SECURITIES AND EXCHANGE COMMISSION

WASHINGTON, D.C. 20549

FORM 8-K

CURRENT REPORT
PURSUANT TO SECTION 13 OR 15(d) OF THE
SECURITIES EXCHANGE ACT OF 1934

Date of Report (Date of earliest event reported): February 4, 2000

FTI Consulting, Inc.
(Exact Name of Registrant as Specified in Charter)

Maryland	001-14875	52-1261113
(State or Other Jurisdiction of Incorporation)	(Commission File Number)	(IRS Employer Identification No.)

2021 Research Drive, Annapolis, Maryland 21401
(Address of Principal Executive Offices) (ZIP Code)

Registrant's telephone number, including area code (410) 224-8770

ITEM 2. ACQUISITION OR DISPOSITION OF ASSETS.

On February 4, 2000, FTI Consulting, Inc. ("FTI") completed the acquisition of all of the outstanding membership interests of Policano & Manzo, L.L.C., a privately-held consulting firm that is the leader in providing bankruptcy and turnaround consulting services to large corporations, money center banks and secured lenders throughout the United States. The acquisition was accomplished under an LLC Membership Interests Purchase Agreement (the "Purchase Agreement") dated as of January 31, 2000, by and among FTI, Michael Policano and Robert Manzo. FTI acquired the membership interests from Messrs. Policano and Manzo for a total consideration of approximately $50,000,000 in cash and shares of FTI's Common Stock.

To finance the acquisition, FTI entered into a senior credit facility, consisting of a $61,000,000 term loan, a $7,500,000 revolving credit facility and a $30,000,000 subordinated debt facility with a group of lenders led by Newcourt Commercial Finance Corporation, an affiliate of The CIT Group, Inc., with Allied Capital Corporation, Bank of America, N.A., ING (U.S.) Capital LLC, SunTrust Bank, N.A. and ReliaStar Financial Corp. In addition to financing the acquisition, proceeds of these facilities, together with FTI's internally generated cash, were used to refinance FTI's existing debt of approximately $44,000,000.

The foregoing description of the Purchase Agreement and the credit facilities does not purport to be complete and is qualified in its entirety by reference to the Purchase Agreement and the credit facilities, each attached as exhibits hereto. A press release issued by FTI on February 7, 2000 announcing the acquisition and the execution of the credit facilities is also attached as an exhibit hereto.

ITEM 7. FINANCIAL STATEMENTS, PRO FORMA FINANCIAL INFORMATION AND EXHIBITS.

(a) Financial Statement of Acquired Business. It is impracticable to provide the required financial statements at this time. The required financial statements will be filed as soon as practicable, but not later than 60 days after the filing date of this Form 8-K report.

(b) Pro Forma Financial Information. It is impracticable to provide the required pro forma financial information at this time. The required pro forma financial information will be filed as soon as practicable, but not later than 60 days after the filing date of this Form 8-K report.

(c) Exhibits.

2.1 LLC Membership Interests Purchase Agreement dated as of January 31, 2000, by and among FTI Consulting, Inc., Michael Policano and Robert Manzo.

99.1 Credit Agreement dated as of February 4, 2000, by and among FTI Consulting, Inc. and its subsidiaries named therein, Newcourt

Commercial Finance Corporation, an affiliate of The CIT Group, Inc., and the other agents and lenders named therein.

99.2 Investment and Loan Agreement dated as of February 4, 2000, by and among FTI Consulting, Inc. and its subsidiaries named therein, Jack B. Dunn, IV, Stewart J. Kahn, Allied Capital Corporation and the other lenders named therein.

99.3 Form of Series A Stock Purchase Warrant dated as of February 4, 2000, by and between FTI Consulting, Inc. and each of the lenders named in the Investment and Loan Agreement.

99.4 Press Release dated February 7, 2000, of FTI Consulting, Inc.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

FTI CONSULTING, INC.

By: /s/ JACK B. DUNN, IV

Jack B. Dunn, IV
Chairman of the Board and
Chief Executive Officer

Date: February 15, 2000

EXHIBIT INDEX

Exhibit	Description	Page No.
2.1	LLC Membership Interests Purchase Agreement dated as of January 31, 2000, by and among FTI Consulting, Inc., and Michael Policano and Robert Manzo. FTI will furnish to the Securities and Exchange Commission a copy of any omitted schedule or exhibit upon request.	
99.1	Credit Agreement dated as of February 4, 2000, by and among FTI Consulting, Inc. and its subsidiaries named therein, Newcourt Commercial Finance Corporation, an affiliate of The CIT Group, Inc., and the other agents and lenders named therein. FTI will furnish to the Securities and Exchange Commission a copy of any omitted schedule or exhibit upon request.	
99.2	Investment and Loan Agreement dated as of February 4, 2000, by and among FTI Consulting, Inc. and its subsidiaries named therein, Jack B. Dunn, IV, Stewart J. Kahn, Allied Capital Corporation and the other lenders named therein. FTI will furnish to the Securities and Exchange Commission a copy of any omitted schedule or exhibit upon request.	
99.3	Form of Series A Stock Purchase Warrant dated as of February 4, 2000, by and between FTI Consulting, Inc. and each of the lenders named in the Investment and Loan Agreement. FTI will furnish to the Securities and Exchange Commission a copy of any omitted exhibit upon request.	
99.4	Press Release dated February 7, 2000, of FTI Consulting, Inc.	

Exhibit 2.1

EXECUTION COPY

LLC MEMBERSHIP INTERESTS PURCHASE AGREEMENT
BY AND AMONG
FTI CONSULTING, INC.

AND

MICHAEL POLICANO
ROBERT MANZO

DATED AS OF JANUARY 31, 2000

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EXHIBITS

Exhibit A	Members' Interests and Allocation of Purchase Price
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LLC MEMBERSHIP INTERESTS PURCHASE AGREEMENT

THIS LLC MEMBERSHIP INTERESTS PURCHASE AGREEMENT (this "Agreement") is made and entered into as of January 31, 2000, by and among FTI Consulting, Inc., a Maryland corporation ("Buyer"), and Michael Policano ("Policano") and Robert Manzo ("Manzo," and together with Policano, the "Members"), who are the sole members of Policano & Manzo, L.L.C., a New Jersey limited liability company (the "Company").

RECITALS

A. The Members are the owners of all of the outstanding membership interests (the "Interests") in the Company.

B. The Members desire to sell to Buyer and Buyer desires to purchase from the Members the Interests, pursuant to the terms and conditions set forth in this Agreement.

NOW, THEREFORE, in consideration of the premises and of the representations, warranties, covenants and agreements herein contained, the parties hereto, intending to be legally bound, agree as follows:

1. PURCHASE OF INTERESTS AND RELATED MATTERS.

1.1 TRANSFER OF INTERESTS.

Upon the terms and subject to the conditions hereof, at the Closing (as defined in Section 2.1), Buyer will purchase from the Members, and the Members will sell, transfer and deliver to Buyer, all of the Interests, free and clear of all Liens (as defined below), in consideration of payment of the Purchase Price specified in Section 1.2. For the purposes of this Agreement, "Lien" means any security interest, pledge, encumbrance, lien (statutory or otherwise), charge, security agreement, option, right of first refusal, preemptive right, restriction on transfer or other preferential arrangement of any kind or nature whatsoever.

1.2 PURCHASE PRICE.

(a) Closing Payment. For purposes of this Agreement, the "Purchase Price" shall be as follows: (i) Buyer shall pay $47,500,000 in cash (the "Closing Payment") to the Members via wire transfer of immediately available funds to an account or accounts designated by the Members at Closing, subject to the Working Capital Adjustment (as defined in this Paragraph (a) below) and in the respective amounts set forth opposite Policano's and Manzo's names on Exhibit A; (ii) Buyer shall issue and deliver 565,000 shares of Buyer's Common Stock to the Members in the respective amounts set forth opposite Policano's and Manzo's names on Exhibit A;

and (iii) Buyer shall issue and deliver the Restricted Stock (as defined in Paragraph (b) below). For purposes of this Section 1.2(a), "Working Capital Adjustment" shall mean the amount by which the Company's working capital as of the Closing ("Working Capital"), as fully set forth on Schedule 1.2(a) hereto, is more or less than $1,500,000.

(b) Restricted Stock. As additional Purchase Price, the Buyer shall issue at the Closing 250,000 shares of Buyer's Common Stock (the "Restricted Stock") to the Members in the respective amounts set forth opposite Policano's and Manzo's names on Exhibit A. The Restricted Stock shall be issued in accordance with the Restricted Stock Agreement (the "Restricted Stock Agreement") in the form attached as Exhibit B, which shall provide that none of the Restricted Stock may be sold, gifted, endorsed, assigned, pledged, encumbered or otherwise disposed of by the holder before the earlier of (i) January 31, 2004 or (ii) the date upon which there is a Change in Control of Buyer (as defined in the Restricted Stock Agreement).

1.3 CLOSING BALANCE SHEET.

(a) As promptly as practical (but no later than 20 business days after the Closing Date), the Members shall deliver to Buyer an unaudited balance sheet of the Company as of the opening of business on the Closing Date (the "Closing Balance Sheet") prepared on an accrual basis in accordance with GAAP consistently applied.

(b) (i) Buyer may dispute the Closing Balance Sheet by notifying the Members in writing setting forth, in reasonable detail to the extent possible, the amount(s) in dispute and the basis for such dispute, within 20 business days of Buyer's receipt of the Closing Balance Sheet. In the event of such a dispute, Buyer and the Members shall attempt in good faith to resolve such dispute, and any resolution by them as to any disputed amount(s) shall be final, binding and conclusive on Buyer and the Members.

(ii) If the Members and Buyer do not resolve any such dispute within 10 business days of the date of receipt by the Members of Buyer's written notice of dispute, Buyer and the Members shall, within 3 additional business days, submit any such unresolved dispute to an independent accounting firm of national reputation appointed jointly by Buyer and the Members (neither of which may unreasonably withhold or delay such appointment) (the "Independent Accounting Firm"), which firm shall, within 30 business days of each such submission, resolve such remaining dispute, and such resolution shall be binding and conclusive on Buyer and the Members. The fees and disbursements of the Independent Accounting

Firm shall be borne by the Members and Buyer in the proportion that the aggregate amount of disputed item submitted to the Independent Accounting Firm that is unsuccessfully disputed by each such party (as finally determined by the Independent Accounting Firm) bears to the total amount of such remaining disputed item so submitted.

(iii) The Working Capital, adjusted for the resolution of any and all disputes pursuant to subparagraph (i) or (ii) above, will be deemed to be the Working Capital for purposes of Paragraph (a) above upon the later of (A) the lapse of the 20 day period referred to in subsection (b)(i) above, (B) to the extent any amount is still in dispute, the lapse of the 10 day period referred to in subsection (b)(ii) above or (C) such later date upon which all disputes submitted to the Independent Accounting Firm pursuant to subsection (b)(ii) above have been resolved.

(iv) The Working Capital Adjustment shall be paid by Buyer to the Members or by the Members to Buyer, as the case may be, in immediately available funds within three business days after the final determination of the Working Capital in accordance with this Section 1.3.

1.4 LIABILITIES OF THE COMPANY.

At or before the Closing, the Members shall cause the Company to repay all of its liabilities, except: (i) those current liabilities in the categories set forth on Schedule 1.4(i) attached hereto and included within the Company's Working Capital; (ii) the Company's office leases at Park 80 West, Plaza 2, Saddle Brook, New Jersey and HQ Loop-Suite 1400, 70 W. Madison, Chicago, Illinois, and (iii) those equipment leases set forth on Schedule 1.4(iii) attached hereto.

1.5 ACCOUNTING TERMS.

Except as otherwise expressly provided herein or in the schedules to this Agreement (the "Schedules"), all accounting terms used in this Agreement shall be interpreted, and all financial statements, Exhibits, Schedules, certificates and reports as to financial matters required to be delivered hereunder shall be prepared, in accordance with generally accepted accounting principles ("GAAP") consistently applied.

1.6 EFFECTIVENESS OF REPRESENTATIONS AND WARRANTIES.

The representations and warranties of the parties set forth in Articles 3 and 4 hereof shall be effective as of the Closing Date unless they specifically refer to an earlier date.

2. CLOSING.

2.1 LOCATION AND DATE.

The consummation of the transactions contemplated by this Agreement (the "Closing") shall take place at 10:00 a.m. at the offices of Wolff & Samson, P.A., 280 Corporate Center, 5 Becker Farm Road, Roseland, New Jersey 07068, on or before January 31, 2000, provided, that, all conditions to Closing have been satisfied or waived, or at such other time, place and date as Buyer and the Members may mutually agree upon, which date is referred to herein as the "Closing Date."

2.2 DELIVERIES.

(a) The Members shall deliver to Buyer the following at the Closing: (i) duly executed Assignments of Membership Interest in Limited Liability Company, together with other instruments of transfer and any other documents that are necessary to transfer to Buyer good and marketable title to the Interests, free and clear of all Liens; (ii) resignations of the Members as Managers of the Company; (iii) duly executed Restricted Stock Agreement and Registration Rights Agreement; (iv) a properly executed statement in a form reasonably acceptable to Buyer for purposes of satisfying Buyer's obligations under Treas. Reg. Section 1.1445-2(b)(2); and (v) all other documents, certificates, instruments or writings required to be delivered by the Members or the Company at or prior to the Closing pursuant to Article 5 of this Agreement.

(b) Buyer shall deliver to the Members at the Closing: (i) the Closing Payment in immediately available funds; (ii) duly executed Restricted Stock Agreement and Registration Rights Agreement; (iii) stock certificates representing the shares transferred hereunder; and (iv) all other documents, certificates, instruments or writings required to be delivered by Buyer at or prior to the Closing pursuant to Article 6 of this Agreement.

3. REPRESENTATIONS AND WARRANTIES OF THE MEMBERS.

To induce Buyer to enter into this Agreement and consummate the transactions contemplated hereby, each of the Members, jointly and severally, represents and warrants to Buyer, except as required to be disclosed on a specific Schedule provided in connection herewith, as follows:

3.1 DUE ORGANIZATION.

The Company is a limited liability company duly organized, validly existing and in good standing under the laws of the jurisdiction of its formation, and is duly authorized and qualified to do business and to own, operate and lease its properties and to carry on its business in the places and in the manner as now conducted under all applicable material laws, regulations, ordinances and orders of public authorities. Schedule 3.1(a) hereto contains a list of all jurisdictions in which the Company is authorized or qualified to do business. Except as set forth on Schedule 3.1(a), the Company is in good standing as a foreign entity in each jurisdiction in which the conduct of its business requires it to be so qualified or otherwise authorized to transact business, other than such jurisdictions where the failure to be so qualified or otherwise authorized to transact business would not have a Material Adverse Effect on the Company. For purposes of this Agreement, "Material Adverse Effect" means any effect that is or reasonably could be materially adverse to the financial condition, assets, liabilities, current business, business prospects or results of operations or property of a person or entity; provided, however, that the following shall not be taken into account in determining whether there has been a Material Adverse Effect: (i) any adverse effect directly arising from or directly relating to general business or economic conditions; (ii) any adverse effect directly arising from or directly relating to conditions affecting the national or regional litigation, fraud investigation, government contract, strategic advisory or turnaround consulting business; and (iii) any adverse effect directly arising from or directly relating to the announcement or pendency of any of the transactions contemplated hereby or any of the other transaction documents executed in connection herewith. The Company has made available to Buyer true, complete and correct copies of its Certificate of Formation and Operating Agreement (collectively, the "Charter Documents"). The Company is not in violation of any provision of its Charter Documents. The minute books of the Company has been made available to Buyer and are complete and accurate in all material respects. Schedule 3.1(b) contains a complete and accurate list of the managers and officers of the Company.

3.2 AUTHORIZATION; VALIDITY.

Each of the Members has the full legal right and authority to enter into this Agreement and to consummate the transactions contemplated hereby. This Agreement is a legal, valid and binding obligation of each of the Members, enforceable against each of them in accordance with its terms, subject only to applicable bankruptcy, reorganization, insolvency, moratorium, and other rights affecting creditors' rights generally from time to time in effect and as to enforceability, general equitable principles.

3.3 NO CONFLICTS.

Except as set forth on Schedule 3.3, the execution, delivery and performance of this Agreement, the consummation of the transactions contemplated hereby, and the fulfillment of the terms hereof will not:

(a) conflict with, or result in a breach or violation of, any of the Charter Documents;

(b) conflict with, or result in a default (or would constitute a default but for any requirement of notice or lapse of time or both) under, any document, agreement or other instrument to which any of the Company or the Members is a party or by which any of the Company or the Members is bound, or result in the creation or imposition of any Lien, charge or encumbrance on any of the Company's properties or the Interests pursuant to: (i) any law or regulation to which the Company or the Members or any of the Company's properties is subject, or (ii) any judgment, order or decree to which any of the Company or the Members is bound or any of the Company's properties is subject, except where such conflicts or defaults would not, individually or in the aggregate, have a Material Adverse Effect;

(c) result in termination or any impairment of any permit, license, franchise, contractual right or other authorization of the Company or either of the Members, except where such terminations or impairments would not, individually or in the aggregate, have a Material Adverse Effect; or

(d) violate any law, order, judgment, rule, regulation, decree or ordinance to which any of the Company or the Members is subject or by which any of the Company or the Members is bound, except where such violations would not, individually or in the aggregate, have a Material Adverse Effect.

3.4 MEMBERSHIP INTERESTS IN THE COMPANY.

The Interests are the only membership interests in the Company. The Interests have been duly issued in accordance with the Charter Documents and are owned of record and beneficially by the Members, free and clear of all Liens. The Interests were offered, issued, sold and delivered by the Company in compliance with all applicable state and federal laws concerning the issuance of securities. Further, none of the Interests was issued in violation of any preemptive rights. There are no voting agreements or voting trusts with respect to any of the Interests, except as set forth in the Charter Documents. Schedule 3.4 sets forth the percentage ownership of the Company represented by Policano's and Manzo's respective ownership of the Interests.

3.5 TRANSACTIONS IN MEMBERSHIP INTERESTS.

No option, warrant, call, subscription right, conversion right or other contract or commitment of any kind exists of any character, written or oral, which may obligate the Company to issue or sell any membership interests, or by which any membership interests may otherwise become outstanding. The Company has no obligation (contingent or otherwise) to

purchase, redeem or otherwise acquire any of the Interests or any portion thereof or to make any distribution in respect thereof. As a result of the transactions contemplated by this Agreement, Buyer will become the record and beneficial owner of all outstanding membership interests of the Company.

3.6 ABSENCE OF CLAIMS AGAINST COMPANY.

None of the Members has any claims of any kind against the Company other than claims for expenses reimbursement and the like incurred in the ordinary course of business. The Members have not assigned any such claims to any third party.

3.7 SUBSIDIARIES AND STOCK.

The Company has no subsidiaries. Except as set forth in Schedule 3.7, the Company does not now own, of record or beneficially, or control, directly or indirectly, any capital stock, securities convertible into capital stock or any other equity interest in any corporation or other business entity, and except as set forth on Schedule 3.7, the Company is not participating, directly or indirectly, in any joint venture, partnership or similar entity.

3.8 COMPLETE COPIES OF DOCUMENTS.

The Company has made available to Buyer true and complete copies of each agreement, contract, commitment or other document (or summaries thereof) that is disclosed to in the Schedules or that has been requested in writing by Buyer.

3.9 COMPANY'S FINANCIAL CONDITION.

The Company had revenues of at least $21,000,000 and earnings before the Members' compensation of at least $13,700,000 for the twelve months ended December 31, 1999, each in accordance with GAAP, consistently applied.

3.10 FINANCIAL STATEMENTS.

Schedule 3.10 includes (a) true, complete and correct copies of the Company's audited balance sheets as of December 31, 1997 and 1998 (the end of its most recent completed fiscal year), and income statements for the years ended December 31, 1997 and 1998 (collectively, the "Audited Financials"), and (b) true, complete and correct copies of the Company's unaudited balance sheet (the "Interim Balance Sheet") as of September 30, 1999 (the "Balance Sheet Date") and unaudited income statement, for the nine months then ended (collectively, the "Interim Financials," and together with the Audited Financials, the "Company Financial Statements"). The Audited Financials and the Interim Financials have been prepared from the books and records of the Company, and except as set forth in the notes thereto or in Schedule 3.10, in accordance with GAAP consistently applied and present fairly the financial condition and results of operations of the Company as of and for the periods presented.

Since the date of the Audited Financials, there have been no material changes in the Company's accounting policies.

3.11 LIABILITIES AND OBLIGATIONS.

(a) Except as set forth on Schedule 3.11, the Company is not liable for, nor subject, to any liabilities except for: (i) those liabilities reflected on the Interim Balance Sheet and not previously paid or discharged; (ii) those liabilities arising in the ordinary course of its business consistent with past practice under any contract, commitment or agreement specifically required to be disclosed on one of the Schedules to this Agreement or not required to be disclosed thereon because of the term or amount involved or otherwise; and (iii) those liabilities incurred since the Balance Sheet Date in the ordinary course of business consistent with past practice, which liabilities individually or in the aggregate, have not had, or are not likely to have, a Material Adverse Effect.

(b) For purposes of this Section 3.11, the term "liabilities" shall include, without limitation, any direct or indirect liability, advance retainers from clients, indebtedness, guaranty, endorsement, claim, loss, damage, deficiency, cost, expense or obligation, either accrued, absolute, contingent, mature or unmature, and whether fixed or unfixed, known or unknown, choate or inchoate, liquidated or unliquidated, secured or unsecured.

3.12 BOOKS AND RECORDS.

The Company has made and kept books and records and accounts, which fairly reflect its activities. The Company has not engaged in any transaction, maintained any bank account or used any of its funds except for transactions, bank accounts and funds which have been and are reflected in its normally maintained books and records.

3.13 BANK ACCOUNTS; POWERS OF ATTORNEY.

Schedule 3.13 sets forth a complete and accurate list as of the date of this Agreement of:

(a) the name of each financial institution in which the Company has any account or safe deposit box;

(b) the names in which such accounts or boxes are held;

(c) a brief description of the type of account;

(d) the name of each person authorized to draw thereon or have access thereto; and

(e) the name of each person, corporation, firm or other entity, if any, holding a general or special power of attorney from the Company and a brief description of the terms of such power of attorney.

3.14 ACCOUNTS AND NOTES RECEIVABLE.

The Company has delivered to Buyer a complete and accurate list, as of December 31, 1999, of its accounts and notes receivable (including without limitation billed and unbilled accounts receivable from and advances to employees and the Members), which includes an aging of all accounts and notes receivable and shows amounts due in 30-day aging categories (collectively, the "Accounts Receivable"). All Accounts Receivable represent valid obligations arising from services actually performed in the ordinary course of business. The Accounts Receivable, (i) are reflected in the Interim Balance Sheets and (ii) have been accounted for in the Audited Financials in accordance with GAAP consistently applied. Except as set forth on Schedule 3.14, to the Members' Knowledge (as defined below in this Section 3.14) there is no contest, claim, or right of set-off under any contract with any obligor of an Account Receivable relating to the amount or validity of such Account Receivable. For purposes of this Agreement, the term "Knowledge" shall mean the actual knowledge of the Members following reasonable inquiry.

