereof to the applicable Borrower or the date on which the applicable Borrower should have known, in the exercise of reasonable diligence, of the existence of such default;

(e) default shall occur in (i) the payment of any principal, interest or premium with respect to any Debt for borrowed money or any indebtedness for borrowed money of any Borrower in an outstanding principal amount in excess of \$100,000 or under any agreement or instrument under or pursuant to which any such Debt or indebtedness may have been issued, created, assumed, or guaranteed by any Borrower and such default shall continue for more than the period of grace, if any, therein specified, or if any such Debt or indebtedness shall be declared due and payable prior to the stated maturity thereof or (ii) any material

lease which default permits the Landlord to accelerate the rent or exercise any other remedies;

(f) any Borrower, any of its Subsidiaries or any Guarantor shall: (i) file a voluntary petition in bankruptcy or file a voluntary petition or an answer or otherwise commence any action or proceeding seeking reorganization, arrangement or readjustment of its or his debts or for any other relief under the Federal Bankruptcy Code, as amended, or under any other bankruptcy or insolvency act or law, state or federal, now or hereafter existing, or consent to, approve of, or acquiesce in, any such petition, action or proceeding; (ii) apply for or acquiesce in the appointment of a receiver, assignee, liquidator, sequestrator, custodian, trustee or similar officer for it or for all or any part of its or his Property; (iii) make an assignment for the benefit of creditors; or (iv) be unable generally to pay its or his debts as they become due;

(g) an involuntary petition shall be filed or an action or proceeding otherwise commenced seeking reorganization, arrangement or readjustment of any Borrower's, any of its Subsidiaries' or any Guarantor's debts or for any other relief under the Federal Bankruptcy Code, as amended, or under any other bankruptcy or insolvency act or law, state or federal, now or hereafter existing which petition is not dismissed within sixty (60) days of the date when filed;

(h) a receiver, assignee, liquidator, sequestrator, custodian, trustee or similar officer for any Borrower, any of its Subsidiaries or any Guarantor or for all or any part of its Property shall be appointed involuntarily; or a warrant of attachment, execution or similar process shall be issued against any material part of the Property of any Borrower, any of its Subsidiaries or any Guarantor;

(i) any Borrower shall file a certificate of dissolution under applicable state law or shall be liquidated, dissolved or wound-up or shall commence or have commenced against it any action or proceeding for dissolution, winding-up or liquidation, or shall take any corporate action in furtherance thereof;

(j) all or any part of the Property of any Borrower or any Guarantor shall be nationalized, expropriated or condemned, seized or otherwise appropriated, or custody or control of such Property or of any Borrower shall be assumed by any Public Authority or any court of competent jurisdiction at the instance of any Public Authority, except where contested in good faith by proper proceedings diligently pursued where a stay of enforcement is in effect;

(k) any guaranty of the Obligations shall be terminated, revoked or declared void or invalid;

(l) one or more final judgments for the payment of money aggregating in excess of \$100,000 (whether or not covered by insurance) shall be rendered against any Borrower or any of its Subsidiaries and such Borrower or such

Subsidiary, as applicable, shall fail either to (i) discharge the same within thirty (30) days from the date of notice of entry thereof or (ii) appeal therefrom;

(m) any loss, theft, damage or destruction of any item or items of Collateral occurs which: (i) materially and adversely affects the operation of any Borrower's business; or (ii) is material in amount and is not adequately covered by insurance;

(n) Harmon B. (Sandy) Miller, III ceases to (i) own at least fifty-one percent (51%) of the voting capital stock of ISD free and clear of any Liens, and (ii) control, directly or indirectly, the election or appointment of not less than a simple majority of the members of the board of directors of each Borrower;

(o) [INTENTIONALLY OMITTED];

(p) any event or condition shall occur or exist with respect to a Plan that could, in the Lender's judgment, subject any Borrower or any of its Subsidiaries to any tax, penalty or other liabilities under ERISA or the Code in the aggregate material in relation to the business, operations, Property or financial or other condition of such Borrower or such Subsidiary; or

(q) there occurs any material adverse change in the Property, business, operations, or condition (financial or otherwise) of any Borrower.

11.2 Remedies. (a) If an Event of Default exists, the Lender may, without notice to or demand on the Borrowers, or any of them, do one or more of the following at any time or times and in any order: (i) reduce the Availability or one or more of the elements thereof; (ii) restrict the amount of or refuse to make Revolving Loans and restrict or refuse to issue Letters of Credit; (iii) terminate this Agreement; (iv) declare any or all Obligations to be immediately due and payable (provided however that upon the occurrence of any Event of Default described in Sections 11.1(e), 11.1(f), 11.1(g), or 11.1(h), all Obligations shall automatically become immediately due and payable); and (v) pursue its other rights and remedies under the Loan Documents and applicable law.

(b) If an Event of Default exists: (i) the Lender shall have, in addition to all other rights, the rights and remedies of a secured party under the UCC; (ii) the Lender may, at any time, take possession of the Collateral and keep it on any Borrower's Premises, at no cost to the Lender, or remove any part of it to such other place or places as the Lender may desire, or each Borrower shall, upon the Lender's demand, at such Borrower's cost, assemble the Collateral and make it available to the Lender at a place reasonably convenient to the Lender; and (iii) the Lender may sell and deliver any Collateral at public or private sales, for cash, upon credit or otherwise, at such prices and upon such terms as the Lender deems advisable, in its sole discretion, and may, if the Lender deems it reasonable, postpone or adjourn any sale of the Collateral by an announcement at the time and

place of sale or of such postponed or adjourned sale without giving a new notice of sale. Without in any way requiring notice to be given in the following manner, each Borrower agrees that any notice by the Lender of sale, disposition or other intended action hereunder or in connection herewith, whether required by the UCC or otherwise, shall constitute reasonable notice to such Borrower if such notice is mailed by registered or certified mail, return receipt requested, postage prepaid, or is delivered personally against receipt, at least five (5) days prior to such action to such Borrower's address specified in or pursuant to Section 12.10. If any Collateral is sold on terms other than payment in full at the time of sale, no credit shall be given against the Obligations until the Lender receives payment, and if the buyer defaults in payment, the Lender may resell the Collateral without further notice to such Borrower. In the event the Lender seeks to take possession of all or any portion of the Collateral by judicial process, such Borrower irrevocably waives: (a) the posting of any bond, surety or security with respect thereto which might otherwise be required; (b) any demand for possession prior to the commencement of any suit or action to recover the Collateral; and (c) any requirement that the Lender retain possession and not dispose of any Collateral until after trial or final judgment. Each Borrower agrees that the Lender has no obligation to preserve rights to the Collateral or marshal any Collateral for the benefit of any Person. The Lender is hereby granted a license or other right to use, without charge, such Borrower's labels, Premises, equipment, patents, copyrights, name, trade secrets, trade names, trademarks, and advertising matter, or any similar property, in completing production of, advertising or selling any Collateral, and such Borrower's rights under all licenses and all franchise agreements shall inure to the Lender's benefit. The proceeds of sale shall be applied first to all expenses of sale, including attorneys' fees, and second, in whatever order the Lender elects, to all Obligations. The Lender will return any excess to the Borrowers or such other Person as shall be legally entitled thereto and each Borrower jointly and severally shall remain liable for any deficiency.

(c) If an Event of Default occurs, each Borrower hereby waives all rights to notice and hearing prior to the exercise by the Lender of the Lender's rights to repossess the Collateral without judicial process or to replevy, attach or levy upon the Collateral without notice or hearing.

12. MISCELLANEOUS.

12.1 Cumulative Remedies; No Prior Recourse to Collateral. The enumeration herein of the Lender's rights and remedies is not intended to be exclusive, and such rights and remedies are in addition to and not by way of limitation of any other rights or remedies that the Lender may have under the UCC or other applicable law. The Lender shall have the right, in its sole discretion, to determine which rights and remedies are to be exercised and in which order. The exercise of one right or remedy shall not preclude the exercise of any others, all of which shall be cumulative. The Lender may, without limitation, proceed directly against the Borrowers, or any of them, or any guarantor, to collect the Obligations without any prior recourse to the Collateral.

12.2 No Implied Waivers. No act, failure or delay by the Lender shall constitute a waiver of any of its rights and remedies. No single or partial waiver by the Lender of any provision of this Agreement or any other Loan Document, or of breach or default hereunder or thereunder, or of any right or remedy which the Lender may have, shall operate as a waiver of any other provision, breach, default, right or remedy or of the same provision, breach, default, right or remedy on a future occasion. No waiver by the Lender shall affect its rights to require strict performance of this Agreement.

12.3 Severability. If any provision of this Agreement shall be prohibited or invalid, under the applicable law of any jurisdiction, it shall be invalid only to such extent within such jurisdiction, without invalidating the remainder of this Agreement and without invalidating such provision in any other jurisdiction.

12.4 Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of Georgia, excluding its principles of conflicts of law.

12.5 Waiver of Jury Trial, Etc. EACH BORROWER AND THE LENDER EACH HEREBY WAIVES TRIAL BY JURY IN ANY LITIGATION IN ANY COURT WITH RESPECT TO, IN CONNECTION WITH, OR ARISING OUT OF THIS AGREEMENT, THE OTHER LOAN DOCUMENTS, THE OBLIGATIONS OR THE COLLATERAL, OR ANY INSTRUMENT OR DOCUMENT DELIVERED PURSUANT HERETO OR THERETO, OR ANY OTHER CLAIM OR DISPUTE HOWSOEVER ARISING, AMONG THE BORROWERS, OR ANY OF THEM, AND THE LENDER. IN ADDITION, EACH BORROWER WAIVES ANY CLAIM OF SETOFF AND ANY COUNTERCLAIM IN CONNECTION WITH ANY SUCH DISPUTE.

12.6 Survival of Representations and Other Matters. All of the Borrowers' representations and warranties contained in this Agreement shall survive the execution, delivery, and acceptance thereof by the parties, notwithstanding any investigation by the Lender or its agents. Sections 4.3, 4.6, 12.8 and 12.10, and any other section which in accordance with its terms is intended to survive the termination of this Agreement, shall survive the termination of this Agreement.

12.7 Other Security and Guaranties. The Lender may, without notice or demand and without affecting the Borrowers' obligations hereunder, from time to time: (a) take from any Person and hold collateral (other than the Collateral) for the payment of all or any part of the Obligations and exchange, enforce or release such collateral or any part thereof; and (b) accept and hold any endorsement or guaranty of payment of all or any part of the Obligations and release or substitute any such endorser or guarantor, or any Person who has given any Lien in any other collateral as security for the payment of all or any part of the Obligations, or any other Person in any way obligated to pay all or any part of the Obligations.