3.15 PERMITS.

Except as set forth on Schedule 3.15, the Company owns or holds all material licenses, franchises, permits and other governmental authorizations necessary for the continued operation of its business as it is currently being conducted (the "Permits"). The Permits are valid and in full force and effect, and the Company has not received any written notice that any governmental authority intends to modify, cancel, terminate or fail to renew any Permit. No present or former member, officer, manager or employee of the Company or any affiliate thereof, or any other person, firm, corporation or other entity, owns or has any proprietary, financial or other interest (direct or indirect) in any Permits. The Company has conducted and is conducting its business in compliance with the material requirements, standards, criteria and conditions set forth in the Permits and other applicable material orders, approvals, variances, rules and regulations and is not in violation of any of the foregoing. The transactions contemplated by this Agreement will not result in a default under, or a breach or violation of, or adversely affect the rights and benefits afforded to the Company, by any Permit, except where such violations would not, individually or in the aggregate, have a Material Adverse Effect.

3.16 LEASED REAL PROPERTY.

(a) For purposes of this Agreement, "Real Property" means all interests in real property, including, without limitation, fee estates, leaseholds and subleaseholds, purchase options, easements, licenses, rights to access, and

rights of way, and all buildings and other improvements thereon, leased, used or enjoyed by the Company, together with any additions thereto or replacements thereof. The Company owns no Real Property.

(b) Schedule 3.16(b) contains a complete and accurate description of all real properties leased by the Company (including street address, owner, landlord and the Company's use thereof) (the "Leased Real Property").

(c) Except as set forth in Schedule 3.16(c):

(i) The Company has a valid leasehold interest in all Leased Real Property.

(ii) The Company has obtained all material approvals of governmental authorities (including certificates of use and occupancy, licenses and permits) required in connection with the use, occupation and operation of the Leased Real Property.

(iii) All oral or written leases, subleases, licenses, concession agreements or other use or occupancy agreements pursuant to which the Company leases any Real Property, including all amendments, renewals, extensions, modifications or supplements to any of the foregoing or substitutions for any of the foregoing (collectively, the "Leases") are valid and in full force and effect. The Company has provided Buyer with true and complete copies of all of the Leases. The Company's interests under the Leases are free of all Liens.

(iv) Except as set forth on Schedule 3.16, none of the Leases requires the consent or approval of any party thereto in connection with consummation of the transactions contemplated hereby.

3.17 PERSONAL PROPERTY.

(a) Schedule 3.17(a) sets forth a complete and accurate list of all tangible personal property included on the Interim Balance Sheet and owned or leased by the Company with an individual current book value in excess of $10,000 both (i) as of the Balance Sheet Date and (ii) acquired since the Balance Sheet Date, including in each case true, complete and correct copies of leases for material equipment and an indication as to whether any assets are currently owned by the Members and leased to the Company.

(b) Except for restrictions or limitations contained in financing statements with respect to tangible personal property, the Company currently owns or has a valid lease or license all tangible personal property necessary to conduct its business and operations as currently being conducted.

(c) All of the material equipment of the Company, including that listed on Schedule 3.17(a), is in reasonably good working order and condition, ordinary wear and tear excepted. All leases set forth on Schedule 3.17(a) are in full force and effect and constitute valid and binding agreements of the Company and, to the Knowledge of the Members, all other parties thereto, and the Company is not in material breach of any of their terms. All fixed assets used by the Company that are material to the operation of its business are either owned by the Company or leased under the Leases or an agreement listed on Schedule 3.17(a).

3.18 INTELLECTUAL PROPERTY.

(a) The Company is the true and lawful owner of its name and has duly registered its name with its jurisdiction of organization. Other than the Company's name, the Company does not own, use, license or otherwise possess legally enforceable rights to use, any registered or unregistered Marks. For purposes of this Section 3.18, the term "Mark" shall mean all right, title and interest in and to any United States or foreign trademarks, service marks and trade names now held by the Company, including any registration or application for registration of any trademarks and service marks in the United States Patent and Trademark Office ("PTO") or the equivalent thereof in any state of the United States or in any foreign country, as well as any unregistered marks used by the Company, and any trade dress (including logos, designs, company names, business names, fictitious names and other business identifiers) used by the Company in the United States or any foreign country.

(b) Except as set forth on Schedule 3.18(b) and with respect to commercial royalty-free software licenses issued to the Company in the ordinary course of business, the Company does not own, use, license or otherwise possess legally enforceable rights to use, any Patents or Copyrights. For purposes of this Section 3.18, the term "Patent" shall mean any United States or foreign patent as well as any application for a United States or foreign patent made by the Company; the term "Copyright" shall mean any United States or foreign copyright, including any registration of copyrights, in the United States Copyright Office or the equivalent thereof in any foreign county as well as any application for a United States or foreign copyright registration made by the Company.

(c) Except as set forth on Schedule 3.18(c), the Company does not own or use, and is not licensed to operate under or use, any trade names, trade secrets, franchises, technology, proprietary rights, know-how, or similar rights (collectively, "Other Rights") in connection with the operation of its business.

(d) Marks, Patents, Copyrights and Other Rights are referred to collectively herein as the "Intellectual Property." Intellectual Property not owned by the Company is referred to herein collectively as "Third Party Intellectual Property." Except as set forth on Schedule 3.18(d), the Company has no obligation to compensate any person for the use of any Intellectual Property.

(e) Neither of the Members nor the Company is, nor will any of them be as a result of the execution and delivery of this Agreement or the consummation of the transactions contemplated hereby, in violation of any Third Party Intellectual Property license, sublicense or agreement. No claims with respect to any Third Party Intellectual Property are currently pending or, to the knowledge of the Members, threatened by any person, nor, to the Members' knowledge, do any grounds for any claims exist: (i) to the effect that the services provided by the Company, or the sale, licensing or use of any product as now used, sold or licensed or proposed for use, sale or license by the Company infringes on any copyright, patent, trademark, service mark or trade secret; or (ii) against the use by the Company of any trademarks, trade names, trade secrets, copyrights, patents, technology, know-how or computer software programs and applications used in the Company's business as currently conducted. The Company has not been sued or charged in writing as a defendant in any claim, suit, action or proceeding which involves a claim or infringement of trade secrets, patents, trademarks, service marks, or copyrights and which has not been finally terminated, or been informed or notified in writing by any third party that the Company may be engaged in such infringement, and the Members have no knowledge of any infringement liability with respect to, or infringement by, the Company of any trade secret, patent, trademark, service mark, or copyright of another.

3.19 MATERIAL CONTRACTS AND COMMITMENTS.

(a) Schedule 3.19(a) sets forth a complete and accurate list of all clients of the Company ("Current Clients") who have executed engagement letters ("Engagement Letters") with the Company as of December 31, 1999, indicating, where applicable, the referral source therefor.

(b) Schedule 3.19(b) contains a complete and accurate list of all Material Contracts (as defined in this Paragraph (b)) not disclosed in any other Schedule to this Agreement. The term "Material Contract" means any contract, commitments, instruments, or agreements written or oral, to which the Company is a party or by which it or its properties are bound (including without limitation contracts with customers, joint venture or partnership agreements, contracts with any labor organizations, employment agreements, consulting agreements, loan agreements,

indemnity or guaranty agreements, bonds, mortgages, options to purchase land, liens, pledges or other security agreements) (i) to which the Company, the Members or any affiliate of the Company or either of the Members, or any officer or manager of the Company is a party ("Related Party Agreements"); (ii) that may give rise to obligations or liabilities exceeding, during the current term thereof, $10,000, or (iii) that may generate revenues or income exceeding, during the current term thereof, $10,000 (collectively with the Related Party Agreements, the "Material Contracts"). The Company has delivered to Buyer true, complete and correct copies of each of the Material Contracts.

(c) Except to the extent set forth on Schedule 3.19(c), (i) no Current Client has canceled or reduced or, to the knowledge of the Members, is currently attempting or threatening to cancel or reduce, any services to be provided by the Company under an Engagement Letter, except in the ordinary course of business, (ii) the Company has complied in all material respects with all of its commitments and obligations and is not in default under any of the Material Contracts, and no notice of default has been received with respect to any thereof, and (iii) there are no Material Contracts that were not negotiated at arm's length. Except as described on Schedule 3.19(c), the Company has not received any material written customer complaints concerning its products and/or services.

(d) Each Material Contract is valid and binding on the Company and is in full force and effect and, to the Members' Knowledge, is not subject to any default thereunder by any party obligated to the Company pursuant thereto. The Company has obtained, or prior to the Closing Date will obtain, all necessary consents, waivers and approvals of parties to any Material Contracts that are required in connection with any of the transactions contemplated hereby, or are required by any governmental agency or other third party or are advisable in order that any such Material Contract remain in effect without modification after the Closing and without giving rise to any right to termination, cancellation or acceleration or loss of any right or benefit ("Third Party Consents"). All Third Party Consents are listed on Schedule 3.19(d).

3.20 GOVERNMENT CONTRACTS.

(a) Except as set forth on Schedule 3.20, the Company is not a party to any government contracts.

(b) The Company has never been suspended or debarred from bidding on contracts or subcontracts for any agency or instrumentality of the United States Government or any state or local government, nor, to the

knowledge of the Members, has any suspension or debarment action been threatened or commenced.

3.21 INSURANCE.

Schedule 3.21 sets forth a complete and accurate list, as of the Balance Sheet Date, of all insurance policies carried by the Company and all insurance loss runs or workers' compensation claims received for the past two policy years. The Company has made available to Buyer true, complete and correct copies of all current insurance policies, all of which are in full force and effect. All premiums payable under all such policies have been paid, and the Company is in full compliance with the material terms of such policies. To the Members' Knowledge, such policies of insurance are of the type and in amounts customarily carried by persons conducting businesses similar to that of the Company. To the Knowledge of the Members, there have been no threatened terminations of, or material premium increases with respect to, any of such policies.

3.22 ENVIRONMENTAL MATTERS.

(a) Hazardous Material. Other than as set forth on Schedule 3.22(a), no underground or aboveground storage tanks and no amount of any substance that has been designated by any governmental entity or by applicable federal, state, local or other applicable law to be radioactive, toxic, hazardous or otherwise a danger to health or the environment, including, without limitation, PCBs, friable asbestos, petroleum, urea-formaldehyde and all substances listed as hazardous substances pursuant to the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, as amended, or defined as hazardous wastes pursuant to the Resource Conservation and Recovery Act of 1976, as amended, and the regulations promulgated pursuant to said laws, but excluding office, maintenance, janitorial and other supplies customarily used in the operation of offices and properly and safely maintained (a "Hazardous Material"), are present on the Leased Real Property.

(b) Hazardous Materials Activities. (i) The Company has not transported, stored, used, manufactured, disposed of or released, or exposed their employees or others to, Hazardous Materials in violation of any law in effect on or before the Closing Date, nor (ii) has the Company disposed of, transported, sold, or manufactured any product containing a Hazardous Material (collectively, "Company Hazardous Materials Activities") in violation of any rule, regulation, treaty or statute promulgated by any governmental entity in effect prior to or as of the date hereof to prohibit, regulate or control Hazardous Materials or any Hazardous Material Activity.

(c) Permits and Compliance. The Company currently is not required to hold any environmental approvals, permits, licenses, clearances or consents (the "Environmental Permits") to conduct its business.

(d) Environmental Liabilities. No action, proceeding, revocation proceeding, amendment procedure, writ, injunction or claim is pending, or to the Knowledge of the Members, threatened concerning any Environmental Permit, Hazardous Material or any Company Hazardous Materials Activity. To the Members' Knowledge, there are no past or present actions, activities, circumstances, conditions, events, or incidents that could involve the Company (or any person or entity whose liability the Company has retained or assumed, either by contract or operation of law) in any environmental litigation, give rise to any environmental claim against the Company, or impose upon the Company (or any person or entity whose liability the Company has retained or assumed, either by contract or operation of law) any environmental liability including, without limitation, common law tort liability.

3.23 LABOR AND EMPLOYMENT MATTERS.

With respect to employees of and service providers to the Company:

(a) The Company is and at all times has been in material compliance with all applicable laws respecting employment and employment practices, terms and conditions of employment and wages and hours, including without limitation any such laws respecting employment discrimination, workers' compensation, family and medical leave, the Immigration Reform and Control Act, and occupational safety and health requirements, and has not and is not engaged in any unfair labor practice;

(b) there is not now, nor within the past three years has there been, any unfair labor practice complaint against the Company or, to the Members' knowledge, threatened, before the National Labor Relations Board or any other comparable authority; and

(c) all persons classified by the Company as independent contractors satisfy and have satisfied the requirements of law to be so classified, and the Company has fully and accurately reported their compensation on IRS Forms 1099 when required to do so.

3.24 EMPLOYEE BENEFIT PLANS.

(a) Definitions:

(i) "Benefit Arrangement" means any benefit arrangement, obligation, custom, or practice to provide benefits, other than salary, as compensation for services rendered, to present or former managers, employees, agents, or independent contractors, other than any obligation, arrangement, custom or practice that is an Employee Benefit Plan, including, without limitation, employment agreements, severance agreements, executive compensation arrangements, incentive programs or arrangements, sick leave, vacation pay, severance pay policies, plant closing benefits, salary continuation for disability, consulting, or other compensation arrangements, workers' compensation, retirement, deferred compensation, bonus, stock option or purchase, hospitalization, medical insurance, life insurance, tuition reimbursement or scholarship programs, any plans subject to Section 125 of the Code, and any plans providing benefits or payments in the event of a change of control, change in ownership, or sale of a substantial portion (including all or substantially all) of the assets of any business or portion thereof, in each case with respect to any present or former employees, managers, or agents.

(ii) "Company Benefit Arrangement" means any Benefit Arrangement sponsored or maintained by the Company or with respect to which the Company has or may have any liability (whether actual, contingent, with respect to any of its assets or otherwise) as of the Closing Date, in each case with respect to any present or former managers, employees, or agents of the Company.

(iii) "Company Plan" means, as of the Closing Date, any Employee Benefit Plan for which the Company is the "plan sponsor" (as defined in Section 3(16)(B) of ERISA) or any Employee Benefit Plan maintained by the Company or to which the Company is or might be obligated to make payments, in each case with respect to any present or former employees of the Company. Company Plan includes any Qualified Plans that covered employees of the Company and that were terminated on or after January 1, 1989.

(iv) "Employee Benefit Plan" has the meaning given in Section 3(3) of ERISA.

(v) "ERISA" means the Employee Retirement Income Security Act of 1974, as amended, and all regulations and rules issued thereunder, or any successor law.

(vi) "ERISA Affiliate" means any person that, together with the Company, would be or was at any time treated as a single employer under Section 414 of the Code or Section 4001 of ERISA and any general partnership of which the Company is or has been a general partner.

(vii) "Multiemployer Plan" means any Employee Benefit Plan described in Section 3(37) of ERISA.

(viii) "Qualified Plan" means any Company Plan that meets, purports to meet, or is intended to meet, the requirements of Section 401(a) or Section 408(k) of the Code.

(ix) "Welfare Plan" means any Employee Benefit Plan described in Section 3(1) of ERISA.

(b) Schedule 3.24(b) contains a complete and accurate list of all Company Plans and Company Benefit Arrangements. Schedule 3.24(b) specifically identifies all Company Plans (if any) that are Qualified Plans.

(c) With respect to each Employee Benefit Plan and Benefit Arrangement:

(i) true, correct, and complete copies of all the following documents with respect to each Company Plan and Company Benefit Arrangement, to the extent applicable, have been delivered to Buyer: (A) all documents constituting the Company Plans and Company Benefit Arrangements, including but not limited to, trust agreements, insurance policies, service agreements, and formal and informal amendments thereto; (B) the most recent Forms 5500 or 5500C/R and any financial statements attached thereto and those for the prior three years; (C) the last Internal Revenue Service determination letter, the last IRS determination letter that covered the qualification of the entire plan (if different), and the materials submitted by the Company to obtain those letters; (D) the most recent summary plan description; all summaries of material modifications thereto, and the most recent actuarial reports and Statement of Financial Accounting Standards Nos. 87, 106, and 112 reports; (E) the most recent written descriptions of all non-written agreements relating to any such plan or arrangement; (F) all material reports and test results received within the four years preceding the date of this Agreement by third-party administrators, actuaries, investment managers, consultants, or other independent contractors (other than individual account records) or prepared by employees of the Company or its ERISA Affiliates; (G) all notices that were given within the three years preceding the date of this Agreement by the IRS, Department of Labor, or any other governmental agency or entity with respect to any plan or

arrangement; (H) employee manuals or handbooks containing personnel or employee relations policies; and (I) Form 5305-SEP;

(ii) the Company's Simplified Employee Plan ("SEP") is the Company's only Qualified Plan. The Company has not maintained or contributed to another Qualified Plan. The Company's SEP was set up by using IRS Form 5305-SEP and complies with all requirements and instructions to such form, including the requirement of establishing IRAs underlying the SEP with a bank, insurance company or other qualified financial institution, as defined in Section 408 of the Code. The IRAs underlying the SEP are model IRAs established on an IRS form or a master or prototype IRA for which the IRS has issued a favorable opinion letter. Nothing has occurred with respect to the design or operation of any Qualified Plans that could adversely affect its status or cause the imposition of any material liability, lien, penalty, or tax under ERISA or the Code;

(iii) the Company has not sponsored or maintained, had any obligation to sponsor or maintain, or had any liability (whether actual or contingent, with respect to any of their assets or otherwise) with respect to any Employee Benefit Plan subject to Section 302 of ERISA or Section 412 of the Code or Title IV of ERISA (including any Multiemployer Plan);

(iv) each Company Plan and each Company Benefit Arrangement has been maintained materially in accordance with its constituent documents and with all applicable provisions of the Code, ERISA and other laws, including federal and state securities laws;

(v) there are no pending claims or lawsuits by, against, or relating to any Employee Benefit Plans or Benefit Arrangements that is not a Company Plan or Company Benefit Arrangement that would, if successful, result in liability of the Company or the Members, and no claims or lawsuits have been asserted, instituted or, to the Knowledge of the Members, threatened by, against, or relating to any Company Plan or Company Benefit Arrangement, against the assets of any trust or other funding arrangement under any such Company Plan, by or against the Company with respect to any Company Plan or Company Benefit Arrangement, or, to the Members' Knowledge, by or against the plan administrator or any fiduciary of any Company Plan or Company Benefit Arrangement, and the Company does not have knowledge of any fact that could form the basis for any such claim or lawsuit. No Company Plan and Company Benefit Arrangement is now under audit or examination (nor has notice been received of a potential audit or examination) by

the IRS, the Department of Labor, or any other governmental agency or entity, and no matters are pending with respect to the Company's Simplified Employee Plan under the IRS's Voluntary Compliance Resolution program, its Closing Agreement Program, or other similar programs;

(vi) no Company Plan or Company Benefit Arrangement contains any provision or is subject to any law that would prohibit the transactions contemplated by this Agreement or that would give rise to any vesting of benefits, severance, termination, or other payments or liabilities that would not occur without the transactions contemplated by this Agreement;

(vii) with respect to each Company Plan, there has been no non-exempt "prohibited transaction" (within the meaning of Section 4975 of the Code) or transaction prohibited by Section 406 of ERISA or, to the Knowledge of the Members, breach of any fiduciary duty described in Section 404 of ERISA that would, if successful, result in any material liability for the Company or any Member, officer, or employee of the Company;

(viii) all material reporting, disclosure, and notice requirements of ERISA and the Code have been satisfied with respect to each Company Plan and each Company Benefit Arrangement;

(ix) payment has been made of all amounts that the Company is required to pay as contributions to the Company Benefit Plans as of the last day of the most recent fiscal year of each of the plans ended before the date of this Agreement; all benefits accrued under any unfunded Company Plan or Company Benefit Arrangement will have been paid, accrued, or otherwise adequately reserved in accordance with GAAP as of the Balance Sheet Date; and all monies withheld from employee paychecks with respect to Company Plans have been transferred to the appropriate plan within the time required by law for such withholding;

(x) the Company has not prepaid or prefunded any Welfare Plan through a trust, reserve, premium stabilization, or similar account, nor does it provide benefits through a voluntary employee beneficiary association as defined in Section 501(c)(9);

(xi) to the Knowledge of the Members, no statement, either written or oral, has been made by the Company to any person with regard to any Company Plan or Company Benefit Arrangement that was not in accordance with the Company Plan or Company Benefit

Arrangement and that could have an adverse economic consequence to the Company;

(xii) the Company has no liability (whether actual or contingent, with respect to any of its assets or otherwise) with respect to any Employee Benefit Plan or Benefit Arrangement that is not a Company Plan or Company Benefit Arrangement or with respect to any Employee Benefit Plan sponsored or maintained (or which has been sponsored or maintained) by any ERISA Affiliate;

(xiii) all of the Company's group health plans have been operated in material compliance with the requirements of Sections 4980B (and its predecessor) and 5000 of the Code, and the Company has provided, or will have provided before the Closing Date, to individuals entitled thereto all required notices and coverage pursuant to Section 4980B with respect to any "qualifying event" (as defined therein) occurring before or on the Closing Date;

(xiv) no employee or former employee of the Company or beneficiary of any such employee or former employee is, by reason of such employee's or former employee's employment, entitled to receive any benefits, including, without limitation, death or medical benefits (whether or not insured) beyond retirement or other termination of employment as described in Statement of Financial Accounting Standards No. 106, other than (i) death or retirement benefits under a Qualified Plan, (ii) deferred compensation benefits accrued as liabilities on the Closing Statement or (iii) continuation coverage mandated under Section 4980B of the Code or other applicable law.

(d) Schedule 3.24(d) hereto contains the most recent quarterly listing of workers' compensation claims and a schedule of workers' compensation claims against the Company for the last three fiscal years.

(e) Schedule 3.24(e) hereto sets forth an accurate list, as of the date hereof, of all employees of the Company and the compensation that they reasonably can be expected to earn in 1999, and lists all employment agreements with such persons and the rate of compensation (and the portions thereof attributable to salary, bonus, and other compensation respectively) of each such person as of (a) the Balance Sheet Date and (b) the date hereof.

(f) Except as set forth on Schedule 3.24(f), the Company has not declared or paid any bonus or other incentive compensation in contemplation of the transactions contemplated by this Agreement.

3.25 TAXES.

(a) For purposes of this Agreement:

(i) "Tax" (including with correlative meaning the terms "Taxes" and "Taxable") means (a) all foreign, federal, state, local and other income, gross receipts, sales, use, ad valorem, value-added, intangible, unitary, transfer, franchise, license, payroll, employment, estimated, excise, environmental, stamp, occupation, premium, property, prohibited transactions, windfall or excess profits, customs, duties or other taxes, levies, fees, assessments or charges of any kind whatsoever, together with any interest and any penalties, additions to tax or additional amounts with respect thereto, (b) any liability for payment of amounts described in clause (a) as a result of transferee liability, of being a member of an affiliated, consolidated, combined or unitary group for any period, or otherwise through operation of law, and (c) any liability for payment of amounts described in clause (a) or (b) as a result of any tax sharing, tax indemnity or tax allocation agreement or any other express or implied agreement to indemnify any other person for Taxes.

(ii) The term "Tax Return" shall mean any return (including any information return), report, statement, schedule, notice, form, estimate, or declaration of estimated tax relating to or required to be filed with any governmental authority in connection with the determination, assessment, collection or payment of any Tax.

(b)

(i) All Tax Returns required to be filed on or before the date hereof by or on behalf of the Company have been filed, and such Tax Returns are true, correct, and complete in all material respects.

(ii) The Company has paid in full on a timely basis all Taxes owed by it, whether or not shown on any Tax Return.

(iii) The amount of the Company's liability for unpaid Taxes as of the Balance Sheet Date did not exceed the amount of the current liability accruals for Taxes (excluding reserves for deferred Taxes) shown on the Interim Balance Sheets, and the amount of the Company's liability for unpaid Taxes for all periods or portions thereof ending on or before the Closing Date will not exceed the amount of the current liability accruals for Taxes (excluding reserves for deferred Taxes) as such accruals are reflected on the books and records of the Company on the Closing Date.

(iv) There is no action, suit, proceeding, investigation, audit or claim now proposed or pending against or with respect to the Company in respect of any Tax.

(v) The Company and the Members have a taxable year ending on December 31 in each year.

(vi) The Company has not agreed to, and will not be required to, make any tax adjustments as a result of a change in accounting methods.

(vii) The Company has withheld and paid over to the proper governmental authorities all Taxes required to have been withheld and paid over, and complied with all information reporting and backup withholding requirements, including maintenance of required records with respect thereto, in connection with amounts paid to any employee, independent contractor, creditor, or other third party. Neither the Company nor either Member has any knowledge of a challenge by the Internal Revenue Service or other governmental authority as to the Company's treatment of any person as an independent contractor rather than an employee.

(viii) The Company has not requested an extension of time within which to file any Tax Return or been granted any extension or waiver of the statute of limitations period applicable to any Tax Return, and all Tax Returns of the Company for the preceding three years have been made available to and delivered to Buyer.

(ix) There are (and as of immediately following the Closing, there will be) no Liens on the assets of the Company relating or attributable to Taxes, other than liens for Taxes not yet due and payable.

(x) There is no basis for the assertion of any claim relating or attributable to Taxes which, if adversely determined, would result in any Lien on the assets of the Company or otherwise have an adverse effect on the Company or its businesses.

(xi) None of the Company's assets is treated as "tax exempt use property" within the meaning of Section 168(h) of the Code.

(xii) There are no contracts, agreements, plans or arrangements covering any employee or former employee of the Company that, individually or collectively, could give rise to the payment of any amount (or portion thereof) that would not be deductible pursuant to Sections 280G, 404 or 162 of the Code.

(xiii) Neither the Company nor either Member has filed a consent under Section 341(f) of the Code or agreed to have Section 341(f)(2) of the Code apply to any disposition of a subsection (f) asset (as defined in Section 341(f)(4) of the Code) owned by the Company.

(xiv) The Company has never been a "United States real property holding corporation" within the meaning of Section 897(c)(2) of the Code.

(xv) Neither the Company nor either Member is, nor have any of them ever been, a party to a tax sharing, tax indemnity or tax allocation agreement, and neither Company has assumed the tax liability of any other person under contract.

(xvi) The Company is not, and never has been, a member of an affiliated group filing a consolidated federal income Tax Return. The Company has no interest in any corporation with respect to which the Company owns a majority of the common stock or has the power to vote or direct the voting of sufficient securities to elect a majority of the managers.

(xvii) The Company has no liability for the Taxes of any individual or entity other than itself under Section 1.1502-6 of the Treasury regulations (or any similar provision of state, local, or foreign law), as a transferee or successor, by contract, or otherwise.

(xviii) The Company is not a party to any joint venture, partnership or other arrangement that is treated as a partnership for federal income tax purposes.

(xix) The Company has validly elected to be treated as a partnership for tax purposes at all times since its formation in March 5, 1990, and such election will remain effective up to and including the Closing Date, except as affected by consummation of the transactions contemplated herein.

(xx) Each of the Members has filed all Tax Returns he is required to file, has duly reported thereon all items of income and loss applicable to his Interest in the Company and has duly paid all Taxes on account of such income and loss.

3.26 CONFORMITY WITH LAW; LITIGATION.

(a) The Company has conducted its business in material compliance with applicable laws and regulations and with any order of any court or federal,

state, municipal or other governmental department, commission, board, bureau, agency or instrumentality having jurisdiction over it.

(b) Except as set forth on Schedule 3.26(b), there are no claims, actions, suits or proceedings, pending or, to the Knowledge of the Members, threatened against or affecting the Company at law or in equity, or before or by any federal, state, municipal or other governmental department, commission, board, bureau, agency or instrumentality having jurisdiction over it and no written notice of any claim, action, suit or proceeding, whether pending or threatened, has been received. There are no judgments, orders, injunctions, decrees, stipulations or awards (whether rendered by a court or administrative agency or by arbitration) against the Company or against any of its properties or business.

3.27 RELATIONS WITH GOVERNMENTS.

The Company has not made, offered or agreed to offer anything of value to any governmental official, political party or candidate for government office, nor has it otherwise taken any action that would cause the Company to be in violation of the Foreign Corrupt Practices Act of 1977, as amended, or any law of similar effect.

3.28 ABSENCE OF CHANGES.

Except as set forth on Schedule 3.28, since December 31, 1998, the Company has conducted its business in the ordinary course and there has not been:

(a) any change, by itself or together with other changes, that has affected adversely, or is likely to have a Material Adverse Effect;

(b) any damage, destruction or loss (whether or not covered by insurance) adversely affecting the Company's properties or business;

(c) any change in the Company's membership interests or any change in the ownership of the Interests or any grant of any options, warrants, calls, conversion rights or commitments with respect to membership interests in the Company;

(d) any declaration or payment of any distribution in respect of the Interests, or any direct or indirect redemption, purchase or other acquisition of any of the membership interests in the Company;

(e) any increase in the compensation, bonus, sales commissions or fee arrangements payable or to become payable by the Company to any of its officers, managers, members, employees, consultants or agents, except for ordinary and customary bonuses and salary increases for employees in

accordance with past practice, nor has the Company entered into or amended any Company Benefit Arrangement, Company Plan, employment, severance or other agreement relating to compensation or fringe benefits;

(f) any work interruptions, labor grievances or claims filed, or any similar event or condition of any character, which has had, or reasonably could be expected to have, a Material Adverse Effect on the Company;

(g) any sale or transfer, or any agreement to sell or transfer, any material assets property or rights of the Company to any person, including without limitation the Members or their affiliates;

(h) any cancellation, or agreement to cancel, forgive or release any indebtedness or other obligation owing to the Company, including without limitation, any indebtedness or obligation of the Members or their affiliates except in the ordinary course of business, none of which has affected adversely, or is likely to have a Material Adverse Effect;

(i) any plan, agreement or arrangement granting any preferential rights to purchase or acquire any interest in any of the assets, property or rights or requiring consent of any party to the transfer and assignment of any such assets, property or rights;

(j) any purchase or acquisition of, or agreement, plan or arrangement to purchase or acquire, any property, rights or assets outside of the Company's ordinary course of business;

(k) any waiver of any material rights or claims of the Company;

(l) any breach, amendment or termination of any Material Contract, Permit or other right to which the Company is a party;

(m) any transaction by the Company outside the ordinary course of business;

(n) any capital commitment by the Company, either individually or in the aggregate, exceeding $50,000;

(o) any change in accounting methods or practices (including any change in depreciation or amortization policies or rates) by the Company or the revaluation by the Company of any of its assets;

(p) any creation or assumption by the Company of any mortgage, pledge, security interest or lien or other encumbrance on any asset (other than liens arising under existing lease financing arrangements which are not material and liens for Taxes not yet due and payable);

(q) any entry into, amendment of, relinquishment, termination or non-renewal by the Company of any contract, lease transaction, commitment or other right or obligation requiring aggregate payments by the Company in excess of $50,000;

(r) any loan by the Company to any person or entity, incurring by the Company of any indebtedness, guaranteeing by the Company of any indebtedness, issuance or sale of any debt securities of the Company or guaranteeing of any debt securities of others;

(s) the commencement or notice or, to the knowledge of the Members, any threat of commencement, of any lawsuit or proceeding against, or investigation of, the Company or its business or affairs; or

(t) negotiation or agreement by the Company or any officer, manager or employee thereof to do any of the things described in the preceding clauses (a) through (s) (other than negotiations with Buyer and its representatives regarding the transactions contemplated by this Agreement).

3.29 KEY MAN LIFE INSURANCE.

Each Member, severally and not jointly, represents that to his Knowledge, he is insurable for key man life insurance purposes at regular, non-smoker rates.

3.30 EMPLOYMENT AGREEMENT.

Each Member, severally and not jointly, represents that he will enter into his Employment Agreement with the Company in good faith with the full intention of devoting his full time and efforts to Buyer's business for the entire term of such agreement and is not aware of any circumstance or reason that would preclude him from the foregoing.

4. REPRESENTATIONS AND WARRANTIES OF BUYER.

To induce the Members to enter into this Agreement and consummate the transactions contemplated hereby, Buyer represents and warrants to the Members as follows:

4.1 DUE ORGANIZATION.

Buyer is a corporation duly organized, validly existing and in good standing under the laws of the State of Maryland, and is duly authorized and qualified to do business under all applicable material laws, regulations, ordinances and orders of public authorities to carry on its respective businesses in the places and in the manner as now conducted except for where the failure to be so authorized or qualified would not have a Material Adverse Effect on Buyer.

4.2 AUTHORIZATION; VALIDITY OF OBLIGATIONS.

The representatives of Buyer executing this Agreement have all requisite corporate power and authority to enter into and bind Buyer to the terms of this Agreement. Buyer has the full legal right, power and corporate authority to enter into this Agreement and the transactions contemplated hereby. As of the date hereof and as of the Closing Date, the execution and delivery of this Agreement by Buyer and the performance by Buyer of the transactions contemplated herein have been duly and validly authorized by the Board of Directors of Buyer, and this Agreement has been duly and validly authorized by all necessary corporate action. This Agreement is a legal, valid and binding obligation of Buyer enforceable in accordance with its terms.

4.3 NO CONFLICTS.

The execution, delivery and performance of this Agreement, the consummation of the transactions contemplated hereby and the fulfillment of the terms hereof will not:

(a) conflict with, or result in a breach or violation of the Charter or Bylaws of Buyer;

(b) conflict with, or result in a default (or would constitute a default but for any requirement of notice or lapse of time or both) under any document, agreement or other instrument to which Buyer is a party or by which Buyer is bound, or result in the creation or imposition of any lien, charge or encumbrance on any of Buyer's properties pursuant to (i) any law or regulation to which Buyer or any of its property is subject, or (ii) any judgment, order or decree to which Buyer is bound or any of its property is subject, except where such conflicts or defaults would not, individually or in the aggregate, have a Material Adverse Effect;

(c) result in termination or impairment of any permit, license, franchise, contractual right or other authorization of Buyer, except where such terminations or impairments would not, individually or in the aggregate, have a Material Adverse Effect; or

(d) violate any law, order, judgment, rule, regulation, decree or ordinance to which Buyer is subject, or by which Buyer is bound, except where such violations would not, individually or in the aggregate, have a Material Adverse Effect.

4.4 FINANCING.

Buyer shall have at Closing sufficient cash, available lines of credit or other sources of immediately available funds to enable it to make payment of the Closing Payment.

4.5 SEC DOCUMENTS; FINANCIAL STATEMENTS.

(a) Buyer has made available to the Members copies of each registration statement, report, proxy statement, information statement or schedule filed with the SEC by Buyer since its initial public offering (the "Buyer SEC Documents"). As of their respective dates, the Buyer SEC Documents complied in all material respects with the applicable requirements of the Securities Act of 1933, as amended (the "Securities Act"), and the Securities Exchange Act of 1934, as amended (the "Exchange Act"), as applicable. Except to the extent that information contained in the Buyer SEC Documents have been revised or superseded by a later-filed Buyer SEC Document filed and publicly available before the date of the Agreement, none of the Buyer SEC Documents contains any untrue statement of a material fact or omits to state any material fact required to be stated therein or necessary to make the statements therein not misleading.

(b) As of their respective dates, the consolidated financial statements included in the Buyer SEC Documents complied as to form in all material respects with then applicable accounting requirements and the published rules and regulations of the SEC with respect thereto, were prepared in accordance with GAAP applied on a consistent basis during the periods involved (except as indicated therein or in the notes thereto) and fairly presented Buyer's consolidated financial position and that of its consolidated subsidiaries as at the dates thereof and the consolidated results of their operations and statements of cash flows for the periods then ended (subject, in the case of unaudited statements, to the lack of footnotes thereto, to normal year-end audit adjustments and to any other adjustments described therein).

4.6 CAPITAL STOCK OF BUYER.

The authorized capital stock of Buyer consists of 16,000,000 shares of common stock, par value $.01 per share, of which 4,965,097 shares were issued and outstanding as of January 24, 2000, and 4,000,000 shares of preferred stock, par value $.01 per share, of which none are issued and outstanding. All outstanding shares were offered, issued, sold and delivered by Buyer in compliance with all applicable state and federal laws concerning the issuance of securities.

4.7 TRANSACTIONS IN CAPITAL STOCK.

Except as set forth on Schedule 4.7, no option, warrant, call, subscription right, conversion right or other contract or commitment of any kind exists of any character, written or oral, which may obligate Buyer to issue or sell, or by which any shares of capital stock may otherwise become outstanding. Buyer has no obligation (contingent or otherwise) to purchase,

redeem or otherwise acquire any of its equity securities or any interests therein or to pay any dividend or make any distribution in respect thereof.

5. CONDITIONS PRECEDENT TO OBLIGATIONS OF BUYER.

The obligation of Buyer to effect the transactions contemplated by this Agreement is subject to the satisfaction or waiver, at or before the Closing Date, of the following conditions:

5.1 REPRESENTATIONS AND WARRANTIES; PERFORMANCE OF OBLIGATIONS.

All of the representations and warranties of the Members contained in this Agreement shall be true, correct and complete on and as of the Closing Date except for changes arising from the conduct of the Company's business in the ordinary course, none of which changes individually or in the aggregate has had or is reasonably likely to have a Material Adverse Effect; all of the terms, covenants, agreements and conditions of this Agreement to be complied with, performed or satisfied by the Members on or before the Closing Date shall have been duly complied with, performed or satisfied; and certificates to the foregoing effects dated the Closing Date and signed by the Members shall have been delivered to Buyer.

5.2 NO LITIGATION.

No temporary restraining order, preliminary or permanent injunction or other order issued by any court of competent jurisdiction or other legal or regulatory restraint or provision challenging Buyer's proposed acquisition of the Interests or limiting or restricting Buyer's conduct or operation of the business of the Company (or its own business) following the Closing shall be in effect, nor shall any proceeding brought by an administrative agency or commission or other governmental authority or instrumentality, domestic or foreign, seeking any of the foregoing be pending. There shall be no action, suit, claim or proceeding of any nature pending or threatened against the Company, the Members or the Company's properties or any of its officers or managers that has had or is likely to have a Material Adverse Effect on the Company.

5.3 OPINION OF COUNSEL.

Buyer shall have received an opinion from Wolff & Samson, P.A., counsel to the Members and the Company, dated the Closing Date, in a form reasonably satisfactory to counsel for Buyer.

5.4 CONSENTS AND APPROVALS.

All necessary consents of and filings with any governmental authority or agency or third party, relating to the consummation by the Members of the transactions contemplated hereby shall have been obtained and made.

5.5 CHARTER DOCUMENTS.

The Members shall have delivered to Buyer copies of the Company's Charter Documents, certified in the case of its Certificate of Formation by an appropriate authority in the state of its organization and dated a date no earlier than five business days before the Closing Date.

5.6 EMPLOYMENT AGREEMENTS.

The Members shall each have executed and delivered an employment agreement (each an "Employment Agreement" and collectively, the "Employment Agreements") substantially in the form attached hereto as Exhibits 5.6A and 5.6B.

5.7 CLOSING DELIVERIES.

The Members shall have made the deliveries to Buyer as are called for by Section 2.2 of this Agreement.

6. CONDITIONS PRECEDENT TO OBLIGATIONS OF THE MEMBERS.

The obligations of the Members to effect the transactions contemplated hereby are subject to the satisfaction or waiver, at or before the Closing Date, of the following conditions:

6.1 REPRESENTATIONS AND WARRANTIES; PERFORMANCE OF OBLIGATIONS.

All of the representations and warranties of Buyer contained in this Agreement shall be true, correct and complete on and as of the Closing Date, except for changes arising from the conduct of the Buyer's business in the ordinary course, none of which changes individually or in the aggregate has had or is likely to have a Material Adverse Effect; all of the terms, covenants, agreements and conditions of this Agreement to be complied with, performed or satisfied by Buyer on or before the Closing Date shall have been duly complied with, performed or satisfied; and a certificate to the foregoing effects dated the Closing Date and signed by the President or a Vice President of Buyer shall have been delivered to the Members.

6.2 NO LITIGATION.

No temporary restraining order, preliminary or permanent injunction or other order issued by any court of competent jurisdiction or other legal or regulatory restraint or provision challenging Buyer's proposed acquisition of the Company, or limiting or restricting Buyer's conduct or operation of the business of the Company (or its own business) following the Closing shall be in effect, nor shall any proceeding brought by an administrative agency or commission or other governmental authority or instrumentality, domestic or foreign, seeking any of the foregoing be pending. There shall be no action, suit, claim or proceeding of any nature pending or threatened, against Buyer, its properties or any of its officers, that has had or is likely to have a

Material Adverse Effect on the Buyer and its subsidiaries (including the Company) taken as a whole.

6.3 CONSENTS AND APPROVALS.

All necessary consents of and filings with any governmental authority or agency or third party relating to the consummation by Buyer of the transactions contemplated herein shall have been obtained and made.

6.4 OPINION OF COUNSEL.

The Members and the Company shall have received an opinion from Piper Marbury Rudnick & Wolfe LLP, counsel to Buyer, dated the Closing Date, in a form reasonably satisfactory to counsel for the Members.

6.5 EMPLOYMENT AGREEMENTS.

Buyer shall have executed and delivered the Employment Agreements substantially in the forms attached hereto as Exhibit 5.6A and 5.6B.

6.6 REGISTRATION RIGHTS AGREEMENT.

Buyer shall have executed and delivered the Registration Rights Agreement substantially in the form attached hereto as Exhibit 6.6.

6.7 CLOSING DELIVERIES.

Buyer shall have made the deliveries to the Members as are called for by Section 2.2 of this Agreement.

7. CERTAIN COVENANTS.

7.1 NOTIFICATION OF CERTAIN MATTERS.

Each party hereto shall give prompt notice to the other parties hereto of (a) the occurrence or non-occurrence of any event the occurrence or non-occurrence of which would be likely to cause any of its representations or warranties contained herein to be untrue or inaccurate in any material respect at or prior to the Closing, and (b) any material failure of such party to comply with or satisfy any covenant, condition or agreement to be complied with or satisfied by such party hereunder. The delivery of any notice pursuant to this Section 7.1 shall not, without the express written consent of the other parties be deemed to (i) modify the representations or warranties hereunder of the party delivering such notice, (ii) modify the conditions set forth in

Articles 5 and 6, or (iii) limit or otherwise affect the remedies available hereunder to the party receiving such notice.

7.2 UNPAID TAXES.

The Members jointly and severally covenant and agree promptly to reimburse Buyer on demand for any amount by which the Company's liabilities for unpaid Taxes for all periods or portions thereof ending on or before the Closing Date exceed the amount of the current liability accruals for Taxes (excluding reserves for deferred Taxes) as such accruals are reflected on the Company's books and records on the Closing Date, provided, however, that the Members shall have the right, in their sole and absolute discretion and at their own expense, to control the contest of any audit litigation or other proceeding associated therewith; provided further that Buyer and counsel of its own choosing shall have the right, at its own expense, to participate fully in all aspects of such audit, litigation or other proceeding; and provided further that the Members shall not settle any such audit, litigation or other proceeding without the prior written consent of Buyer, which consent shall not be unreasonably withheld.

7.3 CERTAIN TAX MATTERS.

(a) Allocation of Purchase Price. Buyer and the Members agree that the Purchase Price and the liabilities of Company (plus other relevant items) will be allocated to the assets of the Company for all purposes (including Tax and financial accounting) as shown on Schedule 7.3(a) attached hereto. Buyer and the Members will file all Tax Returns (including amended returns and claims for refund) and information reports in a manner consistent with such allocation.

(b) Tax Periods Ending on or Before the Closing Date. The Members shall prepare or cause to be prepared and Buyer shall file or cause to be filed all Tax Returns for the Company for all periods ending on or prior to the Closing Date which are required to be filed after the Closing Date. The Members shall include any income, gain, loss, deduction or other tax items for such periods on their Tax Returns in a manner consistent with the Schedule K-1s furnished by the Company to them for such periods. Buyer shall cooperate with the Members, at their expense, in prosecuting any refund claim that may be made by them after the Closing Date due to a tax loss by the Company for any period (or portion thereof) ending on or prior to the Closing Date, and the amount of any refund claim shall be paid to the Members if received by Buyer.

(c) Cooperation on Tax Matters.

(i) Buyer and the Members will cooperate fully, as and to the extent reasonably requested by the other party, in connection with the filing of Tax Returns pursuant to this Section and any audit,

litigation or other proceeding with respect to Taxes. Such cooperation shall include the retention and (upon the other party's request) the provision of records and information which are reasonably relevant to any such audit, litigation or other proceeding and making employees available on a mutually convenient basis to provide additional information and explanation of any material provided hereunder. Buyer and the Members agree (A) to retain all books and records with respect to Tax matters pertinent to the Company relating to any taxable period beginning before the Closing Date until the expiration of the statute of limitations (and, to the extent notified by Buyer or the Members, any extensions thereof) of the respective taxable periods, and to abide by all record retention agreements entered into with any taxing authority, and (B) to give the other party reasonable written notice prior to transferring, destroying or discarding any such books and records and, if the other party so requests, the Buyer or the Members, as the case may be, shall allow the other party to take possession of such books and records. Notwithstanding the foregoing, the Members shall have the right, at their sole and absolute discretion and at their own expense, to control the contest of any audit, litigation or other proceeding which applies, in whole or in part, to a taxable period for which the Members are providing indemnification pursuant to this Agreement; provided, that, Buyer and counsel of its own choosing shall have the right, at its own expense, to participate fully in all aspects of such audit, litigation or other proceeding; and provided further that the Members shall not settle any such audit, litigation or other proceeding without the prior written consent of Buyer, which consent shall not be unreasonably withheld.

(ii) Buyer and the Members further agree, upon request, to use their best efforts to obtain any certificate or other document from any governmental authority or any other Person as may be necessary to mitigate, reduce or eliminate any Tax that could be imposed (including, but not limited to, with respect to the transactions contemplated hereby).

(d) Certain Taxes. All transfer, documentary, sales, use, stamp, registration and other such Taxes and fees (including any penalties and interest) incurred in connection with this Agreement (including any state or municipal transfer tax), shall be paid by the Members when due, and the Members will, at their own expense, file all necessary Tax Returns and other documentation with respect to all such transfer, documentary, sales, use, stamp, registration and other Taxes and fees, and, if required by

applicable law, Buyer will, and will cause its affiliates to, join in the execution of any such Tax Returns and other documentation.