(a) If after the date hereof the adoption of any applicable law, or any change in any applicable law (whether adopted before or after the date of this Agreement), or any interpretation or change in interpretation or administration thereof by any governmental authority, central bank or comparable agency charged with the interpretation or administration thereof or compliance by the Lender with any directive (whether or not having the force of law) of any such authority, central bank or comparable agency:

(i) shall subject the Lender to any tax, duty or other charge with respect to its obligation to make LIBOR Rate Loans, or its LIBOR Rate Loans, or shall change the basis of taxation of payments to the Lender of the principal of or interest on its LIBOR Rate Loans or in respect of any other amounts due under this Agreement, in respect of its LIBOR Rate Loans or its obligation to make LIBOR Rate Loans (except for changes in the rate or method of calculation of tax on the overall net income of the Lender); or

(ii) shall impose, modify or deem applicable any reserve (including, without limitation, any imposed by the Board of Governors of the Federal Reserve System, but excluding any included in any applicable Eurodollar Reserve Percentage), special deposit, capital adequacy, assessment or other requirement or condition against assets of, deposits with or for the account of, or commitments or credit extended by, the Lender or shall impose on the Lender or the London interbank borrowing market any other condition affecting its obligation to make LIBOR Rate Loans;

and the result of any of the foregoing is to increase the cost to the Lender of making or maintaining any LIBOR Rate Loans, or to reduce the amount of any sum received or receivable by the Lender under this Agreement then, on the earlier of the date within five (5) days after demand by the Lender or the Maturity Date, the Borrowers shall pay to such Lender such additional amount or amounts as will compensate such Lender for such increased costs.

(b) Each Borrower shall jointly and severally indemnify the Lender (to the extent the Lender is not already indemnified under Section 4.3 of this Agreement) against any loss (including, without limitation, loss of profits) or expense (including, but not limited to, any loss or expense sustained or incurred or to be sustained or incurred in liquidating or employing deposits from third parties acquired to affect or maintain any Loan or part thereof as a LIBOR Rate Loan) which the Lender may sustain or incur as a consequence of the following events (regardless of whether such events occur as a result of the occurrence of a Default or an Event of Default or the exercise of any right or remedy of the Lender hereunder or under any other agreement, or at law): any failure of the Borrowers to fulfill on the date of any borrowing hereunder the applicable conditions set forth herein applicable to it; any failure of the Borrowers to borrow

hereunder after irrevocable notice of borrowing pursuant to Article 2 has been given; any payment, prepayment or conversion of a LIBOR Rate Loan on a date other than the last day of the relevant Interest Period; any default in payment or prepayment of the principal amount of any LIBOR Rate Loan or any part thereof or interest accrued thereon, as and when due and payable (at the due date thereof, by irrevocable notice of prepayment or otherwise) or the occurrence of an Event of Default. Such loss or expense shall include, without limitation, an amount equal to the excess, if any, of (i) the amount of interest which would have accrued on the principal amount so paid, prepaid or converted or not borrowed for the period from the date of such payment, prepayment or conversion or failure to borrow to the last day of the Interest Period for such LIBOR Rate Loan (or, in the case of a failure to borrow, the Interest Period for such Revolving Loan which would have commenced on the date of such failure to borrow), at the applicable rate of interest for such Revolving Loan provided for herein over (ii) the amount of interest (as reasonably determined by the Lender) that would be realized by the Lender in reemploying the funds so paid, prepaid or converted or not borrowed in United States Treasury obligations with comparable maturities for comparable periods. The Lender shall provide to the Borrowers a statement, signed by an officer of the Lender, explaining any loss or expense and such statement shall be conclusive absent manifest error. The Borrowers shall pay the Lender the amount shown as due on any such statement within ten (10) days after the receipt of the same.

(c) If any Borrower makes a payment under subsection (a) of this Section and Lender has received or been granted a credit against, or relief or remission or repayment of, any tax paid or payable by it (a "Tax Credit") which, in the opinion of Lender, is attributable to such payment, Lender will, to the extent that it considers it can do so without prejudice to the retention of the amount of such credit, relief, remission or repayment, pay to such Borrower such amount, as in the opinion of Lender, is attributable to such payment and which Lender considers will leave Lender in no better or worse position than it would have been if such Borrower had not been required to make such payment. Nothing in this Section will interfere with Lender's right to arrange its tax affairs in whatever manner it deems appropriate, and without limiting the foregoing, Lender will not be under any obligation to claim a Tax Credit or to claim a Tax Credit in priority to any other claims, relief, credit or deduction available to Lender. Lender will not be obligated to disclose any information relating to its tax affairs or any computations in respect thereof to the Borrowers or any other person.

12.9 Fees and Expenses; Notices. Each Borrower shall pay to the Lender on demand all reasonable costs and expenses that the Lender pays or incurs in connection with the negotiation, preparation, consummation, administration, enforcement, and termination of this Agreement and the other Loan Documents, including, without limitation: (a) attorneys' and paralegals' fees and disbursements of

counsel to the Lender; (b) costs and expenses (including attorneys' and paralegals' fees and disbursements) for any amendment, supplement, waiver, consent, or subsequent closing in connection with the Loan Documents and the transactions contemplated thereby; (c) costs and expenses of lien and title searches and title insurance; (d) taxes, fees and other charges for recording mortgages, filing financing statements and continuations, and other actions to perfect, protect, and continue the Security Interest; (e) sums paid or incurred to pay any amount or take any action required of such Borrower under the Loan Documents that such Borrower fails to pay or take; (f) costs of appraisals, inspections, and verifications of the Collateral, including, without limitation, travel, lodging, and meals; (g) costs and expenses of forwarding loan proceeds, collecting checks and other items of payment, and establishing and maintaining Lockbox Accounts and lock boxes (as provided for in the Lockbox Agreement); (h) costs and expenses of preserving and protecting the Collateral; and (i) costs and expenses (including attorneys' and paralegals' fees) and disbursements paid or incurred to obtain payment of the Obligations, enforce the Security Interest, sell or otherwise realize upon the Collateral, and otherwise enforce the provisions of the Loan Documents, or to defend any claims made or threatened against the Lender arising of the transactions contemplated hereby (including without limitation, preparations for and consultations concerning any such matters). The foregoing shall not be construed to limit any other provisions of the Loan Documents regarding costs and expenses to be paid by such Borrower. All of the foregoing costs and expenses shall be charged to the Borrowers' Loan Account as Revolving Loans. Except as otherwise provided herein, all notices, demands and requests that either party is required or elects to give to the other shall be in writing, shall be delivered personally against receipt, or sent by recognized overnight courier service, or mailed by registered or certified mail, return receipt requested, postage prepaid, or sent by telecopy, and shall be addressed to the party to be notified as follows:

If to the Lender:

SunTrust Bank
25 Park Place, 26th Floor
Atlanta, Georgia 30303
Attention: Dan Bromstad
Telecopy: (404) 575-2693

with a copy to:

Paul, Hastings, Janofsky & Walker, LLP
600 Peachtree Street, N.E.
Suite 2400
Atlanta, Georgia 30308
Attention: Chris D. Molen, Esq.
Telecopy: (404) 815-2424

If to the Borrowers, to
the Borrowers' Agent:

ISD Holdings, Inc.
4715 Frederick Drive

Atlanta, Georgia 30336
Attention: Gary Meyer
Telecopy: (404) 699-2189

with a copy to:

Bodker, Ramsey & Andrews
1800 Peachtree Street, N.W.
Atlanta, Georgia 30309
Attention: Brian Bodker, Esq.
Telecopy: (404) 352-1285

and with a copy (but
only of any notice
under Sections 11.1 or
11.2 hereof) to:

Mr. Harmon B. Miller
16 Chatham Drive
Atlanta, GA 30305

or to such other address as each party may designate for itself by like notice. Any such notice, demand, or request shall be deemed given when received, if personally delivered or sent by overnight courier or telecopy (with confirmation by telephone), or when deposited in the United States mails, postage paid, if sent by registered or certified mail. Copies shall be provided to persons other than parties hereto only in the case of Notices under Article 11.

12.10 Indemnity. Each Borrower jointly and severally shall indemnify and hold the Lender and each of its directors, officers, employees, Affiliates, attorneys and agents (collectively referred to herein as the "Lender Indemnitees") harmless from and against any and all liabilities, obligations, losses, damages, penalties, actions, judgments, suits, claims, costs, expenses and disbursements of any kind or nature whatsoever (including, without limitation, any actual and reasonable expenses (including attorneys' fees and the allocated cost of in-house counsel) incurred by any such Lender Indemnatee in connection with any investigation in connection with any such matter, whether or not any such Lender Indemnatee shall be designated a party thereto) which may be imposed on, incurred by or asserted against such Lender Indemnitees by any Person other than the Lender with which such Lender Indemnatee is affiliated (whether direct, indirect or consequential and whether based on any federal or state laws or other statutory regulations, including, without limitation, securities, environmental and commercial laws and regulations, under common law or at equitable cause, or on contract or otherwise) in any manner relating to or arising out of this Agreement, any term sheets or commitment letters relating thereto, any other Loan Documents, or any act, event or transaction related or attendant thereto; or to the making of Loans hereunder, or the management of the Loans (including any liability under federal, state or local environmental laws or regulations), the use or intended use of the proceeds of the Loans; provided, however, that such Borrower shall not be obligated to indemnify any Lender Indemnatee in connection with any such matter proximately resulting from the Lender's

breach of this Agreement, gross negligence or willful misconduct in each case as finally determined by a court of competent jurisdiction.

12.11 Waiver of Notices. Unless otherwise expressly provided herein, each Borrower waives presentment, protest and notice of demand or dishonor and protest as to any instrument, as well as any and all other notices to which it might otherwise be entitled. No notice to or demand on such Borrower which the Lender may elect to give shall entitle such Borrower to any or further notice or demand in the same, similar or other circumstances.

12.12 Binding Effect; Assignment. The provisions of this Agreement shall be binding upon and inure to the benefit of the respective representatives, successors and assigns of the parties hereto; provided, however, that no interest herein may be assigned by the Borrowers, or any of them, without the prior written consent of the Lender. The Lender will notify the Borrowers following any assignment of this Agreement or the Loans. The rights and benefits of the Lender hereunder shall, if the Lender so agrees, inure to any party acquiring any interest in the Obligations or any part thereof.

12.13 Modification. This Agreement is intended by the Borrowers and the Lender to be the final, complete, and exclusive expression of the agreement between them. **THIS AGREEMENT IS MADE IN REPLACEMENT OF THAT CERTAIN LOAN AND SECURITY AGREEMENT DATED AS OF AUGUST 27, 1996, AS AMENDED, BETWEEN MILLER-ZELL AND THE LENDER AND IS NOT INTENDED TO BE A NOVATION.** This Agreement supersedes any and all prior oral or written agreements relating to the subject matter hereof. No modification, rescission, waiver, release, or amendment of any provision of this Agreement shall be made, except by a written agreement signed by the Borrowers and a duly authorized officer of the Lender.

12.14 Counterparts. This Agreement may be executed in any number of counterparts, and by the Lender and the Borrowers in separate counterparts, each of which shall be an original, but all of which shall together constitute one and the same agreement. Delivery of a counterpart by facsimile shall be deemed delivery of an original.

12.15 Captions. The captions contained in this Agreement are for convenience only, are without substantive meaning and should not be construed to modify, enlarge, or restrict any provision.

12.16 Right of Setoff. Whenever an Event of Default exists, the Lender is hereby authorized at any time and from time to time, to the fullest extent permitted by law, to set off and apply any and all deposits (general or special, time or demand, provisional or final) at any time held and other indebtedness at any time owing by the Lender or any affiliate of the Lender to or for the credit or the account of the Borrowers against any and all of the Obligations, whether or not then due and payable.

Lender agrees promptly to notify Borrowers after any such setoff and application made by Lender, provided that the failure to give such notice shall not affect the validity of such setoff and application.

12.17 Borrowers' Agent. Each of the Borrowers hereby appoints the Borrowers' Agent as, and the Borrowers' Agent shall act under this Agreement as, the agent, attorney-in-fact and legal representative of such other Borrowers for all purposes, including requesting any borrowing and receiving account statements and other notices and communications to the Borrowers (or any of them) from the Lender. The Lender may rely, and shall be fully protected in relying, on any notice or request, disbursement instruction, report, information or any other notice or communication made or given by the Borrowers' Agent, whether in its own name, on behalf of any other Borrower or on behalf of "the Borrowers," and the Lender shall have no obligation to make any inquiry or request any confirmation from or on behalf of any other Borrower as to the binding effect on it of any such notice, request, instruction, report, information, other notice or communications, nor shall the joint and several character of the Borrowers' liability for the Obligations be affected, provided that the provisions of this Section 12.17 shall not be construed so as to preclude any Borrower from directly requesting borrowings or taking other actions permitted to be taken by "a Borrower" hereunder. The Lender intends to maintain a single Loan Account in the name of "ISD Holdings, Inc." hereunder and each Borrower expressly agrees to such arrangement and confirms that such arrangement shall have no effect on the joint and several character of its liability for the Obligations.

12.18 Joint and Several Liability.

(a) Joint and Several Liability. The Obligations shall constitute one joint and several direct and general obligation of all of the Borrowers. Notwithstanding anything to the contrary contained herein, each of the Borrowers shall be jointly and severally, with each other Borrower, directly and unconditionally liable to the Lender for all Obligations and shall have the obligations of co-maker with respect to the Loans, the Notes and the Obligations, it being agreed that the advances to each Borrower inure to the benefit of all Borrowers, and that the Lenders is relying on the joint and several liability of the Borrowers as co-makers in extending the Loans hereunder and issuing Letters of Credit. Each Borrower hereby unconditionally and irrevocably agrees that upon default in the payment when due (whether at stated maturity, by acceleration or otherwise) of any principal of, or interest on, any Loan or other Obligation payable to the Lender, it will forthwith pay the same, without notice or demand.

(b) No Reduction in Obligations. No payment or payments made by any of the Borrowers or any other Person or received or collected by the Lender from any of the Borrowers or any other Person by virtue of any action or proceeding or any setoff or appropriation or application at any time or from time to time in reduction of or in payment of the Obligations shall be deemed to modify, reduce, release or otherwise affect the liability of each Borrower under this Agreement,

which shall remain liable for the Obligations until the Obligations are paid in full and the Term Loans and the Revolving Loans are terminated.

12.19 Obligations Absolute. Each Borrower agrees that the Obligations will be paid strictly in accordance with the terms of the Loan Documents, regardless of any law, regulation or order now or hereafter in effect in any jurisdiction affecting any of such terms or the rights of the Lender with respect thereto. All Obligations shall be conclusively presumed to have been created in reliance hereon. The liabilities under this Agreement shall be absolute and unconditional irrespective of: (a) any lack of validity or enforceability of any Loan Documents or any other agreement or instrument relating thereto; (b) any change in the time, manner or place of payments of, or in any other term of, all or any part of the Obligations, or any other amendment or waiver thereof or any consent to departure therefrom, including any increase in the Obligations resulting from the extension of additional credit to any Borrower or otherwise; (c) any taking, exchange, release or non-perfection of any collateral, or any release or amendment or waiver of or consent to departure from any guaranty for all or any of the Obligations; (d) any change, restructuring or termination of the corporate structure or existence of any Borrower; or (e) any other circumstance which might otherwise constitute a defense available to, or a discharge of, any Borrower. This Agreement shall continue to be effective or be reinstated, as the case may be, if at any time any payment of any of the Obligations is rescinded or must otherwise be returned by the Lender upon the insolvency, bankruptcy or reorganization of any Borrower or otherwise, all as though such payment had not been made.

12.20 Maximum Borrower Liability.

(a) It is the intent of the Borrowers, the Lender and any other Person holding any of the Obligations that each Borrower's maximum obligations hereunder (such Borrower's "Maximum Borrower Liability") in any case or proceeding referred to below (but only in such a case or proceeding) shall not be in excess of:

(1) in a case or proceeding commenced by or against such Borrower under the Bankruptcy Code on or within one (1) year from the date on which any of the Obligations of such Borrower are incurred, the maximum amount that would not otherwise cause the Obligations of such Borrower hereunder (or any other Obligations of such Borrower to the Lender and any other Person holding any of the Obligations) to be avoidable or unenforceable against such Borrower under (A) Section 548 of the Bankruptcy Code or (B) any state fraudulent transfer or fraudulent conveyance act or statute applied in such case or proceeding by virtue of Section 544 of the Bankruptcy Code; or

(2) in a case or proceeding commenced by or against such Borrower under the Bankruptcy Code subsequent to one (1) year from the date on which any of the Obligations of such Borrower are incurred, the maximum amount that would not otherwise cause the Obligations of such Borrower

hereunder (or any other Obligations of such Borrower to the Lender and any other Person holding any of the Obligations) to be avoidable or unenforceable against such Borrower under any state fraudulent transfer or fraudulent conveyance act or statute applied in any such case or proceeding by virtue of Section 544 of the Bankruptcy Code; or

(3) in a case or proceeding commenced by or against such Borrower under any law, statute or regulation other than the Bankruptcy Code relating to dissolution, liquidation, conservatorship, bankruptcy, moratorium, readjustment of debt, compromise, rearrangement, receivership, insolvency, reorganization or similar debtor relief from time to time in effect affecting the rights of creditors generally (collectively, "Other Debtor Relief Law"), the maximum amount that would not otherwise cause the Obligations of such Borrower hereunder (or any other Obligations of such Borrower to the Lender and any other Person holding any of the Obligations) to be avoidable or unenforceable against such Borrower under such Other Debtor Relief Law, including, without limitation, any state fraudulent transfer or fraudulent conveyance act or statute applied in any such case or proceeding. (The substantive state or federal laws under which the possible avoidance or unenforceability of the Obligations of any Borrower hereunder (or any other Obligations of such Borrower to the Lender and any other Person holding any of the Obligations) shall be determined in any such case or proceeding shall hereinafter be referred to as the "Avoidance Provisions").

(b) To the extent set forth in Section 12.20(a), but only to the extent that the Obligations of any Borrower hereunder, or the transfers made by such Borrower under any Loan Document, would otherwise be subject to avoidance under any Avoidance Provisions if such Borrower is not deemed to have received valuable consideration, fair value, fair consideration or reasonably equivalent value for such transfers or obligations, or if such transfers or obligations of any Borrower hereunder would render such Borrower insolvent, or leave such Borrower with an unreasonably small capital or unreasonably small assets to conduct its business, or cause such Borrower to have incurred debts (or to have intended to have incurred debts) beyond its ability to pay such debts as they mature, in each case as of the time any of the obligations of such Borrower are deemed to have been incurred and transfers made under such Avoidance Provisions, then the obligations of such Borrower hereunder shall be reduced to that amount which, after giving effect thereto, would not cause the Obligations of such Borrower hereunder (or any other Obligations of such Borrower to the Lender or any other Person holding any of the Obligations), as so reduced, to be subject to avoidance under such Avoidance Provisions. This Section 12.20(b) is intended solely to preserve the rights hereunder of the Lender and any other Person holding any of the Obligations to the maximum extent that would not cause the obligations of the Borrowers hereunder to be subject to avoidance under any Avoidance Provisions, and none of the Borrowers nor any other Person shall have any right, defense, offset, or claim under this Section 12.20(b) as against the Lender or any other Person holding any of the Obligations that would not otherwise be available to such Person under the Avoidance Provisions.

(c) Each Borrower agrees that the Obligations may at any time and

from time to time exceed the Maximum Borrower Liability of such Borrower, and may exceed the aggregate Maximum Borrower Liability of all Borrowers hereunder, without impairing this Agreement or any provision contained herein or affecting the rights and remedies of the Lender hereunder.

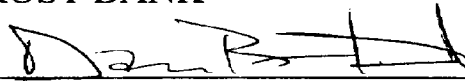
(d) In the event any Borrower (a "Funding Borrower") shall make any payment or payments under this Agreement or shall suffer any loss as a result of any realization upon any collateral granted by it to secure its obligations hereunder, each other Borrower (each, a "Contributing Borrower") shall contribute to such Funding Borrower an amount equal to such payment or payments made, or losses suffered, by such Funding Borrower determined as of the date on which such payment or loss was made multiplied by the ratio of (i) the Maximum Borrower Liability of such Contributing Borrower (without giving effect to any right to receive any contribution or other obligation to make any contribution hereunder), to (ii) the aggregate Maximum Borrower Liability of all Borrowers (including the Funding Borrowers) hereunder (without giving effect to any right to receive, or obligation to make, any contribution hereunder). Nothing in this Section 12.20(b) shall affect any Borrower's joint and several liability to the Lender for the entire amount of its Obligations. Each Borrower covenants and agrees that its right to receive any contribution hereunder from a Contributing Borrower shall be subordinate and junior in right of payment to all obligations of the Borrowers to the Lender hereunder.

(e) No Borrower will exercise any rights which it may acquire by way of subrogation hereunder or under any other Loan Document or at law by any payment made hereunder or otherwise, nor shall any Borrower seek or be entitled to seek any contribution or reimbursement from any other Borrower in respect of payments made by such Borrower hereunder or under any other Loan Document, until all amounts owing to the Lender on account of the Obligations are paid in full in cash (or, with respect to Obligations under the Letter of Credit, are cash collateralized or supported by a Letter of Credit acceptable to the Lender in the amount of one hundred and two percent (102%) of such Obligations) and the commitments are terminated. If any amounts shall be paid to any Borrower on account of such subrogation or contribution rights at any time when all of the Obligations shall not have been paid in full, such amount shall be held by such Borrower in trust for the Lender, segregated from other funds of such Borrower, and shall, forthwith upon receipt by such Borrower, be turned over to the Lender in the exact form received by such Borrower (duly endorsed by such Borrower to the Lender, if required), to be applied against the Obligations, whether matured or unmatured, as provided for herein.

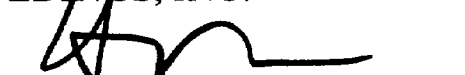
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IN WITNESS WHEREOF, the parties have entered into this Agreement
on the date first above written.


SUNTRUST BANK

By: 
Title: VP

ISD HOLDINGS, INC.

By: 
Title: President

MILLER/ZELL, INC.

By: 
Title: President


CDI GROUP, INC.

By: 
Title: Chairman of the Board


MZIP, INC.

By: 
Title: President

TOWER CONSULTING GROUP, INC.

By: 
Title: President

MILLER/ZELL ENVIRONMENTS, INC.

By: 
Title: President

•••

EXHIBIT A**BORROWING BASE CERTIFICATE**

SunTrust Bank
Structured Finance Group

Report# _____
Date prepared _____
Week ending _____

Collateral

1 Beginning Balance
 2 Add new sales
 3a Other Adjustments (+)
 3b Mexico/Argentina Activity
 4 Less Credit Memos
 5 Less Deposits
 5.1a Discounts & Allowances
 5.1b Other adjustments (-)
 6 Total Balance **
 7 Less ineligible (Schedule 1)
 8 Net Available
 9 Available @ 85%

10 Inventory
 11 Less ineligible
 12 Net Inventory
 13 Available @ 50%

**** Ties to Aging Reports**

14 Beginning Balance
 15 New Progressive Billings
 16 Other Adjustments (+)
 17 Less Credit Memos
 18 Less Deposits
 19 Discounts & Allowances
 20 Other adjustments (-)
 21 Total Balance
 22 Less ineligible
 23 Net Available
 24 Available @ 50%

25.1 Less Reserve
 25.2 Letters of Credit
 26 Total Available Collateral
 (Line 9+13+24+25.1+25.2)
 26a Loan Limit

Loan Activity

27 Beginning Loan Balance
 28 Less: Deposits
 29 Add: Advances
 30 Add Fees
 31 Ending Loan Balance
 32 Remaining Availability
 (Lesser of Line 26 and 26a - line 31)

The undersigned represents and warrants that the foregoing information is true, complete and correct, and that the collateral reflected herein complies with the conditions, terms, warranties, representations and covenants set forth in the Amended and Restated Loan and Security Agreement between the undersigned, the other Borrowers identified therein and SunTrust Bank and any supplements and amendments, if any thereto ("THE AGREEMENT")

Borrowers' Agent:

By: _____
 Authorized Signature

SCHEDULE 1

INELIGIBLES:

Over 90-day balance

Contra Accts.