8. INDEMNIFICATION.

8.1 GENERAL INDEMNIFICATION BY THE MEMBERS.

The Members, jointly and severally, covenant and agree to indemnify, defend, protect and hold harmless Buyer and its officers, directors, employees, successors and affiliates, including without limitation, the Company (individually, an "FTI Indemnified Party" and collectively, the "FTI Indemnified Parties") from, against and in respect of all liabilities, losses, claims, damages, punitive damages, causes of action, lawsuits, administrative proceedings (including informal proceedings), investigations, audits, demands, assessments, adjustments, judgments, settlement payments, deficiencies, penalties, fines, interest (including interest from the date of such damages) and costs and expenses (including without limitation reasonable attorneys' fees and disbursements of every kind, nature and description) (collectively, "Damages") suffered, sustained, incurred or paid by the FTI Indemnified Parties in connection with, resulting from or arising out of, directly or indirectly:

(i) any breach of any representation or warranty of the Members set forth in this Agreement (except under Section 3.30) or any Schedule or certificate delivered by or on behalf of any of the Members in connection herewith; or

(ii) any material breach or nonfulfillment of any covenant or agreement on the part of the Members in this Agreement (except under Section 9.12) or in any other agreement which either of the Members executed and delivered to FTI or the Company in connection with the transactions described in this Agreement, including, without limitation, the Employment Agreements; or

(iii) the business, operations or assets of the Company prior to the Closing Date or the actions or omissions of the Company's officers, managers, members, employees or agents prior to the Closing Date, except as otherwise disclosed in the Company Financial Statements, this Agreement or the Schedules to this Agreement; or

(iv) any liability of the Company for Taxes in excess of the amount of the current liability accruals for such Taxes (excluding reserves for deferred Taxes) for any Taxable period or portion thereof ending on or before the Closing Date; or

(v) any litigation or other claims of any kind brought against the Company arising out of acts or omissions of the Company or the

Members prior to Closing, including, without limitation, those matters set forth on Schedule 3.26(b); or

(vi) any and all Damages incident to any of the foregoing or to the enforcement of this Section 8.1.

8.1A SPECIAL INDEMNIFICATION BY THE MEMBERS.

The Members, severally and not jointly, covenant and agree to indemnify, defend, protect and hold harmless the FTI Indemnified Parties from, against and in respect of all Damages suffered, sustained, incurred or paid by the FTI Indemnified Parties in connection with, resulting from or arising out of, directly or indirectly, a breach of Section 3.30 or Section 9.12 or the failure of any Member to remain an employee of the Company from the Closing Date through and including the fourth anniversary date of this Agreement; provided, however, no Member shall be required to indemnify the FTI Indemnified Parties if the Member resigns from the Company for good reason (as defined in the Employment Agreement), if the Company terminates a Member's employment without cause (as defined in the Employment Agreement) or if the Member's employment terminates as a result of the Member's death or disability (as defined in the Employment Agreement).

8.2 LIMITATION AND EXPIRATION.

Notwithstanding the above:

(a) there shall be no liability for indemnification under Section 8.1 unless, and solely to the extent that, the aggregate amount of Damages exceeds $100,000 (the "Indemnification Deductible"); provided, however, that the Indemnification Deductible shall not apply to (i) Damages arising out of any breaches of the covenants of the Members set forth in this Agreement or representations made in Sections 3.4 (membership interests in the Company), 3.5 (transactions in membership interests), 3.24 (employee benefit plans) or 3.25 (taxes), or (ii) Damages described in Section 8.1 (iii) or (iv); and further provided that if the aggregate amount of Damages exceeds the Indemnification Deductible, then the Members shall indemnify the FTI Indemnified Parties for the amount of Damages above the Indemnification Deductible, but in no event greater than the "Indemnification Limit" (as defined herein). For purposes of this Section 8.2, "Indemnification Limit" shall initially be $9,000,000, which amount shall be reduced by $3,000,000 on each anniversary of the Closing Date; provided, however, for the purposes of Section 8.1A only, the term "Indemnification Limit" shall mean $4,500,000 with regard to each Member and shall not be subject to reduction.

(b) the aggregate amount of the Members' liability under this Article 8 shall not exceed $9,000,000;

(c) the indemnification obligations under this Article 8 shall terminate as applicable in accordance with clause (i), (ii) or (iii) of this Section 8.2(c):

(i)(1) except as otherwise specified in this Section 8.2(c), the third anniversary of the Closing Date; (2) with respect to representations, warranties and covenants contained in Sections 3.24 (employee benefit plans) and 3.25 (taxes) and the indemnifications set forth in Section 8.1(iv) or (v), on (A) the date that is sixty days after the expiration of the longest applicable federal or state statute of limitation (including extensions thereof) with respect thereto, or (B) if there is no applicable statute of limitation, (x) three years after the Closing Date; (3) with respect to representations and warranties contained in Section 3.22 (environmental matters), ten years after the Closing Date; (4) with respect to representations and warranties contained in Section 3.30 (employment agreement) or any breach or nonfulfillment of any covenant or agreement described in Section 8.1(ii), four years after the Closing Date; and (5) with respect to the indemnity provided for in Section 8.1A, four years after the Closing Date;

(ii) the final resolution of claims or demands (a "Claim") pending as of the relevant dates described in clause (i) of this Section 8.2(c) (such claims referred to as "Pending Claims"); and

(iii) with respect to representations and warranties contained in Section 3.4 (membership interests in the Company) and Section 3.5 (transactions in membership interests), there shall be no limitation.

8.3 GENERAL INDEMNIFICATION BY BUYER.

Buyer and the Company covenant and agree to indemnify, defend, protect and hold harmless the Members and their respective successors and assigns (individually, a "P&M Indemnified Party" and collectively, the "P&M Indemnified Parties") from, against and in respect of all Damages suffered, sustained, incurred or paid by the P&M Indemnified Parties in connection with, resulting from or arising out of, directly or indirectly:

(i) any breach of any representation or warranty of Buyer set forth in this Agreement or any schedule or certificate delivered by or on behalf of any of Buyer in connection herewith; or

(ii) any nonfulfillment of any covenant or agreement on the part of Buyer or, after the Closing Date, the Company, in this Agreement; or

(iii) the business, operations or assets of Buyer, or the acts or omissions of Buyer's managers, officers, employees or agents in the

performance of their duties for or on behalf of Buyer, prior to the Closing Date, and the business, operations or assets of the Company after the Closing Date; or

(iv) except as provided in Section 7.2, any liability for Taxes on account of the Company's business and operations for any Taxable period or portion thereof ending after the Closing Date; or

(v) any litigation or other claims of any kind brought against the Company and/or the Members arising out of acts or omissions of the Company or Buyer after the Closing.

(vi) any and all Damages incident to any of the foregoing or to the enforcement of this Section 8.3. Notwithstanding any other provision in this Agreement to the contrary, Buyer shall not be liable to the Members for any Damages arising out of the actions or omissions of any Member, except as otherwise provided for under Buyer's or the Company's Charter Documents or applicable state law with respect to the Members' conduct for or on behalf of the Company or Buyer after the Closing Date.

8.4 LIMITATION AND EXPIRATION.

Notwithstanding the foregoing:

(a) there shall be no liability for indemnification under Section 8.3 unless, and solely to the extent that, the aggregate amount of Damages exceeds the Indemnification Deductible; provided, however, that the Indemnification Deductible shall not apply to (i) Damages arising out of any breaches of the covenants of the Buyer set forth in this Agreement or representations made in Sections 4.6 (capital stock of Buyer) or 4.7 (transactions in capital stock), or (ii) Damages described in Section 8.3(iii), (iv) or (v); and further provided that if the aggregate amount of Damages exceeds the Indemnification Deductible, then Buyer shall indemnify the Members for the amount of Damages above the Indemnification Deductible, but in no event greater than the Indemnification Limit;

(b) the aggregate amount of Buyer's liability under this Article 8 shall not exceed the Indemnification Limit;

(c) the indemnification obligations under this Article 8 shall terminate, as applicable, in accordance with clause (i), (ii) or (iii) of this Section 8.4(c):

(i)(1) except as to matters set forth in clause (i)(2) of this Section 8.4(c), the third anniversary of the Closing Date; (2) with respect to the indemnifications set forth in Section 8.3.(iv) or (v), on (A) the date

that is sixty (60) days after the expiration of the longest applicable federal or state statute of limitation (including extensions thereof with respect thereto), or (B) if there is no applicable statute of limitation, (x) three (3) years after the Closing Date;

(ii) the final resolution of Pending Claims as of the relevant dates described in clause (i) of this 8.4(c); and

(iii) with respect to representations and warranties contained in Section 4.6 (capital stock of Buyer), there shall be no limitation.

(d) with respect to Damages arising from the actions or omissions of the Members on or prior to the Closing Date, the Members shall have no right to claim indemnification from the Company after the Closing Date, except to the extent such Damages exceed the Indemnification Limit.

8.5 INDEMNIFICATION PROCEDURES.

All Claims for indemnification under this Article 8 shall be asserted as follows:

(a) In the event that any FTI Indemnified Party or P&M Indemnified Party (whether a P&M Indemnified Party or FTI Indemnified Party, an "Indemnified Party") has a Claim against any party obligated to provide indemnification pursuant to Article 8 (the "Indemnifying Party") which does not involve a Claim being asserted against or sought to be collected by a third party, the Indemnified Party shall with reasonable promptness send a Claim Notice with respect to such Claim to the Indemnifying Party. If the Indemnifying Party does not notify the Indemnified Party within the Notice Period (as defined below) that the Indemnifying Party disputes such Claim, the amount of such Claim shall be conclusively deemed a liability of the Indemnifying Party hereunder to the extent of any damages caused directly by any delay in such notification. In case an objection is made in writing in accordance with this Section 8.5(a), the Indemnified Party shall have thirty days to respond in a written statement to the objection. If after such thirty day period there remains a dispute as to any Claims, the parties shall attempt in good faith for sixty days to agree upon the rights of the respective parties with respect to each of such Claims. If the parties should so agree, a memorandum setting forth such agreement shall be prepared and signed by both parties.

(b) In the event that any Claim for which the Indemnifying Party would be liable to an Indemnified Party hereunder is asserted against an Indemnified Party by a third party, the Indemnified Party shall with reasonable promptness notify the Indemnifying Party of such Claim, specifying the nature of such claim and the amount or the estimated amount thereof to

the extent then feasible (which estimate shall not be conclusive of the final amount of such Claim) (the "Claim Notice"). The Indemnifying Party shall have thirty days from the receipt of the Claim Notice (the "Notice Period") to notify the Indemnified Party (i) whether or not such party disputes the liability to the Indemnified Party hereunder with respect to such Claim and (ii) if such party does not dispute such liability, whether or not the Indemnifying Party desires, at the sole cost and expense of the Indemnifying Party, to defend against such Claim, provided that the Indemnifying Party is hereby authorized (but not obligated) prior to and during the Notice Period to file any motion, answer or other pleading and to take any other action which the Indemnifying Party shall deem necessary or appropriate to protect the Indemnifying Party's interests. In the event that Indemnifying Party notifies the Indemnified Party within the Notice Period that the Indemnifying Party does not dispute the Indemnifying Party's obligation to indemnify hereunder and desires to defend the Indemnified Party against such Claim the Indemnifying Party shall have the right to defend by appropriate proceedings, which proceedings shall be promptly settled or prosecuted by the Indemnifying Party to a final conclusion, provided, that, unless the Indemnified Party otherwise agrees in writing, such party may not settle any matter (in whole or in part) unless such settlement includes a complete and unconditional release of the Indemnified Party and, provided further, that, in the event the settlement includes provision for non-monetary relief by an Indemnified Party, such settlement is reasonably satisfactory to such Indemnified Party. If the Indemnified Party desires to participate in, but not control, any such defense or settlement the Indemnified Party may do so at its sole cost and expense. If the Indemnifying Party elects not to defend the Indemnified Party against such Claim, whether by failure of such party to give the Indemnified Party timely notice as provided above or otherwise, then the Indemnified Party, without waiving any rights against such party, may settle or defend against any such Claim in the Indemnified Party's sole discretion and the Indemnified Party shall be entitled to recover from the Indemnifying Party the amount of any settlement or judgment and, on an ongoing basis, all indemnifiable costs and expenses of the Indemnified Party with respect thereto, including interest from the date such costs and expenses were incurred.

(c) Nothing herein shall be deemed to prevent the Indemnified Party from making a claim, and an Indemnified Party may make a claim hereunder, for potential or contingent claims or demands provided the Claim Notice sets forth the specific basis for any such potential or contingent claim or demand to the extent then feasible and the Indemnified Party has reasonable grounds to believe that such a claim or demand may be made and provided, further, however, that the Notice Period shall not be deemed

to commence until such potential or contingent claim or demand becomes an actual or noncontingent claim or demand.

(d) The Indemnified Party's failure to give reasonably prompt notice as required by this Section 8.5 of any actual, threatened or possible claim or demand which may give rise to a right of indemnification hereunder shall not relieve the Indemnifying Party of any liability which the Indemnifying Party may have to the Indemnified Party except to the extent, but only to the extent, that failure to give such notice materially prejudices the Indemnifying Party.

(e) The amount of any indemnifiable losses or other liability for which indemnification is provided under this Agreement shall be net of any amounts actually recovered by the Indemnified Party from third parties (including, without limitation, amounts actually recovered under insurance policies) with respect to such indemnifiable losses or other liability. Any Indemnifying Party hereunder shall be subrogated to the rights of the Indemnified Party upon payment in full of the amount of the relevant indemnifiable loss. An insurer who would otherwise be obligated to pay any claim shall not be relieved of the responsibility with respect thereto or, solely by virtue of the indemnification provision hereof, have any subrogation rights with respect thereto. If any Indemnified Party recovers an amount from a third party in respect of an indemnifiable loss for which indemnification is provided in this Agreement after the full amount of such indemnifiable loss has been paid by an Indemnifying Party or after an Indemnifying Party has made a partial payment of such indemnifiable loss and the amount received from the third party exceeds the remaining unpaid balance of such indemnifiable loss, then the Indemnified Party shall promptly remit to the Indemnifying Party the excess (if any) of (A) the sum of the amount theretofore paid by such Indemnifying Party in respect of such indemnifiable loss plus the amount received from the third party in respect thereof, less (B) the full amount of such indemnifiable loss or other liability.

(f) The amount of any loss or other liability for which indemnification is provided under this Agreement shall be (i) increased to take account of any net tax cost incurred by the Indemnified Party arising from the receipt or accrual of an indemnification payment hereunder (grossed up for such increase) and (ii) reduced to take account of any net tax benefit realized by the Indemnified Party arising from incurring or paying such loss or other liability. In computing the amount of any such tax cost or tax benefit, the Indemnified Party shall be deemed to recognize all other items of income, gain, loss, deduction or credit before recognizing any item arising from the receipt or accrual of any indemnification payment hereunder or incurring or paying any indemnified loss. Any indemnification payment hereunder

shall initially be made without regard to this Section 8.5(f) and shall be increased or reduced to reflect any such net tax cost (including gross-up) or net tax benefit only after the Indemnified Party has actually realized such cost or benefit. For purposes of this Agreement, an Indemnified Party shall be deemed to have "actually realized" a net tax cost or a net tax benefit to the extent that, and at such time as, the amount of taxes payable by such Indemnified Party is increased above or reduced below, as the case may be, the amount of taxes that such Indemnified Party would be required to pay but for the receipt or accrual of the indemnification payment or the incurrence or payment of such loss, as the case may be.

8.6 SURVIVAL OF REPRESENTATIONS WARRANTIES AND COVENANTS.

All representations, warranties and covenants made by the Members and Buyer in or pursuant to this Agreement or in any Schedule or other agreement delivered pursuant hereto shall be deemed to have been made on the date of this Agreement (except as otherwise provided herein or therein). The representations of the Members will survive the Closing and will remain in effect until, and will expire upon, the termination of the relevant indemnification obligation as provided in Section 8.2. The representations of Buyer will survive the Closing and will remain in effect until, and will expire upon the termination of the relevant indemnification obligation as provided in Section 8.4. The covenants of the parties will survive the Closing and expire in accordance with their respective terms.

8.7 ARBITRATION.

(a) Disputes as to Claims under this Agreement ("Disputes") shall be resolved by binding arbitration which shall be administered by the American Arbitration Association ("AAA") in Wilmington, Delaware, and, except as expressly provided in this Agreement, shall be conducted in accordance with the Expedited Procedures under the Commercial Arbitration Rules of the AAA, as such rules may be amended from time to time. The hearing locale shall be Wilmington, Delaware. A single, neutral Arbitrator shall be appointed by the AAA, within five (5) business days after a Dispute is submitted for arbitration under this Section 8.7, to preside over the arbitration and resolve the Dispute. The Arbitrator shall be selected from the AAA's Commercial Panel, and shall be qualified to practice law in at least one jurisdiction in the United States and have expertise in the interpretation of commercial contracts. The parties shall have five business days to object in writing to the appointment of the Arbitrator, the sole basis for such objection being an actual conflict of interest. The AAA, in its sole discretion, shall determine within five business days the validity of any objection to the appointment of the Arbitrator based on an actual conflict of interest.

(b) The Arbitrator's decision (the "Decision") shall be binding, and the prevailing party may enforce the Decision under the Agreement or in any court of competent jurisdiction.

(c) The parties shall use their best efforts to cooperate with each other in causing the arbitration to be held in as efficient and expeditious a manner as practicable, including but not limited to, providing such documents and making available such of their personnel as the Arbitrator may request, so that the Decision may be reached timely. The Arbitrator shall take into account the parties' stated goal of expedited proceedings in determining whether to authorize discovery and, if so, the scope of permissible discovery and other hearing and pre-hearing procedures.

(d) The authority of the Arbitrator shall be limited to deciding liability for, and the proper amount of, a Claim, and shall have no authority to award punitive damages. The Arbitrator shall render a Decision within sixty days after being appointed to serve as Arbitrator, unless the parties otherwise agree in writing or the Arbitrator makes a finding that a party has carried the burden of showing good cause for a longer period.

8.8 SATISFACTION OF INDEMNIFICATION LIABILITIES.

The parties shall promptly satisfy any indemnification liability which is not contested or is finally determined to be due in accordance with this Article 8.

9. GENERAL.

9.1 SUCCESSORS AND ASSIGNS.

This Agreement and the rights of the parties hereunder may not be assigned (except by operation of law) and shall be binding upon and shall inure to the benefit of the parties hereto, the successors of Buyer, and the heirs, personnel representatives and successors of the Members.

9.2 ENTIRE AGREEMENT.

This Agreement (which includes the Schedules hereto) sets forth the entire understanding of the parties hereto with respect to the transactions contemplated hereby. It shall not be amended or modified except by a written instrument duly executed by each of the parties hereto. Any and all previous agreements and understandings between or among the parties regarding the subject matter hereof, whether written or oral, are superseded by this Agreement. Each of the Schedules to this Agreement is incorporated herein by this reference and expressly made a part hereof.

9.3 COUNTERPARTS.

This Agreement may be executed in any number of counterparts and any party hereto may execute any such counterpart, each of which when executed and delivered shall be deemed to be an original and all of which counterparts taken together shall constitute but one and the same instrument.

9.4 BROKERS AND AGENTS.

Buyer and the Members (for themselves and on behalf of the Company) each represents and warrants to the other that it has not employed any broker or agent in connection with the transactions contemplated by this Agreement.

9.5 EXPENSES.

Buyer has and will pay the fees, expenses and disbursements of Buyer and its agents, affiliates, representatives, accountants and counsel incurred in connection with the subject matter of this Agreement. The Members will cause the Company to pay the fees, expenses and disbursements of the Members, the Company, and their agents, affiliates, representatives, financial advisers, accountants and counsel incurred in connection with the subject matter of this Agreement; provided, that, any such payments are made on or prior to the Closing Date from the Company's available funds and before calculating the Company's Working Capital for purposes of determining the Closing Payment. After the Closing, the Members shall be responsible for the payment of any fees, expenses or disbursements incurred by or on behalf of the Company on or before the Closing Date.

9.6 SPECIFIC PERFORMANCE; REMEDIES.

Each party hereto acknowledges that the other parties will be irreparably harmed and that there will be no adequate remedy at law for any violation by any of them of any of the covenants or agreements contained in this Agreement, including without limitation, the noncompetition and confidentiality covenants referenced in Section 9.12. It is accordingly agreed that, in addition to any other remedies which may be available upon the breach of any such covenants or agreements, each party hereto shall have the right to obtain injunctive relief to restrain a breach or threatened breach of, or otherwise to obtain specific performance of, the other parties', covenants and agreements contained in this Agreement.

9.7 NOTICES.

Any notice, request, claim, demand, waiver, consent, approval or other communication which is required or permitted hereunder shall be in writing and shall be deemed given if delivered personally or sent by telefax (with confirmation of receipt), by registered or certified mail, postage prepaid, or by recognized courier service, as follows:

If to Buyer to:

FTI Consulting, Inc.
2021 Research Drive
Annapolis, MD 21401
Attn: Jack B. Dunn, IV
Telefax: 410-224-3552

with a required copy to:

Piper Marbury Rudnick & Wolfe LLP
36 South Charles Street
Baltimore, Maryland 21201
Attn: Richard C. Tilghman, Jr., Esq.
Telefax: 410-576-1763

If to the Members to:

Michael Policano
Robert Manzo
Policano & Manzo, L.L.C.
Park 80 West, Plaza 2
Saddle Brook, New Jersey 07663
Telefax:

with a required copy to:

Wolff & Samson, P.A.
280 Corporate Center
5 Becker Farm Road
Roseland, New Jersey 07068
Attn: Martin L. Wiener, Esq.
Telefax: 973-740-1407

or to such other address as the person to whom notice is to be given may have specified in a notice duly given to the sender as provided herein. Such notice, request, claim, demand, waiver, consent, approval or other communication shall be deemed to have been given as of the date so delivered, telefaxed, mailed or dispatched and, if given by any other means, shall be deemed given only when actually received by the addressees.

9.8 GOVERNING LAW.

This Agreement shall be governed by and construed, interpreted and enforced in accordance with the laws of the State of Maryland, without giving effect to conflicts of law principles.

9.9 SEVERABILITY.

If any provision of this Agreement or the application thereof to any person or circumstances is held invalid or unenforceable in any jurisdiction, the remainder hereof, and the application of such provision to such person or circumstances in any other jurisdiction, shall not be affected thereby, and to this end the provisions of this Agreement shall be severable.

9.10 ABSENCE OF THIRD PARTY BENEFICIARY RIGHTS.

Except as provided in Article 8, no provision of this Agreement is intended, nor will be interpreted, to provide or to create any third party beneficiary rights or any other rights of any kind in any client, customer, affiliate, shareholder, employee, partner of any party hereto or any other person or entity.

9.11 AMENDMENT; WAIVER.

This Agreement may be amended by the parties hereto at any time prior to the Closing by execution of an instrument in writing signed on behalf of each of the parties hereto. Any extension or waiver by any party of any provision hereto shall be valid only if set forth in an instrument in writing signed on behalf of such party.

9.12 COVENANTS REGARDING EMPLOYMENT AGREEMENTS.

Each of the Members acknowledges that each provision of the Employment Agreements (including, without limitation, the noncompetition and confidentiality covenants contained therein) constitutes a material part of the purchase and sale transaction contemplated by this Agreement, and is supported by adequate consideration. Further, the Members hereby acknowledge that each of their efforts has been critical to the success of the Company's business to date, and their further efforts on behalf of the Company will be critical to the continued success of the business of the Company. The Members hereby acknowledge that they possess unique professional skills and knowledge and that their failure to perform under the Employment Agreements will result in substantial damage to FTI.

[Signature page for the LLC Membership Interests Purchase Agreement.]

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the day and year first above written.

FTI CONSULTING, INC.

By: /s/ STEWART KAHN

Name: Stewart Kahn
Title: President

MEMBERS:

/s/ MICHAEL POLICANO

Michael Policano

/s/ ROBERT MANZO

Robert Manzo

EXHIBIT 99.1

==========

FTI Consulting, Inc.