Credits in 90-day column

50% Cross-aging amounts:

Accts exceeding 50% of total aging:

Accts exceeding 25% of total aging:

Accts exceeding 10% of total aging:

Foreign accts over 200,000

Less Int'l bal in over-90 col.

TOTAL

EXHIBIT B

FORM OF LOAN CERTIFICATE

[Insert Name of Borrower/Guarantor], a corporation organized and existing under the laws of the State of _____ (the "Company"), acting by and through _____, its duly elected and qualified Secretary and keeper of the corporate records of the Company, in connection with that certain Amended and Restated Loan and Security Agreement (the "Loan Agreement") of even date by and between SunTrust Bank (the "Lender") and ISD Holdings, Inc., Miller/Zell, Inc., CDI Group, Inc., MZip, Inc., Tower Consulting Group, and Miller/Zell Environments, Inc., the Company hereby certifies to and for the benefit of the Lender that:

- (1) Capitalized terms used herein and not otherwise defined herein are used as defined in the Loan Agreement.
- (2) Attached hereto as Exhibit A is a complete and correct copy of the Articles of Incorporation of the Company certified to be true, complete and correct by the Secretary of State for the State of _____, and a true, complete and correct copy of the By-laws of the Company as in effect on the date hereof.
- (3) Attached hereto as Exhibit B is a Certificate of Good Standing for the Company, issued by the Secretary of State for the State of _____. The Company has, from the date of such certificate through the date hereof, remained in good standing under the laws of such state.
- (4) Attached hereto as Exhibit C is a true, correct and complete copy of resolutions of the Board of Directors of the Company duly adopted as of the _____ day of _____, 2000, such corporate action having been duly taken in accordance with the provisions of applicable law, the Certificate of Incorporation and the By-laws of the Company, and being now in full force and effect, without any modifications in any respect.

Such resolutions authorize the Company and the officers designated therein to execute and deliver, and to do all things necessary or appropriate for the payment and performance of all the Company's obligations under the Loan Agreement and the other Loan Documents.

- (5) The following persons have been duly elected to the offices set forth beside their names, have been duly qualified, and as of the date hereof are, officers of the Company, holding the offices set forth opposite their respective names below, and the signatures set forth opposite their respective names are their respective genuine signatures:

Name

Title

Signature

EXHIBIT C
REVOLVING LOAN NOTE

US\$11,000,000.00

_____, 2000

FOR VALUE RECEIVED, the undersigned ISD HOLDINGS, INC., a Georgia corporation ("ISD"), MILLER/ZELL, INC., a Georgia corporation ("Miller Zell"), CDI GROUP, INC., a New York corporation ("CDI"), MZIP, INC., a Georgia corporation ("MZip"), TOWER CONSULTING GROUP, INC., a Georgia corporation ("Tower") and MILLER/ZELL ENVIRONMENTS, INC. ("Environments")(hereinafter, together with their respective successors and assigns, each of the foregoing is referred to individually as a "Borrower" and collectively as the Borrowers"), hereby, jointly and severally, promise to pay to the order of SunTrust Bank (hereinafter, together with its successors and assigns, called the "Lender") at the office of the Lender in Atlanta, Georgia, in immediately available funds, the principal sum of ELEVEN MILLION and 00/100s DOLLARS (\$11,000,000.00) of United States funds, or if less, so much thereof as may from time to time be advanced as Revolving Loans by the Lender to the Borrowers hereunder, plus interest as hereinafter provided. Such borrowings of Revolving Loans may be endorsed from time to time on the grid attached hereto, but the failure to make such notations shall not affect the validity of any Borrower's obligation to repay unpaid principal and interest hereunder.

This Note is one of the Revolving Notes referred to in that certain Amended and Restated Loan and Security Agreement dated as of even date herewith (as amended, restated, supplemented or otherwise modified from time to time, the "Loan Agreement"), among the Borrowers and the Lender. All capitalized terms used herein shall have the meanings ascribed to such terms in the Loan Agreement except to the extent such capitalized terms are otherwise defined or limited herein.

All principal amounts and other Obligations then outstanding hereunder shall be due and payable in full on the Maturity Date, or such earlier date as the Revolving Loans shall be due and payable in full, whether by acceleration or otherwise pursuant to the Credit Agreement. The Borrowers also shall repay the principal outstanding hereunder from time to time as provided in the Loan Agreement.

The Borrowers shall be entitled to borrow, re-pay and re-borrow funds hereunder pursuant to the terms and conditions of the Loan Agreement. Prepayment of the principal amount of any Revolving Loan may be made only as provided in the Loan Agreement.

The Borrowers hereby, jointly and severally, promise to pay interest on the unpaid principal amount hereof as provided in the Loan Agreement. Interest under this Note also shall be due and payable when this Note shall become due (whether at maturity, by reason of acceleration or otherwise). Overdue principal and, to the extent permitted by law, overdue interest, shall bear interest payable at the Default Rate in the manner and at the times provided in the Loan Agreement.

Revolving Loan Note

REVOLVING LOAN ADVANCES

DATE	AMOUNT OF REVOLVING LOAN ADVANCE	TYPE OF REVOLVING LOAN ADVANCE	AMOUNT OF PRINCIPAL PAID OR PREPAID	NOTATION MADE
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4-10

EXHIBIT D
AMENDED AND RESTATED STOCK PLEDGE AGREEMENT

ISD HOLDINGS, INC.

THIS AMENDED AND RESTATED STOCK PLEDGE AGREEMENT (this "Agreement"), entered into as of this ___ day of _____, 2000, by and between ISD Holdings, Inc. (the "Pledgor"), and SunTrust Bank (formerly known as SunTrust Bank, Atlanta) (the "Lender"),

WITNESSETH:

WHEREAS, the Pledgor, Miller/Zell, Inc. ("Miller Zell"), CDI Group, Inc. ("CDI"), MZip, Inc. ("MZip"), Tower Consulting Group ("Tower"), Miller/Zell Environments, Inc. ("Environments"; and together with the Pledgor, Miller Zell, CDI, MZip and Tower, collectively, the "Borrowers," and individually, each a "Borrower") and the Lender have executed and delivered that certain Amended and Restated Loan and Security Agreement dated as of even date herewith (as the same may be amended, modified or extended from time to time, the "Loan Agreement"), amending and restating that certain Loan and Security Agreement, dated as of August 27, 1996, as amended by that certain First Amendment to Loan and Security Agreement dated August 27, 1998, and as further amended by that certain Second Amendment to Loan and Security Agreement dated as of May 10, 1999, pursuant to which the Lender has agreed to make available a credit facility to the Borrowers; and

WHEREAS, the Lender required the Pledgor to execute and deliver that certain Subsidiary Stock Pledge Agreement, dated May 10, 1999 (the "Subsidiary Stock Pledge Agreement"), in order to secure the prompt and complete payment, observance and performance of all the Obligations (as defined in the Subsidiary Stock Pledge Agreement) and as a condition precedent to the making of Loans or the extension of any credit under the Loan Agreement (as defined in the Subsidiary Stock Pledge Agreement); and

WHEREAS, it is a condition precedent to the Lender agreeing to enter into the Loan Agreement that the Pledgor amend, restate and reaffirm the Subsidiary Stock Pledge Agreement in its entirety; and

WHEREAS, the Pledgor acknowledges and agrees that the security interests granted to the Lender in the Subsidiary Stock Pledge Agreement shall remain outstanding and in full force and effect in accordance with the Loan Agreement and Loan Documents (each as defined in the Subsidiary Stock Pledge Agreement) and shall continue to secure the Obligations (as defined in the Subsidiary Stock Pledge Agreement); and

WHEREAS, the Pledgor has determined that its execution, delivery and performance of this amended and restated Agreement directly benefit, and are within the corporate purposes and in the best interests of, the Pledgor; and

circumstances may yield a lower price for the Stock than if the Stock were registered and qualified pursuant to Federal and state securities laws and sold on the open market. The Pledgor, therefore, agrees that:

(a) if the Lender shall, pursuant to the terms of this Agreement, sell or cause the Stock or any portion thereof to be sold at a private sale, the Lender shall have the right to rely upon the advice and opinion of any national investment firm (but shall not be obligated to seek such advice and the failure to do so shall not be considered in determining the commercial reasonableness of such action) as to the best manner in which to expose the Stock for sale and as to the best price reasonably obtainable at the private sale thereof; and

(b) that such reliance shall be conclusive evidence that the Lender has handled such disposition in a commercially reasonable manner.

8. Pledgor's Obligations Absolute. The obligations of the Pledgor under this Agreement shall be direct and immediate and not conditional or contingent upon the pursuit of any remedies against the Borrower or any other Person, nor against other security or liens available to the Lender. The Pledgor hereby waives any right to require that an action be brought against any other Person or to require that resort be had to any security or to any balance of any deposit account or credit on the books of the Lender in favor of any other Person prior to the exercise of remedies hereunder, or to require action hereunder prior to resort by the Lender to any other security or collateral for the Loans and the other Obligations.

9. Voting Rights.

(a) After and during the continuation of an Event of Default, (i) the Lender may, upon ten (10) calendar days' prior notice to the Pledgor of its intention to do so, exercise all voting rights, and all other ownership or consensual rights of the Stock, but under no circumstances is the Lender obligated by the terms of this Agreement to exercise such rights (and if the Lender fails to exercise such rights, the Pledgor may continue to exercise such rights), and (ii) the Pledgor hereby appoints the Lender, which appointment shall be effective on the 10th day following the giving of notice by the Lender as provided in the foregoing Section 9(a)(i), the Pledgor's true and lawful attorney-in-fact and IRREVOCABLE PROXY to vote the Stock in any manner the Lender deems advisable for or against all matters submitted or which may be submitted to a vote of shareholders. The power-of-attorney granted hereby is coupled with an interest and shall be irrevocable until the Obligations are paid in full.

(b) For so long as the Pledgor shall have the right to vote the Stock, the Pledgor covenants and agrees that it will not, without the prior written consent of the Lender, vote or take any consensual action with respect to the Stock which would constitute an Event of Default.

10. Notices. All notices and other communications required or permitted hereunder shall be in writing and shall be given to the Borrowers' Agent in the manner and at the addresses set forth in Section 12.9 of the Loan Agreement.

11. Binding Agreement. This Agreement shall be construed and interpreted in accordance with the internal laws of the State of Georgia, excluding its principles of conflicts of laws. This Agreement, together with all documents referred to herein, constitutes the entire agreement between the parties with respect to the matters addressed herein and may not be modified except by a writing executed by the parties hereto.