$7,500,000 Revolving Credit Facility

$45,000,000 Series A Term Loan Facility

$16,000,000 Series B Term Loan Facility

_____

Credit Agreement

_____

Dated as of February 4, 2000

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(Not a part of the Agreement)

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FTI Consulting, Inc.
2021 Research Drive
Annapolis, Maryland 21401

$7,500,000 Revolving Credit Facility
$45,000,000 Series A Term Loan Facility
$16,000,000 Series B Term Loan Facility

This Credit Agreement dated as of February 4, 2000 (this "Agreement"), by and among FTI Consulting, Inc., a Maryland corporation (the "Company"), the Subsidiaries signing this Agreement and any Subsidiaries now or hereafter parties to this Agreement (such Subsidiaries (including, without limitation, Policano & Manzo, LLC) being referred to collectively as the "Co-Borrowers" and, together with the Company, as the "Obligors" or "Borrowers"), Newcourt Commercial Finance Corporation, an affiliate of The CIT Group, Inc. ("Newcourt"), as Administrative Agent for the Revolving Credit Facility and the Term Loan facilities (the "Administrative Agent"), as Collateral Agent (the "Collateral Agent"), and as Book Manager (the "Book Manager"), SunTrust Bank N.A. ("SunTrust") as Documentation Agent (the "Documentation Agent"), Capital Syndication Corporation, an affiliate of The CIT Group, Inc., as Syndication Agent and Lead Arranger, Bank of America, N.A. ("B of A") as Co-Lead Arranger (the "Co-Lead Arranger") and Newcourt, SunTrust, ING (U.S.) Capital LLC ("ING") and B of A as Lenders. References herein to "the Agent" shall be deemed to refer to the Administrative Agent. Certain capitalized terms used in this Agreement are defined in Schedule B; references to a "Schedule" or an "Exhibit" are, unless otherwise specified, to a Schedule or an Exhibit attached to this Agreement.

Section 1. The Credit; Collateral.

Section 1.1. Revolving Credit. Subject to the terms and conditions hereof, each Lender severally agrees to extend a revolving credit (the "Revolving Credit") to the Obligors which may be availed of by the Obligors from time to time during the period from and including the date hereof to but not including the Revolving Credit Termination Date, at which time the commitments of the Lenders to extend credit under the Revolving Credit shall expire. The maximum amount of the Revolving Credit which each Lender agrees to extend to the Obligors shall be as set forth opposite such Lender's name on Schedule A hereto under the heading "Revolving Credit Commitment" or as otherwise provided in Section 18.2 hereof, as such amount may be reduced pursuant hereto (collectively for all Lenders, the "Revolving Credit Commitments"). The Revolving Credit shall be utilized by the Obligors solely for working capital and shall be in the form of loans (individually a "Revolving Credit Loan" and collectively the "Revolving Credit Loans"); provided that the aggregate principal amount of Revolving Credit Loans outstanding at any one time shall not exceed the lesser of (i) Revolving Credit Commitments (as the same may be reduced pursuant to Section 8.3) and (ii) the Borrowing Base as then determined and computed. Each Borrowing of Revolving Credit Loans shall be in an amount of $100,000 or such greater amount which is an integral multiple of $10,000. Each Borrowing of Revolving Credit Loans shall be made ratably by the Lenders in accordance with their Percentages of the Revolving Credit Commitments. The obligations of the

Lenders hereunder to make Revolving Credit Loans are several and not joint, and no Lender shall under any circumstances be obligated to extend credit under the Revolving Credit in excess of its Revolving Credit Commitment. All Revolving Credit Loans made by a Lender shall be made against and evidenced by a single promissory note of the Obligors in the form (with appropriate insertions) attached hereto as Exhibit 1.1 (individually, a "Revolving Credit Note" and, collectively, the "Revolving Credit Notes") payable to the order of such Lender in the principal amount of its Revolving Credit Commitment. Each Revolving Credit Note shall be dated the date of issuance thereof, be expressed to bear interest as set forth in Section 2 hereof, and be expressed to mature on the Revolving Credit Termination Date. Without regard to the principal amount of each Revolving Credit Note stated on its face, the actual principal amount at any time outstanding and owing by the Obligors on account of such Revolving Credit Note shall be the sum of all advances then or theretofore made thereon less all payments of principal actually received. During the period from and including the date hereof to but not including the Revolving Credit Termination Date, the Obligors may use the Revolving Credit Commitments by borrowing, repaying and reborrowing Revolving Credit Loans in whole or in part, all in accordance with the terms and conditions of this Agreement. The Co-Borrowers hereby appoint the Company as their agent for the purposes of making all Borrowings hereunder, including the giving of notices and the making of requests under Section 1.3 hereof and for the purposes of making all payments hereunder and under all Notes and other Financing Documents, including, but without limitation, all installment payments and all payments under Sections 3, 8, 12 and 13 hereof. In addition, the Company is appointed as agent for the Co-Borrowers for the purposes of making any determination with respect to interest rate options contemplated under Sections 2.1 and 2.4. Unless the context otherwise requires, references hereinbelow to the "Company" shall mean and include the Company, individually, as a borrower hereunder as well as the Company, as agent for the Co-Borrowers. The Agents and the Lenders shall be entitled to rely on the Company as agent for the Co-Borrowers for all purposes hereunder and under the other Financing Documents. The Company specifically accepts such appointment as agent of the Co-Borrowers for all such purposes. The Co-Borrowers specifically acknowledge and agree that each shall be primarily, jointly and severally liable for the payment and performance of all liabilities, obligations of covenants of the Company hereunder regardless of whether or not the Company is acting as agent for the Co-Borrowers.

Section 1.2. Term Credit. (a) Subject to the terms and conditions hereof, each Lender severally agrees to make a loan (individually a "Term A Loan" and collectively the "Term A Loans") to the Obligors in the amount of such Lender's commitment as set forth opposite such Lender's name on Schedule A hereto under the heading "Term A Loan Commitment" or as otherwise provided in Section 18.2 hereof (collectively for all Lenders, the "Term A Loan Commitments"). There shall be a single Borrowing under the Term A Loan Commitments which shall be made, if at all, on the date of Closing, at which time the commitments of the Lenders to make Term A Loans under the Term A Loan Commitments shall expire. The obligations of the Lenders hereunder to make Term A Loans are several and not joint, and no Lender shall under any circumstances be obligated to make a Term A Loan hereunder in excess of its Term A Loan Commitment. The Term A Loan made by each Lender to the Obligors shall be evidenced by a Term A Note of the Obligors (individually a "Term A Note" and collectively the "Term A Notes") payable to the order of such Lender in the amount of its Term A Loan Commitment, with each Term A Note to be in the form (with appropriate insertions) attached hereto as

Exhibit 1.2(a). Each Term A Note shall be dated the date of issuance thereof, be expressed to bear interest as set forth in Section 2 hereof, and be expressed to mature in principal installments on the dates and in the respective amounts as set forth on Schedule 1.2(a).

(b) Subject to the terms and conditions hereof, each Lender severally agrees to make a loan (individually a "Term B Loan" and collectively the "Term B Loans") to the Obligors in the amount of such Lender's commitment as set forth opposite such Lender's name on Schedule A hereto under the heading "Term B Loan Commitment" or as otherwise provided in Section 18.2 hereof (collectively for all Lenders, the "Term B Loan Commitments"). There shall be a single Borrowing under the Term B Loan Commitments which shall be made, if at all, on the date of Closing, at which time the commitments of the Lenders to make Term B Loans under the Term B Loan Commitments shall expire. The obligations of the Lenders hereunder to make Term B Loans are several and not joint, and no Lender shall under any circumstances be obligated to make a Term B Loan hereunder in excess of its Term B Loan Commitment. The Term B Loan made by each Lender to the Obligors shall be evidenced by a Term B Note of the Obligors (individually a "Term B Note" and collectively the "Term B Notes") payable to the order of such Lender in the amount of its Term B Loan Commitment, with each Term B Note to be in the form (with appropriate insertions) attached hereto as Exhibit 1.2(b). Each Term B Note shall be dated the date of issuance thereof, be expressed to bear interest as set forth in Section 2 hereof, and be expressed to mature in principal installments on the dates and in the respective amounts as set forth on Schedule 1.2(b).

Section 1.3. Manner and Disbursement of Revolving Loans. (a) The Company shall give written or telephonic notice to the Agent (which notice shall be irrevocable once given and, if given by telephone, shall be promptly confirmed in writing) by no later than 11:00 a.m. (New York, New York time) on the Business Day immediately preceding the date the Company requests that any Revolving Borrowing of Loans be made to it under the Commitments, and, except in the case of Revolving Loans made under Section 1.3(b) hereof, the Agent shall promptly notify each Lender of the Agent's receipt of each such notice. Each such notice shall specify the date of the Borrowing of Revolving Loans requested (which must be a Business Day), the amount of such Borrowing, and the amount of such Borrowing to be loaned by such Lender; provided that, the date of each Borrowing must be a Business Day. The Obligors agree that the Agent may rely upon any written or telephonic notice given by any person the Agent in good faith believes is an Authorized Representative without the necessity of independent investigation and, in the event any telephonic notice conflicts with the written confirmation, such telephonic notice shall govern if the Agent and the Lenders have acted in reliance thereon. Subject to the provisions of Section 4, the proceeds of each Loan shall be made available to the Obligors by wire transfer to the Company's operating account at Bank of America, N.A., ABA #052 001 633, Account #2001801422, Reference FTI Consulting, Inc. (or such other location as the Company and the Agent may mutually agree upon), in immediately available funds, upon receipt by the Agent from each Lender of its Percentage of such Borrowing. Unless the Agent shall have been notified by a Lender prior to 1:00 p.m. (New York, New York time) on the date a Borrowing is to be made hereunder that such Lender does not intend to make the proceeds of its Loan available to the Agent, the Agent may assume that such Lender has made such proceeds available to the Agent on such date and the Agent may in reliance upon such assumption make available to the Company a corresponding amount.

(b) Notwithstanding the notice requirements set forth in Section 1.3(a) above, but otherwise in accordance with the terms and conditions of this Agreement including, without limitation, Section 4, the Administrative Agent may, in its sole discretion without conferring with the Lenders but on their behalf, make Revolving Credit Loans to the Obligors in amounts requested by the Company. Any such Revolving Credit Loan so funded by the Administrative Agent shall be deemed a Revolving Credit Loan made by such Agent under its own respective Commitment to all Obligors and with respect to which all Obligors are directly and jointly and severally liable. Each Lender's obligation to fund its portion of any such Revolving Credit Loan made by such Agent will commence on the date such Revolving Credit Loan is actually so made by such Agent. However, until the date on which the Settlement of such Revolving Credit Loan is required in accordance with Section 8.6 hereof, such obligation of the Lender shall be satisfied by the Administration Agent's making of such Loan. The Company acknowledges and agrees that the making of such Revolving Credit Loans by the Administrative Agent under this Section 1.3(b) shall, in each case, be subject in all respects to the provisions of this Agreement as if each such Revolving Credit Loan were made in response to a notice requesting such Borrowing made in accordance with Section 1.3(a), including, without limitation, the limitations set forth in Section 1.1 and the requirements of Section 4.2. All actions taken by the Administrative Agent pursuant to the provisions of this Section 1.3(b) shall be conclusive and binding on the Obligors. Notwithstanding anything herein to the contrary, prior to the Settlement with any Lender of any Revolving Credit Loan funded by the Administrative Agent under this Section 1.3(b), interest payable on such Revolving Credit Loan otherwise allocable to such Lender shall be for the sole account of the Administrative Agent and payment of principal on such Revolving Credit Loan otherwise allocable to such Lender shall be for the sole account of the Administrative Agent.

(c) If any amount due the Agent from a Lender to fund such Lender's Loan comprising part of any Borrowing as required by Section 1.3(a), or to effect the Settlement of any Loan as required by Section 8.6 hereof, is not in fact made available to such Agent by such Lender when due and such Agent has made such amount available to the Obligors, such Agent shall be entitled to receive such amount from such Lender forthwith upon such Agent's demand, together with interest thereon in respect of each day during the period commencing on the date such amount was made available to the Obligors and ending on but excluding the date such Agent recovers such amount (such period being referred to as a "CP Period") at a rate per annum equal to the CP Rate plus .75% for each day as determined by such Agent (or in the case of a day which is not a Business Day, then for the preceding day). If such amount is not received from such Lender by the Agent immediately upon demand, the Obligors will, on demand, repay to the Agent the proceeds of such Loan attributable to such Lender with interest thereon at a rate per annum equal to the interest rate applicable to the relevant Loan. In the event any Lender has not paid amounts payable by such Lender to the Agent as contemplated hereinabove in this Section 1.3(c), and such failure to pay continues for more than 30 days or such Lender has failed to so pay such Agent for an aggregate of 30 days on one or more occasions (a "Non-Paying Lender"), such Agent will, upon the written request of the Company, request such Lender to assign, at par plus accrued interest and fees, without recourse or warranty (except that such Lender is the holder of such Commitment) all of its interests, rights and obligations hereunder (including all of its Commitments and the Loans and other amounts at the time owing to it hereunder and its Notes) to a bank, financial institution or other entity specified by the Company,

provided that (i) such assignment shall not conflict with or violate any law, rule or regulation or order of any court or other governmental authority of competent jurisdiction, (ii) the Obligors shall have received the written consent of such Agent, which consent shall not be unreasonably withheld or delayed to such assignment, (iii) the Obligors shall have paid to the assigning Lender all monies other than such principal owing hereunder to it, and (iv) the assignment is entered into in accordance with the requirements of Section 8.2. In the event that there is more than one Non-Paying Lender at any one time, any request by the Company with respect to replacement of a Non-Paying Lender as contemplated hereinabove shall apply to all and not less than all Non-Paying Lenders.

Section 1.4. Collateral. (a) The Notes and the Obligors' Obligations hereunder and under the Financing Documents will be secured by the Security Documents.

(b) The Obligors agree to make such arrangements as shall be necessary or appropriate to assure that all proceeds of the Collateral are deposited (in the same form as received) into one or more deposit accounts subject to the lien of the Collateral Agent.

Section 2. Interest and Change In Circumstances.

Section 2.1. Interest Rate Options.

(a) Portions. The Revolving Credit Loans shall bear interest with reference to the Prime Rate and the Revolving Credit Loans shall constitute a Prime Rate Portion as defined herein below. Subject to the terms and conditions of this Section 2, portions of the principal indebtedness evidenced by each respective Tranche of the Term Loans (all of the indebtedness evidenced by each respective Tranche of the Term Loans bearing interest at the same rate for the same period of time being hereinafter referred to as a "Term Portion") may, at the option of the Company, bear interest with reference to the Prime Rate (each such Term Portion bearing interest with reference to the Prime Rate as well as the Revolving Credit Loans being referred to herein as a "Prime Rate Portion") or, with reference to the Adjusted LIBOR ("LIBOR Portions"), and Term Portions may be converted from time to time from one basis to another. All of the indebtedness evidenced by a particular Tranche of Term Notes which is not part of a LIBOR Portion shall constitute a single Prime Rate Portion applicable to such Tranche. All of the indebtedness evidenced by a particular Tranche of Term Notes which bears interest with reference to a particular Adjusted LIBOR for a particular Interest Period shall constitute a single LIBOR Portion. There shall not be more than two (2) LIBOR Portions applicable to each Tranche of Term Notes outstanding at any one time for a maximum of four (4) LIBOR Portions, and each Lender shall have a ratable interest in each Portion based on its Percentage. Anything contained herein to the contrary notwithstanding, the obligation of the Lenders to create, continue or effect by conversion any LIBOR Portion shall be conditioned upon the fact that at the time no Default or Event of Default shall have occurred and be continuing. The Obligors hereby promises to pay interest on each Portion at the rates and times specified in this Section 2.

(b) Prime Rate Portion. Each Prime Rate Portion of any Tranche (including, at all times, 100% of the Revolving Credit Loans) shall bear interest at the rate per annum determined

by adding the Applicable Prime Rate Margin for such Tranche to the Prime Rate as in effect from time to time; provided that so long as a Default shall have occurred and is continuing each Prime Rate Portion shall bear interest, whether before or after judgment, at the rate per annum equal to the Overdue Rate. Interest on each Prime Rate Portion shall be payable monthly, or quarterly in the case of the Term Notes, in arrears on the last day of each month (commencing February 29, 2000), or on the last day of March, June, September and December, in the case of the Term Notes, in each year and at maturity of each Tranche, and in all Tranches interest after maturity (whether by lapse of time, acceleration or otherwise) shall be due and payable upon demand. Any change in the interest rate on a Prime Rate Portion resulting from a change in the Prime Rate shall be effective on the date of the relevant change in the Prime Rate.

(c) LIBOR Portions. Each LIBOR Portion shall bear interest for each Interest Period selected therefor at a rate per annum determined by adding the Applicable LIBOR Margin to the Adjusted LIBOR for such Interest Period; provided that so long as a Default shall have occurred and is continuing such LIBOR Portion shall bear interest, whether before or after judgment, at the rate per annum equal to the Overdue Rate, and effective at the end of the Interest Period then applicable thereto, such LIBOR Portion shall automatically be converted into and added to the relevant Prime Rate Portion and shall thereafter bear interest at the interest rate applicable to the Prime Rate Portion of such Tranche during the continuance of a Default. Interest on each LIBOR Portion shall be due and payable on the last day of each Interest Period applicable thereto. The Company shall notify the Administrative Agent on or before 11:00 a.m. (New York, New York time) on the third Business Day preceding the end of an Interest Period applicable to a LIBOR Portion whether such LIBOR Portion is to continue as a LIBOR Portion, in which event the Company shall notify the Agent of the new Interest Period selected therefor, and in the event the Company shall fail to so notify the Agent, such LIBOR Portion shall automatically be converted into and added to the relevant Prime Rate Portion as of and on the last day of such Interest Period.

Section 2.2. Minimum LIBOR Portion Amounts. Each LIBOR Portion shall be in an amount equal to $1,000,000 or such greater amount which is an integral multiple of $100,000.

Section 2.3. Computation of Interest. All interest on the LIBOR Portions of Term Loans shall be computed on the basis of a year of 360 days for the actual number of days elapsed; and all interest on each Prime Rate Portion of Loans shall be computed on the basis of a year of 365 or 366 day year, as the case may be, based on the actual number of days elapsed.

Section 2.4. Manner of Rate Selection. The Company shall notify the Administrative Agent by 11:00 a.m. (New York, New York time) at least 3 Business Days prior to the date upon which the Company requests that any LIBOR Portion be created or that any part of the relevant Prime Rate Portion be converted into a LIBOR Portion (each such notice to specify in each instance the amount thereof and the Interest Period selected therefor), and such Agent shall promptly notify each Lender of each notice received from the Company pursuant to the foregoing provision. If any request is made to convert a LIBOR Portion into the Prime Rate Portion, such conversion shall only be made so as to become effective as of the last day of the Interest Period applicable thereto. All requests for the creation, continuance and conversion of

LIBOR Portions under this Agreement shall be irrevocable. Such requests may be written or oral and the Administrative Agent is hereby authorized to honor telephonic requests for creations, continuances and conversions received by it from any person the Administrative Agent in good faith believes to be an Authorized Representative without the necessity of independent investigation, the Obligors hereby, jointly and severally, indemnifying the Agent from any liability or loss ensuing from so acting.

Section 2.5. Change of Law. Notwithstanding any other provisions of this Agreement or any Note, if at any time any Lender shall determine in good faith that any change after the date hereof in applicable laws, treaties or regulations or in the interpretation thereof makes it unlawful for such Lender to create or continue to maintain any LIBOR Portion, it shall promptly so notify the Administrative Agent (which shall in turn promptly notify the Company and the other Lenders) and each Term Portion held by such Lender and so affected shall, on demand of such Lender, bear interest at a rate determined by adding (a) the Applicable Term A Credit Prime Rate Margin, in the case of Term A Notes, and (b) the Applicable Term B Credit Prime Rate Margin, in the case of Term B Notes, to the Prime Rate until such time as such Lender shall determine in good faith (and shall have notified the Administrative Agent in writing, which shall in turn promptly notify the Company and the other Lenders) that such unlawfulness is no longer continuing.

Section 2.6. Unavailability of Deposits or Inability to Ascertain Adjusted LIBOR. Notwithstanding any other provision of this Agreement or any Note, if prior to the commencement of any Interest Period, any Lender shall determine in good faith that deposits in the amount of any LIBOR Portion scheduled to be outstanding during such Interest Period are not readily available to such Lender in the relevant market or, by reason of circumstances affecting the relevant market, adequate and reasonable means do not exist for ascertaining Adjusted LIBOR, then such Lender shall promptly give notice thereof to the Administrative Agent (which shall in turn promptly notify the Company and the other Lenders) and such Portion shall, on demand of such Lender, bear interest at a rate determined by adding (a) the Applicable Term A Credit Prime Rate Margin, in the case of a Portion evidenced by Term A Notes, and (b) the Applicable Term B Credit Prime Rate Margin, in the case of a Portion evidenced by Term B Notes, to the Prime Rate until deposits in such amount and for the applicable Interest Period shall again be readily available in the relevant market and adequate and reasonable means exist for ascertaining Adjusted LIBOR.

Section 2.7. Taxes and Increased Costs. With respect to any LIBOR Portion, if any Lender shall determine in good faith that any change after the date hereof in any applicable law, treaty, regulation or guideline (including, without limitation, Regulation D of the Board of Governors of the Federal Reserve System) or any new law, treaty, regulation or guideline enacted or issued after the date hereof, or any interpretation of any of the foregoing issued or made after the date hereof by any governmental authority charged with the administration thereof or any central bank or other fiscal, monetary or other authority having jurisdiction over such holder or its lending branch or the Term Notes contemplated by this Agreement (whether or not having the force of law), shall:

(i) impose, increase, or deem applicable any reserve, special deposit or similar requirement against assets held by, or deposits in or for the account of, or loans by, or any other acquisition of funds or disbursements by, such Lender which is not in any instance already accounted for in computing the respective interest rates applicable to such LIBOR Portion;

(ii) subject such Lender or any Term Note evidencing a LIBOR Portion to any tax (including, without limitation, any United States interest equalization tax or similar tax, however named, applicable to the acquisition or holding of debt obligations and any interest or penalties with respect thereto), duty, charge, stamp tax, fee, deduction or withholding in respect of this Agreement or any Term Note evidencing a LIBOR Portion, except in the case of each Lender, taxes imposed on its income, capital, profits or gains and franchise taxes imposed on it, in each case by (i) the United States (including, without limitation, withholding taxes imposed by the United States), (ii) the jurisdiction in which such Lender's office is located or (iii) the jurisdiction in which such Lender is organized, managed, controlled or doing business, in each case including all political subdivisions thereof;

(iii) change the basis of taxation of payments of principal and interest due from an Obligor to such Lender hereunder or under a Term Note evidencing a LIBOR Portion (other than by a change in taxation of the overall net income or gross receipts of such Lender or its lending branches or a change in the rate of taxation with respect thereto); or

(iv) impose on such Lender any penalty with respect to the foregoing or any other condition regarding this Agreement or any Term Note evidencing a LIBOR Portion or its disbursement;

and such Lender shall determine in good faith that the result of any of the foregoing is to increase the cost (whether by incurring a cost or adding to a cost) to such Lender of creating or maintaining any of the indebtedness evidenced by any Term Note evidencing a LIBOR Portion or to reduce the amount of principal or interest received or receivable by such Lender (taking into account, where reasonably determinable by such Lender, the benefit of, or credit for, any prorations, exemption, credits or other offsets available under any such laws, treaties, regulations, guidelines or interpretations thereof), then the Obligors shall pay to such Lender within 3 days upon written demand from such Lender to the Company from time to time as specified by such Lender such additional amounts as such Lender shall reasonably determine are sufficient to compensate and indemnify it for such increased cost or reduced amount. If a Lender makes such a claim for compensation, it shall provide to the Company at the time of demand a certificate setting forth the computation of the increased cost or reduced amount as a result of any event mentioned herein in reasonable detail and such certificate shall be conclusive if reasonably determined, absent manifest error.