12. Severability. If any provision of this Agreement shall be prohibited or invalid, under the applicable law of any jurisdiction, it shall be invalid only to such extent within such jurisdiction, without invalidating the remainder of this Agreement and without invalidating such provision in any other jurisdiction.

13. Counterparts. This Agreement may be executed in multiple counterparts, each of which (including any counterpart delivered by facsimile) shall be deemed to be an original, but all such separate counterparts shall together constitute but one and the same instrument.

14. No Novation. **THIS AGREEMENT IS MADE IN REPLACEMENT OF THAT CERTAIN SUBSIDIARY STOCK PLEDGE AGREEMENT DATED AS OF MAY 10, 1999, AS AMENDED, BETWEEN THE PLEDGOR AND THE LENDER AND IS NOT INTENDED TO BE A NOVATION.**

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IN WITNESS WHEREOF, the undersigned parties hereto have executed this Agreement by and through their duly authorized officers, as of the day and year first above written.

PLEDGOR:

ISD HOLDINGS, INC.,
a Georgia corporation

By: _____

Title: _____

LENDER:

SUNTRUST BANK

By: _____

Title: _____

Schedule 1

SUBSIDIARIES OF THE PLEDGOR

<u>Name of Subsidiary</u>	<u>Number of Shares</u>	<u>Class of Stock</u>	<u>Percentage of Class Owned by Pledgor</u>	<u>Stock Certificate Number</u>
Miller/Zell, Inc..				
CDI Group, Inc.				
MZip, Inc.				
Tower Consulting Group, Inc.				

ACKNOWLEDGEMENT

The undersigned hereby acknowledge receipt of a copy of the foregoing Amended and Restated Stock Pledge Agreement, agree promptly to note on their respective books the security interest granted by such Amended and Restated Stock Pledge Agreement and waive any right or requirement at any time hereafter to receive a copy of such Amended and Restated Stock Pledge Agreement or amendment thereto in connection with the registration of any Stock in the name of the Lender or its nominee or the exercise of voting rights by the Lender.

MILLER/ZELL, INC.
a Georgia corporation

By:
Its:

CDI GROUP, INC.,
a New York corporation

By:
Its:

MZIP, INC.,
a Georgia corporation

By:
Its:

TOWER CONSULTING GROUP, INC.,
a Georgia corporation

By:
Its:

PLEDGE AGREEMENT SUPPLEMENT

This Pledge Agreement Supplement, dated as of _____, 200__, is delivered pursuant to Section 3 of the Amended and Restated Stock Pledge Agreement referred to below. The undersigned hereby agrees that this Pledge Agreement Supplement may be attached to the Amended and Restated Stock Pledge Agreement, dated as of _____, 2000 (as amended, restated, supplemented or otherwise modified from time to time, the "Pledge Agreement"; the terms defined therein and not otherwise defined herein being used as therein defined), made by the undersigned and SunTrust Bank (the "Lender"), and that the additional interests listed on this Pledge Agreement Supplement shall be and become part of the Stock pledged by the undersigned to the Lender in the Pledge Agreement and shall secure all Obligations.

The undersigned hereby certifies that the representations and warranties set forth in Section 1 of the Pledge Agreement of the undersigned are true and correct as to the Stock listed herein on and as of the date hereof.

ISD HOLDINGS, INC.,
a Georgia corporation

By: _____
Title: _____

SCHEDULE 1 TO PLEDGE AGREEMENT SUPPLEMENT

Subsidiaries of the Pledgor

<u>Name of Subsidiary</u>	<u>Number of Shares</u>	<u>Class of Stock</u>	<u>Percentage of Class Owned by Pledgor</u>	<u>Stock Certificate Number</u>
---------------------------	-------------------------	-----------------------	---	---

EXHIBIT D
AMENDED AND RESTATED STOCK PLEDGE AGREEMENT

MILLER/ZELL, INC.

THIS AMENDED AND RESTATED STOCK PLEDGE AGREEMENT (this "Agreement"), entered into as of this ___ day of _____, 2000, by and between Miller/Zell, Inc., a Georgia corporation (the "Pledgor") and SunTrust Bank (formerly known as SunTrust Bank, Atlanta) (the "Lender"),

WITNESSETH:

WHEREAS, the Pledgor, ISD Holdings, Inc. ("ISD"), CDI Group, Inc. ("CDI"), MZip, Inc. ("MZip"), Tower Consulting Group ("Tower") and Miller/Zell Environments, Inc. ("Environments"; and together with the Pledgor, ISD, CDI, MZip and Tower, the "Borrowers," and individually, each a "Borrower") and the Lender have executed and delivered that certain Amended and Restated Loan and Security Agreement dated as of even date herewith (as the same may be amended, modified or extended from time to time, the "Loan Agreement"), amending and restating that certain Loan and Security Agreement, dated as of August 27, 1996, as amended by that certain First Amendment to Loan and Security Agreement dated August 27, 1998, and as further amended by that certain Second Amendment to Loan and Security Agreement dated as of May 10, 1999, pursuant to which the Lender has agreed to make available a credit facility to the Borrowers; and

WHEREAS, the Lender required the Pledgor to execute and deliver that certain Stock Pledge Agreement, dated August 27, 1996, as amended from time to time (the "Existing Stock Pledge Agreement"), in order to secure the prompt and complete payment, observance and performance of all the Obligations (as defined in the Existing Stock Pledge Agreement) and as a condition precedent to the making of Loans or the extension of any credit under the Loan Agreement (as defined in the Existing Stock Pledge Agreement); and

WHEREAS, it is a condition precedent to the Lender agreeing to enter into the Loan Agreement that the Pledgor amend, restate and reaffirm the Existing Stock Pledge Agreement in its entirety; and

WHEREAS, the Pledgor acknowledges and agrees that the security interests granted to the Lender in the Existing Stock Pledge Agreement shall remain outstanding and in full force and effect in accordance with the Loan Agreement and Loan Documents (each as defined in the Existing Stock Pledge Agreement) and shall continue to secure the Obligations (as defined in the Existing Stock Pledge Agreement); and

WHEREAS, the Pledgor has determined that its execution, delivery and performance of this amended and restated Agreement directly benefit, and are within the corporate purposes and in the best interests of, the Pledgor; and

WHEREAS, to secure the payment and performance of, among other things, all obligations of the Borrowers under the Loan Agreement and the other Loan Documents to which the Borrowers, or any of them, may be a party, the Pledgor and the Lender have agreed that the shares of capital stock (the "Stock") now owned or hereafter acquired by the Pledgor in the corporations listed on Schedule 1 attached hereto (the "Subsidiaries") as of the Agreement Date, as well as shares of capital stock subsequently acquired, shall be pledged by the Pledgor to the Lender to secure the Obligations (as defined below);

NOW, THEREFORE, in consideration of the foregoing and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree that capitalized terms used herein shall have the meanings ascribed to them in the Loan Agreement to the extent such terms are not otherwise defined or limited herein, and further agree as follows:

1. Warranty. The Pledgor hereby represents and warrants to the Lender that except for the security interest created hereby, the Pledgor owns the Stock, which (as of the date hereof) constitutes the percentage of the issued and outstanding stock of the respective Subsidiaries indicated on Schedule 1 attached hereto, free and clear of all Liens (other than Permitted Liens), that the Stock is duly issued, fully paid and nonassessable, and that the Pledgor has the unencumbered right to pledge the Stock.

2. Security Interest. The Pledgor hereby unconditionally grants and assigns to the Lender a continuing security interest in and security title to the Stock. The Pledgor has delivered to and deposited with the Lender certificates representing the Stock, and undated stock powers endorsed in blank, as security for (i) payment and performance of all Obligations of the Borrowers, or any of them, to the Lender under the Loan Agreement and the other Loan Documents, and any interest, fees and other charges in respect of the Loans and the other Loan Documents that would accrue but for the filing of a bankruptcy action, with respect to the Borrowers, or any of them, whether or not such claim is allowed in such bankruptcy action as the same may be amended from time to time, or as a result of making the Loans, (ii) payment of any and all damages which the Lender may suffer and be entitled to pursuant to the terms and by reason of a breach of any obligation, covenant or undertaking with respect to this Agreement, the Loan Agreement or any other Loan Document by the Borrowers, or any of them, or any other obligor thereunder, and (iii) all of the Obligations of any obligor to the Lender under this Agreement, the Loan Agreement and the other Loan Documents or as a result of making the Loans, and any extensions, renewals or amendments of any of the foregoing, however created, acquired, arising or evidenced, whether direct or indirect, absolute or contingent, now or hereafter existing, or due or to become due, together with any other 'Obligations,' as defined in the Loan Agreement (all of the foregoing obligations (i), (ii), and (iii) being hereinafter collectively referred to as the "Obligations"); it being the intention of the parties hereto that record and beneficial ownership of the Stock, including, without limitation, all voting, consensual and dividend rights, shall remain in the Pledgor until the occurrence of and during the continuation of an Event of Default under the Loan Agreement and until the Lender shall notify

the Pledgor of the Lender's exercise of voting and dividend rights to the Stock pursuant to Section 9 of this Agreement.

3. Additional Shares. In the event that, during the term of this Agreement:

(a) any stock dividend, stock split, reclassification, readjustment, or other change is declared or made in the capital structure of any Subsidiary, or any new stock is issued by such Subsidiary, all new, substituted, and additional shares, or other securities, shall be issued to the Pledgor and shall be promptly delivered to the Lender (to the extent all Stock pledged by the Pledgor in any Subsidiary not organized under the laws of a state of the United States does not exceed sixty-five percent (65%) of the equity interests owned by the Pledgor in the applicable Subsidiary), together with undated stock powers endorsed in blank by the Pledgor, and shall thereupon constitute additional Stock to be held by the Lender under the terms of this Agreement; and

(b) any subscriptions, warrants or any other rights or options shall be issued in connection with the Stock, all new stock or other securities acquired through such subscriptions, warrants, rights or options by the Pledgor, together with appropriate powers endorsed in blank and a duly executed Pledge Agreement Supplement in substantially the form of Annex 1 hereto (a "Pledge Agreement Supplement") identifying the additional Stock which is pledged by the Pledgor pursuant to this Agreement, shall be promptly delivered to the Lender, and such additional Stock shall thereupon constitute Stock to be held by the Lender under the terms of this Agreement.

4. Default. In the event of the occurrence of an Event of Default under the Loan Agreement, and so long as any such Event of Default is continuing, the Lender may sell or otherwise dispose of the Stock at a public or private sale or make other commercially reasonable disposition of the Stock or any portion thereof after ten (10) calendar days' notice to the Pledgor and the Lender may purchase the Stock or any portion thereof at any public sale. The proceeds of the public or private sale or other disposition shall be first applied to the costs of the Lender incurred in connection with the sale, expressly including, but not limited to, any costs under Section 7 hereof, and then to the other Obligations as provided in the Loan Agreement. In the event the proceeds of the sale or other disposition of the Stock are insufficient to satisfy the Obligations, the Pledgor shall remain liable for any such deficiency.

5. Additional Rights of Secured Party. In addition to its rights and privileges under this Agreement, the Lender shall have all the rights, powers and privileges of a secured party under the Uniform Commercial Code as in effect in any applicable jurisdiction.

6. Return of Stock to the Pledgor. Upon payment in full of all principal and interest on the Loans, full performance by the Borrowers of all covenants, undertakings and obligations under the Loan Agreement and the other Loan Documents, and satisfaction in full of any other Obligations, other than the Obligations which survive the termination of the Loan Agreement, and after such time as the Lender shall have no obligation to make any further Loans or extend credit to the Borrowers, the Lender shall return the remaining Stock and all rights received by the Lender as a result of its possessory interest in the Stock to the Pledgor.