Section 2.8. Change in Capital Adequacy Requirements. If any Lender shall determine that the adoption after the date hereof of any applicable law, rule or regulation regarding capital adequacy, or any change after the date hereof in any existing law, rule or regulation, or any change after the date hereof in the interpretation or administration thereof by any governmental

authority, central bank or comparable agency charged with the interpretation or administration thereof, or compliance by such Lender (or any of its branches) or any corporation controlling such Lender with any request or directive regarding capital adequacy (whether or not having the force of law) of any such authority, central bank or comparable agency, has or would have the effect of reducing the rate of return on such Lender's or such corporation's capital, as the case may be, as a consequence of such Lender's obligations hereunder or for the credit which is the subject matter hereof to a level below that which such Lender or such corporation could have achieved but for such adoption, change or compliance (taking into consideration such Lender's or such corporation's policies with respect to liquidity and capital adequacy) by an amount deemed by such Lender to be material, then from time to time, within fifteen (15) days after written demand by such Lender, the Obligors shall pay to such Lender such additional amount or amounts reasonably determined by such Lender as will compensate such Lender for such reduction provided that the Obligors shall not be required to compensate a Lender pursuant to this paragraph for any amounts incurred more than six months prior to the date that such Lender notifies Obligors of such Lender's intention to claim compensation therefor; and provided further that, if the circumstances giving rise to such claim have a retroactive effect, then such six-month period shall be extended to include the period of such retroactive effect (but not prior to the date of Closing).

Section 2.9. Funding Indemnity. In the event any Lender shall incur any loss, cost or expense (including, without limitation, any loss, cost or expense incurred by reason of the liquidation or reemployment of deposits or other funds acquired or contracted to be acquired by such Lender to fund or maintain or the relending or reinvesting of such deposits or other funds or amounts paid or prepaid to such Lender) as a result (i) of any payment or prepayment of a Term Portion of the indebtedness which bears interest with reference to LIBOR on a date other than the last day of the then applicable Interest Period for such Term Portion for any reason or (ii) any failure by the Company to borrow funds as a LIBOR Portion after it has given a notice of election with respect thereto for any reason, whether before or after default, and whether or not such payment is required by any provisions of this Agreement; then, within three (3) Business Days receipt of the written demand of such Lender, the Obligors shall pay to such Lender such amount as will reimburse such Lender for such loss, cost or expense. If a Lender requests such a reimbursement, it shall provide to the Company at the time of demand a certificate setting forth the computation of the loss, cost or expense giving rise to the request for reimbursement in reasonable detail and such certificate shall be conclusive if reasonably determined, absent manifest error provided that the Obligors shall not be required to compensate a Lender pursuant to this paragraph for any amounts incurred more than six months prior to the date that such Lender notifies Obligors of such Lender's intention to claim compensation therefor; and provided further that, if the circumstances giving rise to such claim have a retroactive effect, then such six-month period shall be extended to include the period of such retroactive effect (but not prior to the date of Closing).

Section 2.10. Lending Branch. Each Lender may, at its option, elect to make, fund or maintain its pro rata share of the indebtedness evidenced by any Note at the branches or offices specified on Schedule A hereto or at such of its branches or offices as such Lender may from time to time elect. To the extent reasonably possible, a Lender shall designate an alternate branch or funding office to reduce any liability of the Obligors to such Lender under Section 2.7

or 2.8 or to avoid a change of law or the unavailability of an interest rate option under Section 2.5 or 2.6 or the payment of any indemnity under Section 9.7, so long as such designation is not otherwise disadvantageous to such Lender.

Section 2.11. Discretion of Lenders as to Manner of Funding. Notwithstanding any provision of this Agreement to the contrary, each Lender shall be entitled to fund and maintain its funding of all or any part of a Note in any manner it sees fit, it being understood, however, that for the purposes of this Agreement all determinations hereunder (including, without limitation, determinations under Sections 2.6, 2.7 and 2.8) shall be made as if each Lender had actually funded and maintained each LIBOR Portion of the indebtedness evidenced by a Term Note during each Interest Period applicable thereto through the purchase of deposits in the relevant market in the amount of such LIBOR Portion, having a maturity corresponding to such Interest Period, and bearing an interest rate equal to LIBOR for such Interest Period.

Section 2.12. Requested Compensation, Etc. In the event any Lender exercises its rights or requests payments pursuant to Sections 2.5, 2.6, 2.7 or 2.8, such Lender shall use its reasonable efforts to eliminate the unlawfulness or reduce such claim; provided, however, such Lender shall not be required to take any action that would otherwise be disadvantageous to it.

If any Lender requests compensation from the Obligors under Section 2.7, the Company may, by notice to such Lender (with a copy to the Agent), suspend the obligation of such Lender thereafter to make or continue any LIBOR Portion hereunder, or to convert Prime Rate Portions into LIBOR Portions, until the requirement of law giving rise to such request ceases to be in effect, provided that such suspension shall not affect the right of such Lender to receive the compensation so requested for the period of time relative to such request. In the event any Lender exercises its right to request payments pursuant to Section 2.5, 2.6, 2.7 or 2.8, and the basis for such exercise or request continues for one month (any and all such Lenders being referred to as "Special Indemnified Lenders"), the Company may require, upon not less than 10 days prior written notice to the Agent and the Lenders at the Obligors' expense, all and not less than all Special Indemnified Lenders to assign, at par plus accrued interest and fees, without recourse or warranty (except that each such Lender is the holder of its Commitments) all of their interests, rights and obligations hereunder in respect of their Commitments and the Loans and other related amounts at the time owing to each hereunder and their Notes) to a bank, financial institution or other entity specified by the Company (collectively, a "New Lender"), provided that (i) such assignment shall not conflict with or violate any law, rule or regulation or order of any court or other governmental authority of competent jurisdiction, (ii) the Company shall have received the written consent of the Administrative Agent, which consent shall not unreasonably be withheld or delayed, to such assignment, (iii) the Obligors shall have paid to each assigning Lender all monies other than such principal owing hereunder to it, (iv) each assignment is entered into in accordance with the requirements of Section 20.2 and (v) the Obligors shall pay to the Administrative Agent a fee in the amount of $3,500 for each assignment to each New Lender.

Section 2.13. All Obligations to Constitute Joint and Several Obligations. All Obligations shall constitute joint and several obligations of the Borrowers and shall be secured

by the Collateral Agent's security interest (on behalf of itself, the other Agents and the Lenders) and Lien pursuant to the Security Documents, and by all other security interests and Liens heretofore, now or at any time hereafter granted by each Borrower to the Collateral Agent and the Lenders, to the extent provided in the Security Documents under which such Lien arises. Each Borrower expressly represents and acknowledges that it is part of a common enterprise with the other Borrowers and that any financial accommodations by the Agents and the Lenders to any other Borrower hereunder and under the other Financing Documents are and will be of direct and indirect interest, benefit and advantage to all Borrowers. Each Borrower acknowledges that any request for a Revolving Credit Loan or Term Loan or other notice given by any Borrower to an Agent or any Lender shall bind all Borrowers, and that any notice given by an Agent or any Lender to the Company shall be effective with respect to all Borrowers. Each Borrower acknowledges and agrees that each Borrower shall be liable, on a joint and several basis, for all of the Loans, regardless of which Borrower actually may have received the proceeds of any of the Loans or other extensions of credit hereunder or the amount of such Loans received or the manner in which the Agent or any of the Lenders accounts for such Loans or other extensions of credit on its books and records, and further acknowledges and agrees that Loans to any Borrower inure to the mutual benefit of all of the Borrowers and that the Agents and the Lenders are relying on the joint and several liability of the Borrowers in extending the Loans and other financial accommodations hereunder.

Each Borrower shall be entitled to subrogation and contribution rights from and against the other Borrowers to the extent any Borrower is required to pay to the Lenders any amount in excess of the Loans advanced hereunder directly to such Borrower or as otherwise available under applicable law; provided, however, that such subrogation and contribution rights are and shall be subject to the terms and conditions of Section 2.14 hereof.

Section 2.14. Maximum Borrower Liability.

(a) It is the intent of the Borrowers, the Agents, and the Lenders 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:

(i) 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 Agents, the Lenders 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

(ii) 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 Agents, the Lenders 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

(iii) 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 Agents, the Lenders 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 Agents, the Issuing Banks, the Lenders 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 2.14(a), but only to the extent that the Obligations of any Borrower hereunder, or the transfers made by such Borrower under any Security 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 Agents, the Issuing Banks and the Lenders or any other Person holding any of the Obligations), as so reduced, to be subject to avoidance under such Avoidance Provisions. This Section 2.14(b) is intended solely to preserve the rights hereunder of the Agents and the Lenders 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 2.14(b) as against the Agents, the Lenders 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 Lenders or the Agents under the Financing Documents.

(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 2.14(d) shall affect each Borrower's joint and several liability to the Agents and the Lenders 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 Agents and the Lenders hereunder.

(e) No Borrower will exercise any rights which it may acquire by way of subrogation hereunder or under any other Financing 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 Financing Document, until all amounts owing to the Agents and the Lenders on account of the Obligations are paid in full in cash 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 Agents and the Lenders, segregated from other funds of such Borrower, and shall, forthwith upon receipt by such Borrower, be turned over to the Agent in the exact form received by such Borrower (duly endorsed by such Borrower to the Agent, if required), to be applied against the Obligations, whether matured or unmatured, as provided for herein.

Section 3. Fees.

Section 3.1. Administration Fees. So long as any Obligations or any Commitment to extend credit hereunder remains outstanding, the Obligors shall pay to all Agents entitled to an annual administrative fee an annual administrative fee payable in accordance with its respective Fee Letter, if any.

Section 3.2. Revolving Credit Commitment Fee. For the period from and including the date of Closing to but not including the Revolving Credit Termination Date, the Obligors shall pay to the Administrative Agent for the benefit of the Lenders a commitment fee at the rate of 0.50% (or .75% in the case of any calendar quarter with respect to which the Applicable Prime Rate Margin is 2.00%) per annum (computed on the basis of a year of 365 or 366 days, as the case may be, for the actual number of days elapsed) on the average daily unused portion of such

Lender's Revolving Credit Commitment. Such commitment fee shall be payable monthly in arrears on the last day of each month (commencing February 29, 2000) and on the Revolving Credit Termination Date.

Section 3.3. Field Examination and Appraisal Fees. The Obligors shall pay to the Collateral Agent for field examinations and appraisals of the Collateral performed by the Collateral Agent or its agents or representatives (including other Lenders) such reasonable amounts as the Collateral Agent may from time to time request (the Collateral Agent acknowledging and agreeing that such charges shall be computed in the same manner as such Collateral Agent at the time customarily uses for the assessment of charges for similar collateral examinations and appraisals). The Collateral Agent and the Lenders acknowledge and agree that if and so long as no Default or Event of Default exists, the field examinations contemplated hereinabove shall not occur more than once in any calendar quarter.

Section 4. Conditions to Loans.

Section 4.1. Conditions to Initial Borrowing of Loans. The obligation of each Lender to make the initial Loan to be made by it hereunder (the making of the initial Loans hereunder being hereinafter referred to as the "Closing") is subject to the fulfillment, to such Lender's satisfaction, prior to or at the Closing, of the following conditions:

Section 4.1.1. Representations and Warranties. The representations and warranties of each Obligor in the Financing Documents, shall in each case be true and correct when made and at the time of the Closing.

Section 4.1.2. Performance; No Default. Each Obligor shall have performed and complied with all agreements and conditions contained in the Financing Documents required to be performed or complied with by it prior to or at the Closing and after giving effect to the initial Loans to be made by the Lenders hereunder (and the application of the proceeds thereof as contemplated by Section 5.14) no Default or Event of Default shall have occurred and be continuing. The Obligors shall not have entered into any transaction since the date of the Memorandum that would have been prohibited by this Agreement had this Agreement applied since such date, other than as contemplated by the Related Transactions.

Section 4.1.3. Compliance Certificates.

(a) Officer's Certificate. Each of the Obligors shall have delivered to such Lender an Officer's Certificate (which may be in the form of a single certificate which shall be executed by all Obligors), dated the date of the Closing, certifying that the conditions specified in Sections 4.1.1, 4.1.2 and 4.1.10 have been fulfilled or waived.

(b) Secretary's Certificate. Each of the Obligors shall have delivered to such Lender a certificate (which may be in the form of a single certificate which shall be executed by all Obligors) certifying as to the resolutions attached thereto and other corporate proceedings relating to the authorization, execution and delivery of the Financing Documents to which it is a

party and, in the case of the Company, an incumbency certificate containing the name, title and genuine signatures of each of the Company's Authorized Representatives.

Section 4.1.4. Opinions of Counsel. The Agent and the Lenders shall have received opinions in form and substance satisfactory to them, dated the date of the Closing and addressed to the Agent and Lenders (a) from Piper Marbury Rudnick & Wolfe, counsel for the Obligors, covering the matters set forth in Exhibit 4.1.4(a) and covering such other matters incident to the transactions contemplated hereby as such Lender or Chapman and Cutler, as special counsel to the Agent, may request (and the Company hereby instructs counsel for the Obligors to deliver such opinion to the Lenders), and (b) from Wolff & Samson, P.A., counsel to P&M, in substantially the form required to be delivered pursuant to Section 5.3 of the LLC Purchase Agreement and covering such other matters incident to such transactions as the Lenders or Chapman and Cutler may request.

Section 4.1.5. Loans Permitted By Applicable Law, Etc. On the date of the Closing, the initial Loans to be made by such Lender hereunder shall (a) be permitted by the laws and regulations of each jurisdiction to which such Lender is subject, (b) not violate any applicable law or regulation (including, without limitation, Regulation T, U or X of the Board of Governors of the Federal Reserve System) and (c) not subject such Lender to any tax, penalty or liability under or pursuant to any applicable law or regulation of any U.S. Governmental Authority, which law or regulation was not in effect on the date hereof. If requested by any Lender at least three Business Days prior to the date of Closing, such Lender shall have received an Officer's Certificate certifying as to such matters of fact as it may reasonably specify to enable such Lender to determine whether such Loan is so permitted.

Section 4.1.6. Related Transactions. On or prior to the date of Closing,

(i) the Obligors shall have entered into the Subordinated Note Agreement, which shall be in full force and effect, and the Obligors shall have issued and sold $30,000,000 in aggregate principal amount of Subordinated Debentures and related warrants as contemplated by the Subordinated Note Agreement to the purchasers named therein;

(ii) all of the closing conditions set forth in Sections 5 and 6 of the LLC Purchase Agreement other than delivery of funds shall have been satisfied and the Agent shall have received evidence satisfactory to the Agent of the satisfaction of such closing conditions;

(iii) the Operating Agreement of P&M shall have been amended to permit the transactions contemplated under this Agreement, which amendment shall be reasonably satisfactory to the Agents;

(iv) the Obligors shall have entered into employment agreements and the Restricted Stock Agreement with Policano and Manzo satisfactory in form and substance to the Agent and Lenders;

(v) all Seller Notes shall have been converted to common equity or paid in full; and

(vi) the Agent and the holders of the Subordinated Debt shall have entered into the Subordination Agreement.

The foregoing are referred to herein as the "Related Transactions."

Section 4.1.7. Financing Documents. Each of the Financing Documents intended to be executed and delivered on or prior to the date of Closing in accordance with the terms hereof shall have been executed and delivered by each of the parties thereto and shall be in full force and effect.

Section 4.1.8. Payment of Expenses. Without limiting the provisions of Section 13.1, the Obligors shall have paid, or reimbursed the Lenders and all Agents for payment of, on or before the Closing (which payment may be concurrently reimbursed to the Obligors from the initial advance under the Loans) the reasonable fees, charges and disbursements of Chapman and Cutler, counsel to the Agent, referred to the extent reflected in a statement of such Person (or in connection with amounts to be reimbursed to the Lenders and the Agents, rendered by such Person or the Lenders and the Agents) rendered to the Company prior to the Closing. Further, the Obligors shall have paid, or reimbursed the Lenders and all Agents for the payment of, on or before the Closing (which payment may be concurrently reimbursed to the Company from the initial advance under the Loans), the reasonable fees, charges and disbursements of (i) Valuation Research Corporation in connection with the delivery of a solvency opinion satisfactory to the Lenders and the Agents, (ii) Back Track Reports, Inc., (iii) Choicepoint, Inc., (iv) First Security Bank under the Services Agreement dated on or about the date of Closing and (v) Freed Maxick, the Borrowing Base auditors. In addition to, and not in limitation of, the requirements of the holders of the Subordinated Debt, it is acknowledged and agreed that the Obligors shall not be responsible for the professional fees or charges or disbursements of any special counsel for the Lenders or Agents in connection with the Closing under this Credit Agreement other than Chapman and Cutler together with the fees, charges and disbursements of such local counsel as the Agents and Lenders may reasonably require.

Section 4.1.9. Lien Searches. The Collateral Agent shall have received such Uniform Commercial Code searches and other lien searches with respect to the Collateral as the Lenders or the Collateral Agent may request.

Section 4.1.10. Changes in Corporate Structure. None of the Obligors shall have changed its jurisdiction of incorporation or been a party to any merger or consolidation and shall not have succeeded to all or any substantial part of the liabilities of any other Person, at any time following the date of the most recent financial statements referred to in Schedule 5.5, except as contemplated by the Related Transactions.

Section 4.1.11. Recording; Releases; Delivery of Pledged Shares. (a) The Security Documents (or notices or memoranda thereof) and all financing statements and other instruments shall have been recorded or filed in all public offices as may be necessary or desirable in order to perfect the Liens granted thereby as against creditors of and purchasers from the Obligors.

(b) The Pledged Shares shall have been pledged to and deposited with the Collateral Agent, duly endorsed in blank or accompanied by an assignment or assignments sufficient in such Lender's judgment to transfer title thereto to the Collateral Agent.

(c) The Collateral Agent shall have received termination, pay-off and lien release letters from creditors of the Obligors described in the first two entries of Schedule 5.15 setting forth, among other things, the total amount of indebtedness outstanding and owing to them (or outstanding letters of credit issued for the account of any Obligor) and containing an undertaking to cause to be delivered to the Collateral Agent, UCC termination statements and any other lien release instruments necessary to release their Liens on the assets of any Obligor, which termination, pay-off and lien release letters shall be in form and substance acceptable to the Collateral Agent.

Section 4.1.12. Environmental Questionnaires. The Agents shall have received completed environmental questionnaires previously supplied to the Company by the Agents or Lenders, fully completed and executed and otherwise satisfactory to the Agents and Lenders in form, scope and substance.

Section 4.1.13. Closing Date Balance Sheet, Etc. (a) At least one Business Day prior to the Closing, the Company shall deliver to the Lenders and the Agent interim financial statements of P&M for the period January 1, 1999, through and including December 31, 1999, which financial statements shall be satisfactory in form and substance to the Lenders and the Agent and shall be certified as true and correct by a Responsible Officer of P&M.

(b) At least one day prior to the Closing, the Company shall have delivered to the Lenders the Pro Forma Closing Date Balance Sheet, in form and substance reasonably satisfactory to the Lenders prepared by the Company in accordance with GAAP (as if GAAP were applicable to pro forma balance sheets) and as certified by a Responsible Officer of the Company.

(c) The Company shall have delivered to the Lenders a copy of the Obligors' Approved Closing Budget for the twelve-month period following the date of Closing, including appropriate cash flow, income statement, balance sheet, and working capital projections for such period prepared on a monthly basis, in form and substance satisfactory to the Lenders and as certified by a Responsible Officer of the Company.

(d) The Lenders shall have received a Financial Condition Certificate, in substantially the form set forth as Exhibit 4.1.13(d), dated the date of Closing, from the Company, executed by its senior financial officer.

(e) Immediately after giving effect to the consummation of the Related Transactions, the Obligors shall not have borrowed any of the Revolving Credit and, in view of the amount of the Borrowing Base as of Closing, shall have an amount available for borrowing under the Revolving Credit of not less than $7,500,000.

Section 4.1.14. Key Man Life Insurance. The Collateral Agent shall have received evidence of life insurance in respect of the lives of Policano and Manzo in an amount not less than $10,000,000 in the case of Policano and $10,000,000 in the case of Manzo and an Assignment of Life Insurance Policy as Collateral agreement with respect to each policy, in each case as required pursuant to Section 9.2(b) and in form and substance satisfactory to the Collateral Agent.

Section 4.1.15. Evidence of Insurance. The Collateral Agent shall have received a Certificate or opinion letter dated the date of Closing executed by the independent insurance broker of the Obligors, which shall describe the insurance of the Obligors in force and shall state that such insurance satisfies the requirements of Section 9.2 and shall further state that all premiums due thereon have been paid, together with certificates of insurance relating to the required coverages in form and substance satisfactory to the Collateral Agent.

Section 4.1.16. Closing Fees. All of the Agents, the Lenders and all participants shall have received the payment of any fees required under their respective Fee Letters.

Section 4.1.17. Summary Flow of Funds Statement. At least one Business Day prior to Closing, the Company shall have delivered to the Agent and the Lenders a summary Flow of Funds Statement (with a schedule of fees delivered to the Agent on the date of Closing), certified as correct by a Responsible Officer of the Company, which shall set forth in detail the source and application of funds for the transactions contemplated hereby and by the Related Transactions and shall have instructions to such Lender for disbursement of its funds in respect of the initial Loans to be made by it hereunder attached thereto.

Section 4.1.18. Due Diligence. Such Lender shall have satisfactorily completed its due diligence, including, without limitation, and review of merger agreement documentation, employment and option agreements and other material agreements, closing balance sheets and tax and contingent liabilities, which due diligence investigation shall not have disclosed any information not disclosed in the Memorandum, nor shall such Lender have otherwise discovered information which is inconsistent in a material and adverse manner with any such information disclosed in the Memorandum, that such Lender believes has had or could have, individually or in the aggregate, a material adverse impact on the business, condition (financial or otherwise), operations, performance or properties of an Obligor. Without limiting the foregoing, the Agents and the Lenders shall have verified, to their satisfaction, any adjustments requested by appropriate tax authorities to which the Company may be subject.

Section 4.1.19. Capitalization and Corporate Structure. Such Lender shall have satisfactorily completed its review of each Obligor's capital and legal structure each as determined prior to Closing and after giving effect to the consummation of the Related Transactions.

Section 4.1.20. Compensation Plan. At least five (5) Business Days prior to the Closing, the Company shall have delivered to the Agent and the Lenders true and correct copies of (i) each bonus, employee incentive and other similar plans and any restricted or discount or other stock plans of each Obligor for members of management and (ii) employment and non-compete

contracts for Key Employees satisfactory in the case of all agreements referred to in clauses (i) and (ii), to such Agents and Lenders in form and substance.

Section 4.1.21. Material Adverse Change. Based solely upon the representations and warranties of the Obligors and information provided by the Obligors to such Lender, such Lender shall have made a good faith determination, in its reasonable opinion, that, since December 31, 1998, there shall have been no change in the financial condition, operations, business, properties or prospects of any Obligor (other than and after giving effect to the Related Transactions) that individually or in the aggregate could be expected to have either (i) a Material Adverse Effect or (ii) a Material Adverse Effect on the syndication of any Tranche.

Section 4.1.22. Collateral Agent Certificate. Such Lender shall have received a certificate of the Collateral Agent, dated the date of the Closing, in the form attached hereto as Exhibit 4.1.22.

Section 4.1.23. Proceedings and Documents. All corporate and other proceedings in connection with the transactions contemplated by this Agreement and the other Financing Documents and all documents and instruments incident to such transactions shall be satisfactory to all Agents, the Collateral Agent and such Lender and Lenders' special counsel shall have received all such counterpart originals or certified or other copies of such documents as it or they may reasonably request.

Section 4.1.24. Consents, Approvals, Filings, etc. The Agent and the Lenders shall have received any and all consents and approvals which may be necessary from any Person, including, without limitation, from any Governmental Authority or any other Person necessary or appropriate to consummate the transactions contemplated hereunder and under the other Financing Documents and any and all applicable waiting periods have expired without any action being taken by any administrative, regulatory or other Governmental Authority which restrains, prevents, limits or imposes any materially adverse condition upon such transactions or any portion thereof and all necessary or appropriate filings, recordings, registrations and similar actions shall have been completed to the satisfaction of the Agent and the Lenders.

Section 4.1.25. Settlement Agent. Not less than two (2) days prior to the Closing, the Agent shall have entered into a services agreement with First Security Bank, as Settlement Agent, which services agreement shall be satisfactory in form and substance to the Agent.

Section 4.1.26. LLC Purchase Agreement. Such Lender and the Agent shall have received a certified copy of the LLC Purchase Agreement and any non-disclosure and non-competition agreements entered into in connection therewith.

Section 4.1.27. Borrowing Base Certificate; Receivables Aging. Such Lender and the Agent shall have received (i) an initial Borrowing Base Certificate showing the computation of the Borrowing Base in reasonable detail as of February 3, 2000 assuming the making of the initial Revolving Credit Loan hereunder on such date and showing availability of at least $7,500,000 and (ii) an accounts receivable aging report as of December 31, 1999.

Section 4.1.28. Solvency Opinions. Such Lender and the Agents shall have received a solvency opinion with respect to the Obligors, in form and substance satisfactory to such Lender from Research Valuation Corporation and such Lender shall be satisfied that (i) the facts assumed in such opinion shall be accurate, and (ii) the information given to Research Valuation Corporation for such opinion shall be complete and shall not contain any untrue statement of a material fact or omit to state a material fact necessary to make such information not misleading, and (iii) there shall have been no Material change in the facts and circumstances thereof or to the assumptions made therein.

Section 4.2. Conditions to Borrowing of Revolving Credit Loans. The obligation of each Lender to make each Revolving Credit Loan under its Revolving Credit Commitment (except as set forth in Section 4.2(i)) is subject to the fulfillment of the following conditions precedent:

(a) the Administrative Agent shall have received the notice of Borrowing of such Revolving Credit Loan required by Section 1.3;

(b) after giving effect to such Revolving Credit Loan, the aggregate principal amount of all Revolving Credit Loans outstanding under this Agreement shall not exceed the lesser of (i) Revolving Credit Commitments or (ii) the Borrowing Base as then computed in reasonable detail and furnished to the Administrative Agent;

(c) the representations and warranties of each Obligor in each Financing Document to which it is a party or by which it is bound, shall in each case be correct in all material respects at the time such subsequent Revolving Credit Loan is made;

(d) each Obligor shall have performed and complied in all material respects with all agreements and conditions contained in the Financing Documents required to be performed or complied with by it prior to or on the date of such subsequent Revolving Credit Loan;

(e) on the date of such Revolving Credit Loan, such Lender's Revolving Credit Loan shall (a) be permitted by the laws and regulations of each jurisdiction to which such Lender is subject, (b) not violate any applicable law or regulation (including, without limitation, Regulation T, U or X of the Board of Governors of the Federal Reserve System) and (c) not subject such Lender to any tax, penalty or liability under or pursuant to any applicable law or regulation of any U.S. Governmental Authority, which law or regulation was not in effect on the date hereof;

(f) since December 31, 1998, there shall have been no change in the financial condition, operations, business, properties or prospects of an Obligor that individually or in the aggregate could reasonably be expected to have a Material Adverse Effect, as determined in good faith by the Required Revolving Credit Lenders;

(g) no Default or Event of Default shall have occurred and be continuing; and

(h) all corporate and other proceedings in connection with the transactions contemplated by this Agreement in connection with such Revolving Credit Loans in all documents and instruments incident to such transactions shall be satisfactory to the Lenders, and the Lenders' special counsels shall have received all such counterpart originals or certified or other copies of such documents as it or they may reasonably request; and

(i) in the case of the initial Revolving Credit Loan only, (i) a Borrowing Base audit report satisfactory in form and substance to the Agent and (ii) without limiting the requirements of Section 10.13, lock box account agreements satisfactory in form and substance to the Agent and the Collateral Agent.

The Company's request for any Revolving Credit Loan shall constitute its warranty as to the matters specified in subsections (a) through (h), both inclusive, above and, in the case of the initial Revolving Credit Loan, subsection (i) above.

Section 5. Representations and Warranties of the Obligors.

Each Obligor, jointly and severally, represent and warrant to the Agents and each Lender that:

Section 5.1. Organization; Power and Authority. Each Obligor is a corporation (or in the case of P&M, a limited liability company) duly organized, validly existing and in good standing under the laws of its jurisdiction of incorporation or organization, and is duly qualified and in good standing in each other jurisdiction in which such qualification is required by law, other than those jurisdictions as to which the failure to be so qualified or in good standing could not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect. Each Obligor has the power and authority to own or hold under lease the properties it purports to own or hold under lease, to transact the business it transacts and proposes to transact, to execute and deliver the Financing Documents to which it is a party and to perform the provisions hereof and thereof, and to consummate the Related Transactions to which it is a party. The Inactive Subsidiaries are shell entities which have no Material assets, liabilities (contingent or otherwise) or operations.

Section 5.2. Authorization, Etc. The Financing Documents have been duly authorized by all necessary action on the part of each Obligor and this Agreement and the Financing Documents executed by the Obligor constitute, or in the case of the Notes will upon issuance constitute, the legal, valid and binding obligations of the Obligors enforceable against the Obligors in accordance with their respective terms, except as such enforceability may be limited by (i) applicable bankruptcy, insolvency, reorganization, moratorium or other similar laws affecting the enforcement of creditors' rights generally and (ii) general principles of equity (regardless of whether such enforceability is considered in a proceeding in equity or at law).

Section 5.3. Disclosure. The Confidential Information Memorandum dated November, 1999, (the "Memorandum") fairly describes, in all material respects, the general nature of the

business of the Obligors. The representations in this Agreement, the Memorandum, the documents, certificates or other writings delivered to the Lenders by or on behalf of an Obligor in connection with the transactions contemplated hereby and the financial statements listed in Schedule 5.5, taken as a whole, are complete and do not contain any untrue statement of a material fact or omit to state any material fact necessary to make the statements therein not misleading in light of the circumstances under which they were made. The Approved Closing Budget and other pro forma financial information contained in such materials are based upon good faith estimates and assumptions believed by the Obligors to be reasonable at the time made and the Obligors believe such estimates and assumptions continue to be reasonable, it being recognized by the Lenders that such projections as to future events are not to be viewed as facts and that actual results during the period or periods covered by any such projections may differ from the projected results. Except as disclosed in Schedule 5.3, since December 31, 1998, there has been no change in the financial condition, operations, business, properties or prospects of an Obligor except changes that individually or in the aggregate could not reasonably be expected to have a Material Adverse Effect. There is no fact known to an Obligor (other than matters of a general economic nature) that could reasonably be expected to have a Material Adverse Effect that has not been set forth herein or in the other documents, certificates and other writings delivered to the Lenders by or on behalf of an Obligor specifically for use in connection with the transactions contemplated hereby (including, without limitation, any Material reimbursement or indemnification of liabilities to any party under the LLC Purchase Agreement).

Section 5.4. Affiliates. Schedule 5.4 contains complete and correct lists (i) of each Obligor's Affiliates, and (ii) of each Obligor's directors and senior officers, in each case after giving effect to the consummation of the Related Transactions.

Section 5.5. Financial Statements. (a) All of the financial statements listed on Schedule 5.5 (including in each case the related schedules and notes) fairly present in all material respects the consolidated financial position of the Company and its Subsidiaries and the financial position of P&M as of the respective dates specified in such financial statements and the results of its operations and cash flows for the respective periods so specified and have been prepared in accordance with GAAP consistently applied throughout the periods involved except as set forth in the notes thereto (subject, in the case of any interim financial statements, to normal year-end adjustments and the absence of footnotes) and except as set forth in Schedule 5.5.

(b) The Pro Forma Closing Date Balance Sheet will, as of the date of Closing and after giving effect to the consummation of the Related Transactions, fairly present in all material respects the financial position of the Company and its Subsidiaries on a consolidated basis and will have been prepared in accordance with GAAP (as if GAAP were to be applicable to pro forma financial statements) consistently applied.

Section 5.6. Compliance with Laws, Other Instruments, Etc. The execution, delivery and performance by the Obligors of the Financing Documents and the consummation of the Related Transactions will not (a) contravene, result in any breach of, or constitute a default under, or result in the creation of any Lien (other than under the Security Documents) in respect of any Property of an Obligor under, any indenture, mortgage, deed of trust, loan, purchase or credit agreement, lease, corporate charter or by-laws, or any other agreement or instrument to

which any Obligor is a party or by which an Obligor or any of its Properties may be bound or affected, other than the breach of one or more contracts which breaches individually or in the aggregate could not reasonably be expected to have a Material Adverse Effect, (b) conflict with or result in a breach of any of the terms, conditions or provisions of any order, judgment, decree, or ruling of any court, arbitrator or Governmental Authority applicable to any Obligor or (c) violate any provision of any statute or other rule or regulation of any Governmental Authority. The Obligors represent and warrant that Schedule 5.6 contains a true and correct description of all indentures, mortgages, deeds of trust, loan, purchase or credit agreements, leases, corporate charters or bylaws or any other agreement or instrument to which any Obligor is a party or by which any Obligor or any of its properties may be bound or affected which, in each case, is Material.

Section 5.7. Governmental Authorizations, Etc. No consent, approval or authorization of, or registration, filing or declaration with, any Governmental Authority is required in connection with the execution, delivery or performance by the Obligors of the Financing Documents or the consummation of the Related Transactions.

Section 5.8. Litigation; Observance of Agreements, Statutes and Orders. (a) There are no actions, suits or proceedings pending or, to the knowledge of the Obligors, threatened against or affecting an Obligor or any property of an Obligor in any court or before any arbitrator of any kind or before or by any Governmental Authority that, individually or in the aggregate, could reasonably be expected to have a Material Adverse Effect.

(b) No Obligor is in default under any term of any agreement or instrument to which it is a party or by which it is bound, or any order, judgment, decree or ruling of any court, arbitrator or Governmental Authority or is in violation of any applicable law, ordinance, rule or regulation (including without limitation Environmental Laws) of any Governmental Authority, which default or violation, individually or in the aggregate, could reasonably be expected to have a Material Adverse Effect.

Section 5.9. Taxes. Each Obligor has filed all federal tax returns and all other Material tax returns that are required to have been filed in any jurisdiction, and have paid all taxes shown to be due and payable on such returns and all other taxes and assessments levied upon it or its Properties, assets, income or franchises, to the extent such taxes and assessments have become due and payable and before they have become delinquent, except for any taxes and assessments (a) the amount of which is not individually or in the aggregate Material or (b) the amount, applicability or validity of which is currently being contested in good faith by appropriate proceedings and with respect to which the related Obligor has established adequate reserves in accordance with GAAP. No Obligor knows of any basis for any other tax or assessment that could reasonably be expected to have a Material Adverse Effect. The charges, accruals and reserves on the books of the Obligors in respect of Federal, state or other taxes for all fiscal periods are adequate in all material respects.

Section 5.10. Title to Property; Leases. (a) All leases under which an Obligor is lessee and that individually or in the aggregate are Material are valid and subsisting and are in full force and effect in all material respects.

(b) The Obligors will, at Closing after giving effect to the consummation of the Related Transactions, have good and sufficient title to all Properties reflected in the Closing Date Balance Sheet free and clear of all Liens other than Permitted Liens.

Section 5.11. Licenses, Permits, Etc. (a) Each Obligor owns or possesses all licenses, permits, franchises, authorizations, patents, copyrights, service marks, trademarks and trade names, or rights thereto, without conflict with the rights of others, except such licenses, permits, franchises, authorizations, patents, copyrights, service marks, trademarks and trade names, or rights thereto, as the failure to own or possess could not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect.

(b) No items sold or produced by an Obligor infringes in any respect any license, permit, franchise, authorization, patent, copyright, service mark, trademark, trade name or other right owned by any other Person, except such infringements as could not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect.

(c) There is no violation by any Person of any right of an Obligor with respect to any patent, copyright, service mark, trademark, trade name or other right owned or used by any of them, except such violations as could not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect.

Section 5.12. Compliance with ERISA. (a) Neither the Company nor any ERISA Affiliate maintains or has any obligation to contribute to any Plan or Multiemployer Plan. Each Obligor and each ERISA Affiliate have operated and administered each Plan (other than any Multiemployer Plan) in all material respects in accordance with its terms and in compliance with all applicable laws and, with respect to any Plan intended to satisfy the requirements of Section 401(a) and related Sections of the Code, the Internal Revenue Service ("IRS") has issued favorable determination letters to the effect that the forms of Plans satisfy the requirements of Section 401(a) and related Sections of the Code or an application for such a determination has been filed with the IRS, and there are no facts or circumstances that would jeopardize or adversely affect in any material respect the qualification under Code Section 401(a) of any such Plan. Neither an Obligor nor any ERISA Affiliate has incurred any liability pursuant to Title I (other than normal operating liabilities under a Plan) or IV of ERISA or the penalty or excise tax provisions of the Code relating to employee benefit plans (as defined in Section 3 of ERISA), and no event, transaction or condition has occurred or exists that could reasonably be expected to result in the incurrence of any such liability by an Obligor or any ERISA Affiliate, or in the imposition of any Lien on any of the rights, properties or assets of an Obligor or any ERISA Affiliate, in either case pursuant to Title I or IV of ERISA or to such penalty or excise tax provisions or to Section 401(a)(29) or 412 of the Code which liability or Lien, either individually or together with any other liability or Lien could reasonably be expected to have a Material Adverse Effect. No lawsuits or complaints to or by any Person or Governmental Authority have been filed or, to the knowledge of any Obligor, are contemplated or threatened, with respect to any Plan (other than any Multiemployer Plan) which either individually or in the aggregate could reasonably be expected to have a Material Adverse Effect. To the knowledge of

the Obligors, all of the foregoing applies to any Multiemployer Plan to which an Obligor or any ERISA Affiliate has an obligation to contribute.

(b) With respect to each Plan (other than a Multiemployer Plan) that is an employee pension benefit plan as defined in Section 3 of ERISA: (i) full payment has been made to each such Plan of all contributions that are required by any Obligor or any ERISA Affiliate under the terms thereof and under ERISA or the Code to be made on or prior to the date hereof, (ii) no "accumulated funding deficiency" (as defined in ERISA Section 302 or Code Section 412), whether or not waived, exists with respect to any Plan (other than Multiemployer Plans), (iii) to the knowledge of the Obligors, no "accumulated funding deficiency" (as defined in ERISA Section 302 or Code Section 412), whether or not waived, exists with respect to any Multiemployer Plan, (iv) the present value of the aggregate benefit liabilities under each of the Plans (other than Multiemployer Plans), determined as of the end of such Plan's most recently ended plan year on the basis of the actuarial assumptions specified for funding purposes in such Plan's most recent actuarial valuation report, did not exceed the aggregate current value of the assets of such Plan allocable to such benefit liabilities and (v) such actuarial assumptions have not been materially altered since the date of the most recent actuarial valuation report; except to the extent that any non-compliance with any such event or events described in clauses (i) through (iv) above, either individually or in the aggregate could not reasonably be expected to have a Material Adverse Effect. The term "benefit liabilities" has the meaning specified in section 4001 of ERISA and the terms "current value" and "present value" have the meaning specified in Section 3 of ERISA.

(c) Neither an Obligor nor any ERISA Affiliates have received notice of or incurred withdrawal liabilities under section 4201 or 4204 of ERISA in respect of Multiemployer Plans that individually or in the aggregate could have a Material Adverse Effect.

(d) Except for continuation coverage mandated by Section 4980B of the Code, an Obligor does not have any post-retirement benefit obligations that are subject to Financial Accounting Standards Board Statement No. 106, which individually or in the aggregate could reasonably be expected to have a Material Adverse Effect.

(e) Neither an Obligor nor any ERISA Affiliate has been notified by the sponsor of a Multiemployer Plan that such Multiemployer Plan is in reorganization or has been terminated, within the meaning of Title IV of ERISA, and no such Multiemployer Plan is reasonably expected to be in reorganization or to be terminated, within the meaning of Title IV of ERISA.

(f) The execution and delivery of the Financing Documents and the making of the Loans contemplated by this Agreement and of the Subordinated Debentures under the Subordinated Note Agreement, and the consummation of the Related Transactions will not involve any non-exempt transaction that is subject to the prohibitions of Section 406(a) of ERISA or in connection with which a tax could be imposed pursuant to Section 4975(c)(1)(A)-(D) of the Code. The representation by the Obligors in the first sentence of this Section 5.12(f) is made in reliance upon and subject to the accuracy of each Lender's representation in Section 6 as to the sources of the funds used by such Lender to make the Loans

hereunder. For purposes of determining whether the representation in the first sentence in this Section 5.12(f) is correct on any date after the Closing, such representation in Section 6 shall be considered made by each Lender on such date and shall be considered accurate on such date.

Section 5.13. Private Offering by the Company. Neither an Obligor nor anyone acting on its behalf has offered the Notes or the Subordinated Debentures, or any similar securities, for sale to, or solicited any offer to buy any of the same from, or otherwise approached or negotiated in respect thereof with, any Person other than the Lenders and not more than 50 other Institutional Investors, each of which has been offered the Notes and/or the Subordinated Debentures at a private sale for investment. Neither an Obligor nor anyone acting on its behalf has taken, or will take, any action that would subject the issuance or sale of the Notes or the Subordinated Debentures to the registration requirements of Section 5 of the Securities Act.

Section 5.14. Use of Proceeds; Margin Regulations. The Obligors will apply the proceeds of the Loans made at the Closing and the issuance of the Subordinated Debentures as set forth in Schedule 5.14. After giving effect to the consummation of the Related Transactions, margin stock will not on the date of Closing constitute more than 1% of the value of the consolidated assets of the Obligors and the Obligors do not have any present intention that margin stock will constitute more than 1% of the value of such assets. As used in this Section 5.14, the term "margin stock" shall have the meaning assigned to it in said Regulation U.

Section 5.15. Existing Debt; Future Liens. (a) Schedule 5.15 sets forth a complete and correct list of all outstanding Debt of the Obligors as of January 31, 2000, since which date there has been no Material change in the amounts, interest rates, sinking funds, installment payments or maturities of the Debt of the Company. As of the date of Closing, no Obligor will be in default in the payment of any principal or interest on any Debt of an Obligor and no event or condition exists with respect to any Debt of an Obligor that would permit (or that with notice or the lapse of time, or both, would permit) one or more Persons to cause such Debt to become due and payable before its stated maturity or before its regularly scheduled dates of payment.

(b) No Obligor has agreed or consented to cause or permit in the future (upon the happening of a contingency or otherwise) any of its Property, whether now owned or hereafter acquired, to be subject to a Lien not permitted by Section 10.9.

Section 5.16. Foreign Assets Control Regulations, Etc. Neither the making of the Loans contemplated by this Agreement, an Obligor, nor the use of the proceeds of any thereof, or the consummation of the Related Transactions, will violate the Trading with the Enemy Act, as amended, or any of the foreign assets control regulations of the United States Treasury Department (31 CFR, Subtitle B, Chapter V, as amended) or any enabling legislation or executive order relating thereto.

Section 5.17. Status under Certain Statutes. No Obligor is an "investment company" registered or required to be registered under the Investment Company Act of 1940, as amended, or is subject to regulation under the Public Utility Holding Company Act of 1935, as amended, the ICC Termination Act of 1995, as amended, or the Federal Power Act, as amended.

Section 5.18. Environmental Matters. (a) No claim or proceeding instituted or, to the knowledge of the Obligors, threatened has been raising any claim against any Obligor or any of its real properties now or formerly owned, leased or operated by it or other assets, alleging any damage to the environment or violation of any Environmental Laws, except, in each case, such as could not reasonably be expected to result in a Material Adverse Effect.

(b) There are no facts which would give rise to any claim, public or private, of violation of Environmental Laws or damage to the environment emanating from, occurring on or in any way related to real properties now or formerly owned, leased or operated by any Obligor or to other assets or their use, except, in each case, such as could not reasonably be expected to result in a Material Adverse Effect;

(c) No Obligor has stored any Hazardous Materials on real properties now or formerly owned, leased or operated by it and has not disposed of any Hazardous Materials in a manner contrary to any Environmental Laws in each case in any manner that could reasonably be expected to result in a Material Adverse Effect;

(d) All buildings on all real properties now owned, leased or operated by any Obligor are in compliance with applicable Environmental Laws, except where failure to comply could not reasonably be expected to result in a Material Adverse Effect; and

(e) There are no Liens, nor has any Obligor received notice of any potential Liens, arising under any Environmental Laws against any of the real properties owned, leased or operated by it.

Section 5.19. Collateral; Pledged Shares. The Collateral is adequately described in and is subject to the respective Liens of the Security Documents. Each of the Security Documents creates a valid and enforceable Lien on and security interest in the Collateral described in such Security Document, subject only to Permitted Encumbrances (as defined therein). All documents and instruments have been (or will on the date of Closing be) recorded, filed for record or delivered in such manner and in such places as required to establish such Liens and to perfect and preserve perfected Liens intended to be created thereby with the priority intended therefor and no further action (other than the filing of continuation statements as required by law) is (or will on the date of Closing be) required to maintain and preserve, or effectively to put third parties on notice of, such Liens. All taxes and filing fees which are required to be paid or are payable in connection with the execution, delivery or recordation of such Liens have (or at or prior to Closing will have) been paid.

Section 5.20. Insurance. The insurance required by the provisions of Section 9.2 and by the Security Documents is, or on the date of Closing will be, in force and all premiums due and payable in respect thereof have or will have been paid. The Company represents and warrants that it is the owner and beneficiary of the life insurance policy referred to in Section 9.2(e) with respect to each of Policano and Manzo and that it has given written notice to the insurer that the beneficiary cannot be changed without the prior written consent of the Collateral Agent.