7. Disposition of Stock by Lender. The Stock is not registered or qualified under the various Federal or state securities laws of the United States and disposition thereof after an Event of Default may be restricted to one or more private (instead of public) sales in view of the lack of such registration. The Pledgor understands that upon such disposition, the Lender may approach only a restricted number of potential purchasers and further understands that a sale under such circumstances may yield a lower price for the Stock than if the Stock were registered and qualified pursuant to Federal and state securities laws and sold on the open market. The Pledgor, therefore, agrees that:

(a) if the Lender shall, pursuant to the terms of this Agreement, sell or cause the Stock or any portion thereof to be sold at a private sale, the Lender shall have the right to rely upon the advice and opinion of any national investment firm (but shall not be obligated to seek such advice and the failure to do so shall not be considered in determining the commercial reasonableness of such action) as to the best manner in which to expose the Stock for sale and as to the best price reasonably obtainable at the private sale thereof; and

(b) that such reliance shall be conclusive evidence that the Lender has handled such disposition in a commercially reasonable manner.

8. Pledgor's Obligations Absolute. The obligations of the Pledgor under this Agreement shall be direct and immediate and not conditional or contingent upon the pursuit of any remedies against the Pledgor or any other Person, nor against other security or liens available to the Lender. The Pledgor hereby waives any right to require that an action be brought against any other Person or to require that resort be had to any security or to any balance of any deposit account or credit on the books of the Lender in favor of any other Person prior to the exercise of remedies hereunder, or to require action hereunder prior to resort by the Lender to any other security or collateral for the Loans and the other Obligations.

9. Voting Rights.

(a) After and during the continuation of an Event of Default, (i) the Lender may, upon ten (10) calendar days' prior notice to the Pledgor of its intention to do so, exercise all voting rights, and all other ownership or consensual rights of the Stock, but under no circumstances is the Lender obligated by the terms of this Agreement to exercise such rights (and if the Lender fails to exercise such rights, the Pledgor may continue to exercise such rights), and (ii) the Pledgor hereby appoints the Lender, which appointment shall be effective on the 10th day following the giving of notice by the Lender as provided in the foregoing Section 9(a)(i), the Pledgor's true and lawful attorney-in-fact and IRREVOCABLE PROXY to vote the Stock in any manner the Lender deems advisable for or against all matters submitted or which may be submitted to a vote of shareholders. The power-of-attorney granted hereby is coupled with an interest and shall be irrevocable until the Obligations are paid in full.

(b) For so long as the Pledgor shall have the right to vote the Stock, the Pledgor covenants and agrees that it will not, without the prior written consent of the

Lender, vote or take any consensual action with respect to the Stock which would constitute an Event of Default.

10. Notices. All notices and other communications required or permitted hereunder shall be in writing and shall be given to the Borrowers' Agent in the manner and at the addresses set forth in Section 12.9 of the Loan Agreement.

11. Binding Agreement. This Agreement shall be construed and interpreted in accordance with the internal laws of the State of Georgia, excluding its principles of conflicts of laws. This Agreement, together with all documents referred to herein, constitutes the entire agreement between the parties with respect to the matters addressed herein and may not be modified except by a writing executed by the parties hereto.

12. Severability. If any provision of this Agreement shall be prohibited or invalid, under the applicable law of any jurisdiction, it shall be invalid only to such extent within such jurisdiction, without invalidating the remainder of this Agreement and without invalidating such provision in any other jurisdiction.

13. Counterparts. This Agreement may be executed in multiple counterparts, each of which (including any counterpart delivered by facsimile) shall be deemed to be an original, but all such separate counterparts shall together constitute but one and the same instrument.

14. No Novation. **THIS AGREEMENT IS MADE IN REPLACEMENT OF THAT CERTAIN STOCK PLEDGE AGREEMENT DATED AS OF AUGUST 27, 1996, AS AMENDED, BETWEEN THE PLEDGOR AND THE LENDER AND IS NOT INTENDED TO BE A NOVATION.**

IN WITNESS WHEREOF, the undersigned parties hereto have executed this Agreement by and through their duly authorized officers, as of the day and year first above written.

PLEDGOR:

MILLER/ZELL, INC.,
a Georgia corporation

By: _____
Title: _____

LENDER:

SUNTRUST BANK

By: _____
Title: _____

Schedule 1

Subsidiaries of the Pledgor

<u>Name of</u>	<u>Number of Shares</u>	<u>Class of Stock</u>	<u>Percentage of Class Owned by Pledgor</u>	<u>Stock Certificate Subsidiary Number</u>
Miller/Zell Environments, Inc.	15,000	Common	100%	1
Miller/Zell S.R.L.			66.65%	

ACKNOWLEDGEMENT

The undersigned hereby acknowledge receipt of a copy of the foregoing Amended and Restated Stock Pledge Agreement, agree promptly to note on their respective books the security interest granted by such Amended and Restated Stock Pledge Agreement and waive any right or requirement at any time hereafter to receive a copy of such Amended and Restated Stock Pledge Agreement or amendment thereto in connection with the registration of any Stock in the name of the Lender or its nominee or the exercise of voting rights by the Lender.

MILLER/ZELL ENVIRONMENTS, INC.
a Georgia corporation

By: _____
Its: _____

MILLER/ZELL S.R.L.
a corporation organized under the laws of Argentina

By: _____
Its: _____

Annex 1 to Amended and Restated Stock Pledge Agreement

PLEDGE AGREEMENT SUPPLEMENT

This Pledge Agreement Supplement, dated as of _____, 200__, is delivered pursuant to Section 3 of the Amended and Restated Stock Pledge Agreement referred to below. The undersigned hereby agrees that this Pledge Agreement Supplement may be attached to the Amended and Restated Pledge Agreement, dated as of _____, 2000 (as amended, restated, supplemented or otherwise modified from time to time, the "Pledge Agreement"; the terms defined therein and not otherwise defined herein being used as therein defined), made by the undersigned and SunTrust Bank (the "Lender"), and that the additional interests listed on this Pledge Agreement Supplement shall be and become part of the Stock pledged by the undersigned to the Lender in the Pledge Agreement and shall secure all Obligations.

The undersigned hereby certifies that the representations and warranties set forth in Section 1 of the Pledge Agreement of the undersigned are true and correct as to the Stock listed herein on and as of the date hereof.

MILLER/ZELL, INC.,
a Georgia corporation

By: _____
Title: _____

• SCHEDULE 1 TO PLEDGE AGREEMENT SUPPLEMENT

Subsidiaries of the Pledgor

<u>Name of Subsidiary</u>	<u>Number of Shares</u>	<u>Class of Stock</u>	<u>Percentage of Class Owned by Pledgor</u>	<u>Stock Certificate Number</u>
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•

EXHIBIT E

G E O R G I A : :

FULTON COUNTY : :

AGREEMENT

THIS AGREEMENT made and entered in by and between MILLER-ZELL, INC., a Georgia corporation, (hereinafter referred to as the "Company"), and LANCE AARON (hereinafter referred to as "Stockholder"),

W I T N E S S E T H : T H A T

FOR AND IN CONSIDERATION of the sum of Ten (\$10.00) Dollars and other good and valuable considerations, paid by each party to the other, the receipt and sufficiency of which are herewith acknowledged, and in consideration of the issuance of the Company to Stockholder of two thousand (2,000) shares of Class A common capital stock of the Company, no par value, represented by Stock Certificate No. _____ (hereinafter referred to as "Shares"), the undersigned parties do hereby covenant and agree as follows:

1.

Upon the termination of employment of Stockholder with the Company for any reason whatsoever, voluntarily or involuntarily, by death, disability, or otherwise (the "Termination Date"), all of the Shares owned by the Stockholder shall be sold and purchased, as follows:

(a) The Company shall purchase from the Stockholder, and the Stockholder shall sell to the Company, all of the Shares, at the price and on the terms set forth herein;

(b) The price of the Shares (the "Purchase Price") shall be the "book value" of said Shares as of the last day of the month in which the Stockholder's employment is terminated, as determined by the regularly employed accountant of the Company, in accordance with good and accepted accounting principles, consistently applied, and shall be binding and conclusive upon the parties hereto; provided, however, that (i) no allowance of any kind shall be made for goodwill or any other similar intangible asset of the Company, (ii) all accounts payable shall be taken at the face amount thereof, less discounts deductible therefrom, and all accounts receivable shall be taken at the face amount thereof, less discount and a reasonable reserve for bad debts, (iii) all machinery, fixtures and equipment shall be computed at the depreciated value appearing on the books of the Company, as of said date, (iv)

2.

The holders of two-thirds of the shares of common stock of the Company shall have the right to sell all of the assets of the Company, or all of the shares of the Company and such determination shall be binding upon the Stockholder; provided, such agreement of sale extends to all other shareholders the right to participate in such sale on an equal basis and at the same price, pro rata with the stock interest of any such party or parties, and reasonable notice of any such sale and such right to participate is given to all stockholders.

3.

The Stockholder shall not convey, transfer, encumber or otherwise dispose of the Shares, or any interest therein, without the prior written consent of the Board of Directors of the Company, except to other stockholders of the Company, subject to the terms and provisions of this agreement; provided, that the Stockholder shall have the right to borrow from the Company up to an amount equal to fifty (50%) percent of the value of the Shares as of the date(s) of any such loan(s), or such other amount(s) as may be approved by the Board of Directors of the Company in its sole discretion; such loan to bear interest at the Prime Rate published by Trust Company Bank, Atlanta, Georgia, from time to time during the term of such loan(s) and to be repayable in accordance with terms designated by the Board of Directors of the Company in its sole discretion; payment of said loan shall be secured by, without limitation, the pledge of the Shares, all in form and content designated by the Company, from time to time.

4.

The Company reserves the right to issue additional shares of stock of the Company and warrants and/or options for the purchase of additional shares of stock of the Company, at any time and from time to time, as determined in the sole determination of the Board of Directors of the Company; provided no shares of stock of the Company or warrants and/or options for the purchase of shares of stock of the Company shall be issued to Harmon B. Miller, III for a price of less than "book value," as defined in Paragraph 1(b), as of the date of issuance of such shares, warrants or options, as the case may be, nor will shares, or warrants and/or options for the purchase of shares exceed, in the aggregate and as of the date of issuance of such shares, warrants or options, as the case may be, an amount equal to ten (10%) percent of the total (a) issued and outstanding shares of stock of the Company, and (b) shares of stock of the Company represented by outstanding warrants and/or options for the purchase of shares of stock of the Company, including warrants issued in favor of Harmon B. Miller, III as of the date hereof.

5.

The shares of the Company cannot be readily purchased or sold in the open market and, for that reason, without limitation, the parties will be irreparably damaged in the event this agreement is not specifically enforced. Should any dispute arise concerning the sale or disposition of the Shares, an injunction may be issued restraining any sale or disposition pending the determination of such controversy. In the event of any controversy concerning the right or obligation to purchase or sell any of the Shares, such right or obligation shall be enforceable in any court of equity by a decree of specific performance. Such remedy, however, shall be cumulative and nonexclusive, and shall be in addition to any other remedy which the parties may have in equity or at law.

6.

The Stockholder does hereby irrevocably constitute and appoint the Chief Executive Officer (or the President of the Company, in the absence of a Chief Executive Officer) his true and lawful attorney-in-fact, in his name, place and stead, to execute and acknowledge any and all instruments contemplated by the provisions of this agreement, it being expressly understood, intended and agreed by the Stockholder that the grant of the foregoing power of attorney is coupled with an interest, is irrevocable, and shall survive the death or disability of the Stockholder.

7.

All certificates(s) for Shares owned by the Stockholder shall be endorsed with the following provision:

"The shares represented by this certificate are subject to the terms of an Agreement with Miller-Zell, Inc. dated _____, 19____, copy of which is on file at the office of Miller-Zell, Inc."

8.

(a) Time is of the essence of this agreement.

(b) This agreement constitutes the sole and entire agreement between the parties hereto, and no modification of this agreement shall be binding unless attached hereto and signed by all

parties to this agreement; no representation, promise or inducement not included in this agreement shall be binding upon any party hereto.

(c) The Company is authorized to enter into this agreement by virtue of a resolution adopted at a special meeting of the Board of Directors held on January 1, 1995.

(d) This agreement shall be binding upon and shall inure to the benefit of the legal representatives, successors, transfer and assigns of the parties hereto.

(e) This agreement shall be governed by the laws of the State of Georgia.

IN WITNESS WHEREOF, the undersigned parties have hereunto set their hands and affixed their seals this ____ day of _____, 19____.

MILLER-ZELL, INC.

By: _____
President

Attest: _____
Secretary

(CORPORATE SEAL)

_____(L.S.)
Lance Aaron

G E O R G I A : :

FULTON COUNTY : :

AFFIDAVIT AND AGREEMENT

Personally appeared before me, the undersigned authority, duly authorized to administer oaths, the undersigned deponent who, after being duly sworn, deposed and said as follows:

That, in consideration of the issuance by the Board of Directors of MILLER-ZELL, INC. ("Company"), a Georgia corporation to me of two thousand (2,000) shares of Class A (voting) common stock of the Company, no par value, at a price of \$10.85 per share, and as a condition to the issuance of said Stock, I hereby represent and warrant that the aforementioned shares have been purchased by me for investment for my own account with the intent of holding such shares for investment and without the intent of participating directly or indirectly in a distribution, resale, pledge, hypothecation or other transfer of such shares;

That the shares of Common Stock of the Company issued to me have not been registered under the Securities Act of 1933, as amended, nor under the Georgia Securities Act of 1973, as amended, by reason of exemptions from registration under said Acts, and that the availability of the exemptions depends in part upon my investment intention;

That I understand that such investment intention would not exist if my present intention were to hold such shares for a short period of time, including the capital gains period under the tax statutes, or for a deferred sale, or for a market rise, or with the intent of a further transfer by me within such period of time as would be inconsistent with an intention to hold for investment, as construed by applicable state and federal laws, agencies, rules and regulations; that I do hereby represent and warrant that I will hold said shares for a period exceeding one year from the date such shares have been fully paid for by me unless such acquisition has been made by me in contemplation of the merger, consolidation, or sale by or of all of the shares of the Company; that I have ample funds to purchase these securities and that my financial situation is not such as to make it likely that it will be necessary for me to dispose of these shares in the foreseeable future;

That I further understand and agree that if, at any time, I propose to distribute, resell, hypothecate, pledge or transfer any portion of the shares being purchased by me, that I will advise the Company of the facts relating to the proposed transfer, and

such transfer shall be subject to the satisfaction and approval of the Company and its counsel, which approval shall be given if the proposed transfer is not inconsistent with applicable federal and state laws, agencies, rules and regulations;

That I agree that a legend with reference to this affidavit and agreement may be placed on the share certificate or certificates issued to me to indicate clearly that said shares may not be transferred except in compliance with the Securities Act of 1933, as amended, and the Georgia Securities Act of 1973, as amended.

That I am a bona fide resident of the State of Georgia.

_____(L.S.)
Lance Aaron

Sworn to and subscribed
before me this ____ day of
____, 19____.

Notary Public

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EXHIBIT F-1
TERM A NOTE

US\$1,875,000.00

_____, 2000

FOR VALUE RECEIVED, the undersigned, ISD HOLDINGS, INC., a Georgia corporation ("ISD"), MILLER-ZELL, INC., a Georgia corporation ("Miller Zell"), CDI GROUP, INC., a New York corporation ("CDI"), MZIP, INC., a Georgia corporation ("MZip"), TOWER CONSULTING GROUP, INC., a Georgia corporation ("Tower") and MILLER/ZELL ENVIRONMENTS, INC. ("Environments") (hereinafter, together with their respective successors and assigns, each of the foregoing is referred to individually as a "Borrower" and collectively as the Borrowers"), hereby, jointly and severally, promise to pay to the order of SunTrust Bank (hereinafter, together with its successors and assigns, called the "Lender") at the office of the Lender in Atlanta, Georgia, in immediately available funds, the principal sum of ONE MILLION EIGHT HUNDRED SEVENTY-FIVE THOUSAND and 00/100s DOLLARS (\$1,875,000.00) of United States funds, plus interest as hereinafter provided.

This Note is one of the Term A Notes referred to in that certain Amended and Restated Loan and Security Agreement dated as of even date herewith (as amended, restated, supplemented or otherwise modified from time to time, the "Loan Agreement"), among the Borrowers and the Lender. All capitalized terms used herein shall have the meanings ascribed to such terms in the Loan Agreement except to the extent such capitalized terms are otherwise defined or limited herein.

The principal balance outstanding hereunder shall be due and payable in full on the Maturity Date, or such earlier date as the Term A Loan shall be due and payable in full, whether by acceleration or otherwise. The Borrowers also shall repay principal outstanding hereunder from time to time as provided in the Loan Agreement. Prepayment of the principal amount hereof may be made only as provided in the Loan Agreement.

The Borrowers hereby, jointly and severally, promise to pay interest on the unpaid principal amount hereof as provided in the Loan Agreement. Interest under this Note also shall be due and payable when this Note shall become due (whether at maturity, by reason of acceleration or otherwise). Overdue principal and, to the extent permitted by law, overdue interest, shall bear interest payable at the Default Rate in the manner and at the times provided in the Loan Agreement.

In no event shall the amount of interest due or payable hereunder exceed the maximum rate of interest allowed by applicable law, and in the event any such payment is inadvertently made by any Borrower or inadvertently received by the Lender, then such excess sum shall be credited as a payment of principal, unless such Borrower shall notify the Lender in writing that it elects to have such excess sum returned forthwith. It is the express intent hereof that the Borrowers not pay and the Lender not receive, directly or indirectly in any manner whatsoever, interest in excess of that which

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EXHIBIT F-2
TERM B NOTE

US\$1,375,000.00

_____, 2000

FOR VALUE RECEIVED, the undersigned, ISD HOLDINGS, INC., a Georgia corporation ("ISD"), MILLER/ZELL, INC., a Georgia corporation ("Miller Zell"), CDI GROUP, INC., a New York corporation ("CDI"), MZIP, INC., a Georgia corporation ("MZip"), TOWER CONSULTING GROUP, INC., a Georgia corporation ("Tower") and MILLER/ZELL ENVIRONMENTS, INC. ("Environments") (hereinafter, together with their respective successors and assigns, each of the foregoing is referred to individually as a "Borrower" and collectively as the Borrowers"), hereby, jointly and severally, promise to pay to the order of SunTrust Bank (hereinafter, together with its successors and assigns, called the "Lender") at the office of the Lender in Atlanta, Georgia, in immediately available funds, the principal sum of ONE MILLION THREE HUNDRED SEVENTY-FIVE THOUSAND and 00/100s DOLLARS (\$1,375,000.00) of United States funds, plus interest as hereinafter provided.

This Note is one of the Term B Notes referred to in that certain Amended and Restated Loan and Security Agreement dated as of even date herewith (as amended, restated, supplemented or otherwise modified from time to time, the "Loan Agreement"), among the Borrowers and the Lender. All capitalized terms used herein shall have the meanings ascribed to such terms in the Loan Agreement except to the extent such capitalized terms are otherwise defined or limited herein.

The principal balance outstanding hereunder shall be due and payable in full on the Maturity Date, or such earlier date as the Term B Loan shall be due and payable in full, whether by acceleration or otherwise. The Borrowers also shall repay principal outstanding hereunder from time to time as provided in the Loan Agreement. Prepayment of the principal amount hereof may be made only as provided in the Loan Agreement.

The Borrowers hereby, jointly and severally, promise to pay interest on the unpaid principal amount hereof as provided in the Loan Agreement. Interest under this Note also shall be due and payable when this Note shall become due (whether at maturity, by reason of acceleration or otherwise). Overdue principal and, to the extent permitted by law, overdue interest, shall bear interest payable at the Default Rate in the manner and at the times provided in the Loan Agreement.

In no event shall the amount of interest due or payable hereunder exceed the maximum rate of interest allowed by applicable law, and in the event any such payment is inadvertently made by any Borrower or inadvertently received by the Lender, then such excess sum shall be credited as a payment of principal, unless such Borrower shall notify the Lender in writing that it elects to have such excess sum returned forthwith. It is the express intent hereof that the Borrowers not pay and the Lender not receive, directly or indirectly in any manner whatsoever, interest in excess of that which

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EXHIBIT G

FORM OF COMPLIANCE CERTIFICATE

The undersigned Borrowers' Agent does hereby further certify, on behalf of the Borrowers (as defined below), in connection with Section 9.27 of that certain Amended and Restated Loan and Security Agreement dated as of _____, 2000 (as the same may be amended, restated, supplemented or otherwise modified from time to time, the "Loan Agreement") by and among ISD Holdings, Inc. ("ISD"), Miller/Zell, Inc. ("Miller Zell"), CDI Group, Inc. ("CDI"), MZip, Inc. ("MZip"), Tower Consulting Group, Inc. ("Tower") and Miller/Zell Environments, Inc. ("Environments") and SunTrust Bank, as lender:

1. Calculations demonstrating compliance with Sections 9.20, 9.21, 9.22 and 9.25 of the Loan Agreement as of the last day of the fiscal quarter ending _____, 200_, are set forth on Schedule 1 attached hereto; and
2. To the best of my knowledge, no Default or Event of Default has occurred during the period ended _____, _____ [except as described on Schedule 2 attached hereto (which Schedule describes the nature of such Default/Event of Default and its nature, when it occurred, whether it is continuing and the steps being taken by the Borrowers with respect to such Default/Event of Default)].

Capitalized terms used herein and not otherwise defined are used as defined in the Loan Agreement.

[SIGNATURE APPEARS ON NEXT PAGE]

C. Compliance Calculation Section 9.22 - Funded Debt/EBITDA Ratio

With respect to the Borrowers and their Subsidiaries on a consolidated basis as of the calculation date:

- (a) the outstanding principal balance of the Loans: \$ _____
- (b) the aggregate outstanding amount of the Letter of Credit Obligations \$ _____
- (c) sum of (a) + (b): \$ _____
- (d) EBITDA for the preceding four fiscal quarter period (as calculated in Attachment A attached hereto) \$ _____
- (e) Ratio of (c) to (d) _____:1.00
- Covenant Ratio not to be more than: 4.50:1.00
- In compliance? _____ Yes _____ No

D. Compliance Calculation Section 9.25 - Tangible Net Worth Ratio

With respect to the Borrowers and their Subsidiaries on a consolidated basis as of the calculation date:

- (a) Debt: \$ _____
- (b) Borrowers' total stockholders' equity as would be shown on a balance sheet of the Borrowers as of the calculation date in accordance with GAAP: \$ _____
- (c) Goodwill and other intangible assets: \$ _____
- (d) Greater of (1) accounts receivable and notes receivable due and payable to any Borrower by such Borrower's Affiliates, net of any accounts payable and notes payable to any Borrower's Affiliates by the Borrowers (other than Subordinated Debt) or (2) zero (0): \$ _____
- (e) (c) + (d): \$ _____
- (f) (b) minus (e): \$ _____

(g) Ratio of (a) to (f)

_____:1.00

Covenant Ratio not to be more than

4.25:1.00

In compliance?

___ Yes ___ No

ATTACHMENT A
CALCULATION OF EBITDA

With respect to any period of the Borrowers and their Subsidiaries, on a consolidated basis, without double-counting and to the extent deducted in computing Net Income, as of the calculation date:

- | | | |
|----|-------------------------------------|----------|
| 1. | Net Income: | \$ _____ |
| 2. | Interest Expense: | \$ _____ |
| 3. | Income Taxes: | \$ _____ |
| 4. | Depreciation: | \$ _____ |
| 5. | Amortization: | \$ _____ |
| 6. | Capital Expenditures: | \$ _____ |
| 7. | Sum of (1) + (2) + (3) + (4) + (5): | \$ _____ |
| 8. | EBITDA ((7) minus (6)): | \$ _____ |
-

Schedule 1

Permitted liens

DEBTOR	JURISDICTION	SECURED PARTY	LIEN, SUIT JUDGMENT FOUND	DATE FILED	FILE NO.	COLLATERAL
Miller/Zell, Inc.		First Union National Bank of Georgia	No (lease only)	1993	79640 (060-2000- 003025)	Equipment
Miller/Zell, Inc.	Fulton Co., GA	Associates Leasing, Inc.	Yes	2/22/94	806639	(1) Forklift
Miller/Zell, Inc.	Fulton Co., GA	Vanguard Financial Service	No (lease only)	11/7/94	820096	(1) Copier
Miller/Zell, Inc.	Fulton Co., GA	Sanwa Leasing Corporation	No (lease only)	11/14/94	820413	(3) Copiers
Miller/Zell, Inc.	Fulton Co., GA	IBM Credit Corporation	No (lease only)	12/12/94	821914	IBM Equipment
Miller/Zell, Inc.	Fulton Co., GA	Avco Leasing Services (Imperial Business Credit)	No (lease only)	4/4/95	05294 (060-1996- 019779)	Copier and Accessories
Miller/Zell, Inc.	Fulton Co., GA	NationsBanc Leasing Corporation	No (lease only)	10/18/95	20037 (6095021971)	Crown Lift Trucks
Miller/Zell, Inc.	Fulton Co., GA	Ogden Material Handling Systems, Inc. (Associates Leasing, Inc.)	No (lease only)	8/6/96	6096015201	Equipment
Miller/Zell, Inc.		Georgia Federal Bank, FSB		9/13/96	060-1992-774968 (060-1996-017636)	
Miller/Zell, Inc.		First Union National Bank of Georgia		9/13/96	060-1993-796460 (060-1996-017637)	
Miller/Zell, Inc.	Fulton Co., GA	Sericol, Inc.	No (lease only)	4/29/97	6097008283	Equipment
Miller/Zell, Inc.	Fulton Co., GA	Sericol, Inc.	No (lease only)	4/30/97	6097008434	Equipment
Miller/Zell, Inc.		Bankers Leasing Association, Inc.	No (lease only)	2/20/98	007-1998-001208	
Miller/Zell, Inc.		Bankers Leasing Association	No (lease only)	2/20/98	007-1998-001209	
Miller/Zell, Inc.		Bankers Leasing Association, Inc.	No (lease only)	5/13/98	007-1998-003766	
Miller/Zell, Inc.		Bankers, Softech, a Division of EAB Leasing Corp.	No (lease only)	3/2/99	007-1999-002049 (1999-2992)	
Miller/Zell, Inc.		Bankers, Softech, a Division of EAB Leasing Corp.	No (lease only)	3/15/99	007-1999-002634	
Miller/Zell, Inc.		Bankers, Softech, a Division	No (lease only)	4/9/99	007-1999-003947	

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Miller/Zell, Inc.	of EAB Leasing Corp.	No (lease only)	6/7/99	010950	Equipment
Miller/Zell, Inc.	Kodak Polychrome Graphics	No (lease only)	11/29/99	007-1999-012314	
Miller/Zell, Inc.	Safeco Credit Co., Inc.	No (lease only)	12/22/99	024803	
Miller/Zell, Inc.	Dynaric, Inc.	No (lease only)	12/30/99	007-1999-013550	
Miller/Zell, Inc.	Bankers, Softech, Mid-Stares, a Division of EAB Leasing	No (lease only)	8/4/99	015230	Equipment
Miller/Zell, Inc.	Sericol, Inc.	No (lease only)	2/1/00	060-2000-002032	
Miller/Zell, Inc.	Kodak Polychrome Graphics, LLC	No (lease only)	2/9/00	002919	Equipment
Miller/Zell, Inc.	WAM!NET, Inc.	No (lease only)	2/15/00	003057	Equipment
Miller/Zell, Inc.	Sericol, Inc.				

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Schedule 2
Premises

Atlanta Locations

Miller/Zell, Inc. (Design Center)
4715 Frederick Drive, S.W.
Atlanta, Georgia 30336
(404) 691-7400

Miller/Zell, Inc. (Print Center)
4750 Frederick Drive, S.W.
Atlanta, Georgia 30336
(404) 691-7400

Miller/Zell, Inc. (Prototype Shop)
4734 Frederick Drive, S.W.
Atlanta, Georgia 30336
(404) 691-7400

Miller/Zell, Inc. (Warehouse)
255 Marvin Miller Drive
Atlanta, Georgia 30336
(404) 691-7400

Miller/Zell, Inc. (Facility Design)
500 Waterfront Drive
Atlanta, Georgia 30336
(404) 691-7400

New York Location:

CDI Group, Inc. (corporate office)
216 East 45th Street
New York, New York 10017

Argentina Location:

Miller/Zell, Inc. (Argentina)
Capadocia Bazar
Ruiz Huidobro 1691 5*A
Capital Federal
Buenos Aires, Argentina 1429
011 (541) 702-4227

Landlord Address

Deran
18 Manning Road
Dedham, Massachusetts 02026

Selig Enterprises
1100 Spring Street, Suite 550
Atlanta, Georgia 30309-2848

Selig Enterprises
1100 Spring Street, Suite 550
Atlanta, Georgia 30309-2848

Selig Enterprises
1100 Spring Street, Suite 5
Atlanta, Georgia 30309-2848

TN Carlos Company
One National Drive
Atlanta, Georgia 30336

Landlord Address:

The Janco Company, LLC
c/o Bernstein Real Estate
855 Avenue of the Americas
New York, New York 10001

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Schedule 8.4

Tradenames

None.

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Schedule 8.5

Subsidiaries

Of ISD Holdings, Inc.

- Miller/Zell, Inc.
- CDI Group, Inc.
- Tower Consulting Group, Inc.
- MZip, Inc.

Of Miller/Zell, Inc.

- Miller/Zell S.R.L. – Argentina
- Miller/Zell Environments, Inc.

Shareholders

ISD HOLDINGS,
INC.
COMMON
SHARES AND
WARRANTS
ANALYSIS
APRIL 1, 2000

Holder	Shares Outstanding	Ownership %	Warrants Outstanding	Warrant Price	Grant Date	Expiration Date	Fully Diluted Ownership %
Sandy Miller	3,325,000	63.67%	500,000	.302	1/1/82	None	
	150,000		150,000	1.932	1/1/98	12/31/01	
Miller Family Partnership	1,000,000	19.15%					
Jim Matthews	297,000	5.69%	20,000	1.085	4/14/95	12/31/25	
			40,000	1.342	1/10/97	12/31/25	
Tom Giles	150,000	2.87%	50,000	1.085	4/14/95	12/31/25	
			50,000	1.187	7/1/96	12/31/25	
Jim Coplin	350,000	6.70%	150,000	1.342	1/10/97	12/31/25	
Gary Meyer			50,000	1.085	4/14/95	12/31/25	
			50,000	1.342	1/10/97	12/31/25	
			30,000	1.793	6/30/98	12/31/25	
			30,000	2.442	5/1/99	12/31/25	
Bill Farr	50,000	0.96%					
Dena Johnston	20,000	0.38%	5,000	1.342	1/10/97	12/31/25	
Howard Elkins	20,000	0.38%					
Ezra Wittner			10,000	1.085	4/14/95	12/31/25	
			5,000	1.342	1/10/97	12/31/25	
Tim Brennan	10,000	0.19%					
Cindy Williams			10,000	1.342	1/10/97	12/31/25	
David Kotke			5,000	1.342	1/10/97	12/31/25	
Jerry Van Scyoc			5,000	1.342	1/10/97	12/31/25	
Dave Stabile			2,500	1.342	1/10/97	12/31/25	
Jim Gebhardt			10,000	1.342	1/10/97	12/31/25	
Les Perry			2,500	1.342	1/10/97	12/31/25	

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Schedule 8.13

Owned and Leased Property

See Schedules 1 and 2

Schedules isd-suntrust loan docs\4979

Schedule 8.14

Patents, Trademarks and Copyrights

Patents:

5,465,516

5,439,122

5,511,332

5,663,746

D 373,266

Trademarks:

75/509652 - Integrated Store Development

75/509653 - ISD

75/558124 - Miller/Zell

Pending - Branding for Results (application mailed 3/9/00)

Pending - Results Based Branding (application mailed 3/9/00)

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Schedule 8.16

Litigation

None.

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Schedule 8.18

Labor Disputes

None.

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Schedule 8.22

ERISA

401(k) Plan

ISD offers the ISD 401(k) Savings and Incentive Plan to all full-time associates who have completed minimum eligibility requirements. ISD uses Frontier Trust Company as the Plan Trustee, BISYS, Inc., for plan administration and record keeping and maintains its investment in a Guardian Life Insurance 401(k) Investor Annuity Contract. ISD matches \$.50 of each dollar contributed by employees up to a maximum 3% of salary.

A summary of the plan description is attached to this Schedule 8.22.

Stock Warrants

ISD Holdings, Inc. ("ISD") has granted warrants to purchase its common stock to certain key employees, at exercise prices equal to fair market value per share at the date of grant. The warrants are exercisable immediately over a period of up to twenty-five (25) years, depending on the specific warrant, from the date of grant or until employment termination. If exercised, the related common stock must be repurchased by ISD, upon termination of employment, at ISD's unaudited tangible book value per share at the termination date. At April 1, 2000, 1,286,320 warrants were outstanding, as shown on the accompanying schedule.

Section 125 Cafeteria Plan

ISD maintains a Cafeteria Plan allowing full-time employees to use pre-tax salary to pay certain non-taxable benefits, thereby reducing the employee's taxable income. Employees are eligible to enroll after thirty (30) days of employment. The employee can place the deductions for his family's medical and dental coverage under the Cafeteria Plan; he or she may select additional life insurance, accidental death and dismemberment insurance, or cancer insurance; he or she may also elect to set aside money for medical or dependent care reimbursement to cover the cost of deductibles, co-payments, all medical payments not covered by insurance, eye exams and glasses, and many other health related expenses.

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