Section 5.21. Patents, Trademarks and Copyrights. Schedule 5.21 hereto lists, as of the date of this Agreement, all patents, patent applications, trademark and service mark registrations and applications therefor and copyright registrations and applications therefor owned or licensed by each Obligor, and all license agreements for the same entered into by the Obligors. Each Obligor as of Closing, after giving effect to the consummation of the Related Transactions, will own, possess or, with respect to any license agreement, will have the valid right to use all such patents, patent applications, trademark and service registrations and applications therefor and copyright registrations and applications therefor necessary for the present and, as now contemplated, future conduct of its business, after giving effect to the consummation of the Related Transactions, without any Material conflict with the rights of others.

Section 5.22. Solvency. As of Closing, before and after giving effect to the transactions contemplated by the Financing Documents and to the consummation of the Related Transactions, (i) the fair saleable value of the assets of the Obligors on a going concern basis will be in excess of the total amount of its liabilities (including for purposes of this definition all liabilities, whether or not reflected on a balance sheet prepared in accordance with GAAP, and whether direct or indirect, fixed or contingent, secured or unsecured, disputed or undisputed); (ii) the Obligors will be able to pay their respective debts and obligations as they mature in the ordinary course of its business as proposed to be conducted and the Obligors will be able to make all scheduled payments on their respective Debt; (iii) the Obligors will not have unreasonably small capital to carry out their respective businesses as proposed to be conducted; and (iv) the Obligors have not taken any actions with respect to the transactions contemplated by the Financing Documents and to the consummation of the Related Transactions with actual intent to hinder, delay or defraud either present or future creditors.

Section 5.23. Material Contracts. Except as set forth in Schedule 5.23 and Schedule 5.6, there are no contracts individually Material to the business of the Obligors.

Section 5.24. Year 2000 Compliance. Each Obligor has conducted a comprehensive review and assessment of the computer applications of such Obligor and has made inquiry of its material suppliers, vendors (including data processors) and customers, with respect to any defect in computer software, data bases, hardware, controls and peripherals related to the occurrence of the year 2000 or the use at any time of any date which is before, on, and after December 31, 1999, in connection therewith. Based on the foregoing review, assessment and inquiry, the Obligors represent and warrant that no such defect, individually or in the aggregate, could reasonably be expected to have a Material Adverse Effect.

Section 5.25. Additional Representations and Warranties. Each Obligor represents and warrants that the representations and warranties contained in (i) Sections 3 and 4 of the LLC Purchase Agreement and (ii) Article 5 of the Subordinated Note Agreement are true and correct in all material respects as of the date given.

Section 6. Representation of Each Lender.

Each Lender represents, for itself, that the source of funds to be used by it to make Loans hereunder does not include assets of any employee benefit plan. As used in this Section 6, the

terms "employee benefit plan" shall have the meaning assigned to such term in Section 3 of ERISA.

Section 7. Information as to Company.

Section 7.1. Financial and Business Information. The Obligors shall deliver to the Agent (who will promptly furnish to the Lenders):

(a) Quarterly Statements -- promptly, and in any event, within 45 days after the end of each quarterly fiscal period in each fiscal year of the Company (excluding the last quarterly fiscal period of each such fiscal year), a copy of:

(i) an unaudited consolidated balance sheet of the Company as at the end of such quarter, and

(ii) unaudited consolidated statements of income, changes in shareholders' equity and cash flows of the Company for such quarter and (in the case of the second and third quarters) for the portion of the fiscal year ending with such quarter,

setting forth in each case in comparative form the figures for the corresponding periods in the previous fiscal year all in reasonable detail, prepared by the Company in accordance with GAAP, and certified by a Senior Financial Officer of the Company as fairly presenting, in all material respects, the financial position of the Company and its results of operations and cash flows, subject to changes resulting from year-end adjustments together with a written management discussion and analysis of the operations and financial condition of the Obligors (it being agreed that delivery within the time period specified above of copies of the Company's Quarterly Report on Form 10-Q prepared in compliance with the requirements therefor and filed with the Securities and Exchange Commission shall be deemed to satisfy the foregoing requirements of this Section 7.1(a) to the extent the information contained in said Form 10-Q is duplicative of the requirements hereinabove);

(b) Annual Statements -- promptly, and in any event, within 90 days after the end of each fiscal year of the Company, a copy of,

(i) a consolidated and consolidating balance sheet of each Obligor, as at the end of such year, and

(ii) consolidated and consolidating statements of income, changes in shareholders' equity and cash flows of each Obligor, for such year,

setting forth in each case in comparative form the figures for the previous fiscal year, all in reasonable detail, prepared in accordance with GAAP, and accompanied by

(A) an opinion thereon of independent certified public accountants of recognized national standing, which opinion shall state that the consolidated financial statements referred to above present fairly, in all material respects, the financial position of the Obligors and their results of operations and cash flows and have been prepared in conformity with GAAP, and that the examination of such accountants in connection with such financial statements has been made in accordance with generally accepted auditing standards, and that such audit provides a reasonable basis for such opinion in the circumstances, and

(B) a certificate of such accountants stating that they have reviewed the financial covenants contained in Sections 10.1 through 10.18, inclusive, and stating further whether, in making their audit, they have become aware of any condition or event that then constitutes a Default or an Event of Default under such Sections, and, if they are aware that any such condition or event then exists, specifying the nature and period of the existence thereof (it being understood that such accountants shall not be liable, directly or indirectly, for any failure to obtain knowledge of any Default or Event of Default); and

(C) a written management discussion and analysis of the operations and financial condition of the Obligors;

(it being agreed that the delivery within the time period specified above of the Company's Annual Report on Form 10-K for such fiscal year (together with the Company's annual report to shareholders, if any prepared pursuant to Rule 14a-3 under the Exchange Act, which annual report to shareholders prepared pursuant to said Rule 14a-3 may be delivered to the Agent within 120 days (and not 90 days) after the end of the related fiscal year) prepared in accordance with the requirements therefor and filed with the Securities and Exchange Commission, together with the accountant certificate described in clause (B) above, shall be deemed to satisfy the requirements of this Section 7.1(b) to the extent the information contained therein is duplicative of the requirements hereinabove);

(c) SEC and Other Reports -- promptly upon their becoming available, one copy of (i) each financial statement, report, notice or proxy statement sent by the Company to its stockholders generally, and (ii) each report, each registration statement, and each prospectus and all amendments thereto filed by an Obligor with the Securities and Exchange Commission and of all press releases and other written statements made available generally by an Obligor to the public concerning developments that are Material;

(d) Notice of Default or Event of Default -- promptly, and in any event within one Business Day after a Responsible Officer becomes aware of the existence of any Default or Event of Default or that any Person has given any notice or taken any action with respect to a claimed default hereunder or that any Person has given any notice or taken any action with respect to a claimed default of the type referred to in Section 11(f),

a written notice specifying the nature and period of existence thereof and, within five Business Days after such Responsible Officer becomes so aware, a written description of what action the Obligors are taking or propose to take with respect thereto;

(e) ERISA Matters -- promptly, and in any event within five Business Days after a Responsible Officer becoming aware of any of the following, a written notice setting forth the nature thereof and the action, if any, that each Obligor or an ERISA Affiliate proposes to take with respect thereto:

(i) with respect to any Plan (other than any Multiemployer Plan), any reportable event, as defined in section 4043(c) of ERISA and the regulations thereunder, for which notice thereof has not been waived pursuant to such regulations as in effect on the date hereof; or

(ii) the taking by the PBGC of steps to institute, or the threatening by the PBGC of the institution of, proceedings under section 4042 of ERISA for the termination of, or the appointment of a trustee to administer, any Plan (other than any Multiemployer Plan), or the receipt by an Obligor or any ERISA Affiliate of a notice from a Multiemployer Plan that such action has been taken by the PBGC with respect to such Multiemployer Plan; or

(iii) any event, transaction or condition that could result in the incurrence of any liability by an Obligor or any ERISA Affiliate pursuant to Title I (other than normal operating liabilities under a Plan) or IV of ERISA or the penalty or excise tax provisions of the Code relating to employee benefit plans, or in the imposition of any Lien on any of the rights, properties or assets of an Obligor or any ERISA Affiliate pursuant to Title I or IV of ERISA or such penalty or excise tax provisions.

(f) Notices from Governmental Authority -- promptly, and in any event within five days of receipt thereof, copies of any notice to an Obligor from any Governmental Authority relating to any order, ruling, statute or other law or regulation that could reasonably be expected to have a Material Adverse Effect;

(g) Audit Reports -- promptly upon receipt thereof, one copy of each interim or special audit made by independent accountants of the books of an Obligor and any management letter received from such accountants;

(h) Material Litigation -- promptly (and in any event within five (5) Business Days) after an Obligor becomes aware of (i) the institution of, or written (or otherwise overt) threat of, any action, suit, proceeding, governmental investigation or arbitration against or affecting an Obligor or any of its Property, or (ii) any Material development in any such action, suit, proceeding, governmental investigation or arbitration, which, in either case, if adversely determined, could have a Material Adverse Effect, a certificate of a Responsible Officer of the related Obligor describing the nature and status of such

matter in reasonable detail (unless such disclosure would, in the reasonable opinion of counsel to such Obligor, cause a waiver of attorney-client privilege);

(i) Waivers and Consents -- as soon as possible and in any event within two Business Days of entering into any waiver or consent to the Subordinated Note Agreement, the Obligors shall provide written notice (together with copies of all executed instruments relevant thereto) to the holders of the Notes of any such waiver or consent along with such other information as may be necessary to explain the reason for such waiver or consent, provided that, nothing in this clause (i) shall in any way affect the agreement of the Obligors contained in Section 10.24; in addition, the Obligors shall send copies of any proposed or requested waivers or consents or modifications to the Subordinated Note Agreement as promptly as practicable and in no event less than five Business Days prior to the effectiveness thereof;

(j) Notices -- as soon as possible, copies of any notices given by or delivered to an Obligor under or pursuant to the Subordinated Note Agreement, the LLC Purchase Agreement, the Policano Employment Agreement and the Manzo Employment Agreement, including without limitation, any notices of default thereunder or any claims for indemnities.

(k) Budgets; Long Term Plans -- (i) as soon as available, but in any event not later than 15 days prior to the first day of each fiscal year commencing with the fiscal year 2001 of the Obligors, a copy of the initial budget of the Obligors for such fiscal year, prepared on a monthly basis and including appropriate balance sheet, income statement, cash flow and working capital projections for such period, (ii) promptly after the same are produced, copies of any material adjustments to the budget of the Obligors referred to in clause (i) above, and (iii) promptly after the same is presented to the Board of Directors of the Obligors, a copy of any long-range business plans of the Obligors that may be prepared from time to time for or at the direction of the Board of Directors of the Obligors, and all material amendments thereto which may be in effect from time to time;

(l) Variation from Budget -- as soon as available, but in any event within 30 days following the end of each quarterly period beginning March 31, 2000, a written statement of a Responsible Officer of the Company setting forth an explanation for any Material variance from the budget for such quarterly reporting period;

(m) Borrowing Base Certificate -- as soon as available, and in any event no later than the fifth Business Day of every other calendar week, a Borrowing Base Certificate showing the computation of the Borrowing Base in reasonable detail as of the close of business on the last day of the immediately preceding week, together with such other information as such certificate requires, each prepared by the Company and certified to by a Senior Financial Officer; provided that (i) no such Borrowing Base Certificate shall be required if no Revolving Credit was outstanding at any time during the related two week calculation period and (ii) if any Loan requested by the Obligors would cause the aggregate Loans to exceed the Borrowing Base described in the most

recent Borrowing Base Certificate, the Company shall deliver a new Borrowing Base Certificate at the time the requested Loan is to be made evidencing satisfaction of the requirements of Section 4.2(b);

(n) Other Reports -- as soon as available, and in any event within twenty (20) days after the close of each monthly accounting period of the Company, an accounts receivable and summary accounts payable aging, and an accounts receivable reconciliation report, each as of the close of such period and in reasonable detail prepared by the Company and certified to by a Senior Financial Officer;

(o) Subordinated Holders -- As soon as practicable, and in any event within ten (10) days after the transfer by any holder of Subordinated Debentures, a description of the principal amount of the Subordinated Debentures transferred and the identity of the transferee thereof; and

(p) Requested Information -- with reasonable promptness, such other data and information relating to the business, operations, affairs, financial condition, assets or properties of any Obligor or relating to the ability of any Obligor to perform its obligations hereunder and under the Notes and the other Financing Documents (including, without limitation, any data or information furnished to any other holder of Debt of any Obligor) as from time to time may be reasonably requested by the Agent or any Lender.

Section 7.2. Officer's Certificate. Each set of financial statements delivered to an Agent or a Lender pursuant to Section 7.1(a) or 7.1(b) hereof shall be accompanied by a certificate of a Senior Financial Officer setting forth:

(a) Covenant Compliance -- the information (including detailed calculations) required in order to establish whether the Obligors were in compliance with the requirements of Section 9.2 and Section 10.1 through Section 10.9, inclusive, during the quarterly or annual period covered by the statements then being furnished (including with respect to each such Section, where applicable, the calculations of the maximum or minimum amount, ratio or percentage, as the case may be, permissible under the terms of such Sections, and the calculation of the amount, ratio or percentage then in existence); and

(b) Event of Default -- a statement that such officer has reviewed the relevant terms hereof and has made, or caused to be made, under his or her supervision, a review of the transactions and conditions of each Obligor from the beginning of the quarterly or annual period covered by the statements then being furnished to the date of the certificate and that such review shall not have disclosed the existence during such period of any condition or event that constitutes a Default or an Event of Default or, if any such condition or event existed or exists, specifying the nature and period of existence thereof and what action the Obligors shall have taken or propose to take with respect thereto.

Section 7.3. Inspection. Each Obligor shall permit the representatives of each Lender, upon reasonable prior notice to the Company, to visit and inspect any of the offices or properties of each Obligor, to examine all its books of account, records, reports and other papers, to make copies and extracts therefrom and to discuss the affairs, finances and accounts of each Obligor with such Obligor's officers and accountants (and by this provision each Obligor authorizes said accountants to discuss the affairs, finances and accounts of such Obligor), all at such reasonable times during normal business hours and as often as may be reasonably requested. Any such visit or inspection shall, during the continuance of a Default or an Event of Default, be at the Obligors' expense.

Section 8. Prepayment of Notes; Termination, Etc.

Section 8.1. Voluntary Prepayments. The Obligors will not and will not permit any Affiliate, to purchase, redeem, prepay or otherwise acquire, directly or indirectly, any of the Notes except upon payment or prepayment of such Notes in accordance with the terms of this Agreement. Without limiting the obligation of the Obligors to prepay the Notes as otherwise required in this Agreement, the Obligors may make prepayments without premium or penalty except as may be required by Section 2, of (a) the Revolving Credit Notes in whole or in part (but if in part, in an amount not less than $100,000) at any time upon one day's prior notice to the Agent (such notice if received subsequent to 1:00 p.m. (New York, New York time) on a given day to be treated as though received at the opening of business on the next Business Day), by paying to such Lenders on a pro rata basis, based on the outstanding principal amount of the Revolving Credit Notes immediately prior to such prepayment, the principal amount to be prepaid and if such a prepayment prepays the Revolving Credit Notes in full and is accompanied by the termination in whole of the Revolving Credit Commitments, accrued interest thereon to the date of prepayment, (b) the Term Notes in whole or in part (but if in part, in an amount not less than $1,000,000) at any time upon 10 days' prior written notice to the Lenders holding Term Notes, by paying to such Lenders on a pro rata basis, based on the outstanding principal amount of the respective Term Notes without distinction as to series immediately prior to such prepayment, the principal amount to be prepaid and accrued interest thereon to the date of prepayment. In the event of any voluntary prepayment in part with respect to the Term Notes, such prepayment shall be applied, first, against the amount due on such Term Notes on the expressed maturity date thereof and any additional amounts of such partial prepayment shall be applied against the required installment payments in respect of such Term Notes in the inverse chronological order thereof. No prepayments of any LIBOR Portion may be made pursuant to this Section 8.1 except on the last day of the Interest Period with respect thereto.

Section 8.2. Borrowing Base Mandatory Prepayment. The Obligors covenant and agree that if at any time the sum of the then unpaid principal balance of the Revolving Credit Notes shall be in excess of the Borrowing Base as then determined and computed, the Obligors shall immediately and without notice or demand pay over the amount of the excess to the Administrative Agent for the account of the Lenders on a pro rata basis based on the outstanding principal amount of the Revolving Credit Notes immediately prior to such prepayment, as and for a mandatory prepayment on the Revolving Credit Notes.

Section 8.3. Terminations. The Obligors shall have the right at any time and from time to time after the second anniversary of date of Closing and not prior thereto, upon 7 Business Days prior notice to the Agent (which shall promptly so notify the Lenders), to ratably terminate without premium or penalty and in whole or in part (but if in part, then in an aggregate amount not less than $1,000,000 or such greater amount which is an integral multiple of $100,000) the Revolving Credit Commitments; provided that the Revolving Credit Commitments may not be reduced to an amount less than the aggregate principal amount of the Revolving Credit Loans, then outstanding unless accompanied by a concurrent prepayment of such Loans. Any termination of the Revolving Credit Commitments pursuant to this Section may not be reinstated.

Section 8.4. Mandatory Term Note Prepayments. (a) In addition to the payments required by Sections 8.4(b) and 8.4(c) and the required installments of the Term Notes as set forth in Schedules 1.2(a) and 1.2(b), the Obligors will, on or before April 1 of each year (beginning April 1, 2001), prepay an amount equal to 50% of the Excess Cash Flow for the immediately preceding fiscal year to the Lenders holding the Term Notes, on a pro rata basis (determined as of the date of notice of prepayment), based on the outstanding principal amount thereof immediately prior to such prepayment, in each case together with accrued interest thereon to the date of prepayment and any amount that may be payable under Section 2.9. The Company will give each holder of Term Notes, written notice of each prepayment under this Section 8.4(a) not less than 10 (nor more than 30) days prior to the date for such prepayment. Each such notice (i) shall specify the prepayment date, the aggregate principal amount of the Term Notes, to be prepaid on such date, the principal amount of each Term Note held by such holder to be prepaid, and the interest to be paid on the prepayment date with respect to such principal amount being prepaid, and (ii) shall include a detailed calculation of the Excess Cash Flow giving rise to such prepayment.

(b) In addition to the payments required by Section 8.4(a), in the event of the death of Policano or Manzo, or in the event of any payment of any indemnity to an Obligor by P&M or Policano or Manzo, individually, (collectively a "P&M Indemnity Payment") the Obligors will, promptly upon receipt of the proceeds of the key man life insurance maintained on the lives of Policano or Manzo or any such P&M Indemnity Payment, as the case may be, apply such insurance proceeds or any such P&M Indemnity Payment, as the case may be, (except for amounts permitted to be retained for recruitment expense not to exceed $2,000,000 for each respective policy or indemnities for each individual) to the prepayment of the Term Notes on a pro rata basis based on the outstanding principal amount thereof immediately prior to such prepayment, together with accrued interest thereon to the date of prepayment and any amounts which may be payable under Section 2.

(c) In addition to, and not in limitation of, the provisions of Section 8.4(a) and (b), in the event of a voluntary or optional permanent reduction or permanent repayment of the Revolving Credit Commitment, the Obligors shall make a concurrent prepayment of each Term Note in an aggregate principal amount equal to the dollar amount of the permanent reduction of the Revolving Credit Commitment, on a pro rata basis among the holders of the Term Notes based on the respective unpaid principal amounts thereof, together with accrued and unpaid interest thereon to the date of payment thereof together with any amounts which may be payable

under Section 2.9. The Company shall give each Lender holding a Term Note not less than 10 or more than 30 days prior written notice of such prepayment.

(d) Any partial prepayment of Term Notes pursuant to this Section 8.4 shall be applied, first, against the amount due on such Term Notes on the expressed maturity date thereof and any additional amounts of such partial prepayments shall be applied against the required installment payments in respect of such Term Notes in the inverse chronological order thereof.

Section 8.5. Place and Application of Payments. All payments of principal, interest, fees and all other Obligations payable to the Agents or Lenders hereunder shall be made to, in the case of the Revolving Credit Facility and in the case of payments under the Term Loan facility, Northern Trust Company, Chicago, Illinois, ABA# 071-000-152, Account Number 86711, Account Name: Newcourt, Reference: FTI Consulting, Inc. (or at such other place as the Administrative Agent may specify) on the date any such payment is due and payable. Payments received by the Administrative Agent after 11:00 a.m. (New York, New York time) shall be deemed received as of the opening of business on the next Business Day. All such payments shall be made in lawful money of the United States of America, in immediately available funds at the place of payment, without set-off or counterclaim. Except as herein provided, all payments shall be received by the Administrative Agent for the ratable account of the Lenders and shall be promptly distributed by the Administrative Agent ratably to the Lenders, and any such payments made by the Obligors to the Administrative Agent for the benefit of the Lenders shall discharge the Obligors to the extent of such payment. Unless the Company otherwise directs, in the case of the Term Loans principal payments shall be first applied to the Prime Rate Portion of the relevant Tranche until payment in full thereof, with any balance applied to the LIBOR Portions in the order in which their Interest Periods expire.

So long as no Event of Default then exists, all payments and collections received in respect of the Obligations (excluding Hedging Liabilities which shall be paid directly by the Obligors to the provider of the related Hedging Agreements) and proceeds of Collateral received by the Administrative Agent or the Collateral Agent shall be applied as follows:

(a) first, all costs and expenses of a character which an Obligor has agreed to pay under Section 13.1 (such funds to be retained by the relevant Agent for its own account unless it has previously been reimbursed for such costs and expenses by the Lenders, in which event such amounts shall be remitted to the Lender to reimburse them for payments theretofore made to such Agent);

(b) second, to the payment of any outstanding interest and fees due under this Agreement other than for principal, pro rata as among all Agents and the Lenders in accord with the amount of such interest and fees owing each;

(c) third, to the payment of the principal amount of any Revolving Credit Loans made by the Agent and the Lenders pursuant to Section 1.3(b) and for which Settlement has not been made pursuant to Section 8.6 pro rata as among the Agent and the Lenders in accord with the amount of such principal owing each; and

(d) fourth, to the payment of any portion of the outstanding principal of the Term Notes then due as required by the schedules set forth in Schedule 1.2(a) and 1.2(b) pro rata as among the Lenders in accord with the then respective unpaid principal balances of such Notes; and

(e) fifth, to the Agent and the Lenders pro rata in accord with the amounts of any other indebtedness, obligations or liabilities of the Obligors owing to them in respect of the Revolving Credit unless and until all such Indebtedness, obligations and liabilities have been fully paid and satisfied;

and any balance shall be made available to the Company at its Account described in Section 1.3, or as the Company may otherwise direct, provided that so long as no Event of Default then exists, excess proceeds maintained in the Company's or any Co-Borrower's operating account shall be applied to the Revolving Credit Loans then outstanding.

Anything contained herein to the contrary notwithstanding, all payments and collections received in respect of the Obligations and all proceeds of Collateral received, in each instance, by the Collateral Agent or any of the Lenders after the occurrence of an Event of Default shall be remitted to the Collateral Agent and distributed as follows:

(a) first, to the payment of any outstanding costs and expenses incurred by the Collateral Agent in monitoring, verifying, protecting, preserving or enforcing the Liens on the Collateral, and in protecting, preserving or enforcing rights under this Agreement or any of the other Financing Documents, and in any event including all costs and expenses of a character which an Obligor has agreed to pay under Section 13.1 (such funds to be retained by the Collateral Agent for its own account unless it has previously been reimbursed for such costs and expenses by the Lenders, in which event such amounts shall be remitted to the Lenders to reimburse them for payments theretofore made to the Collateral Agent);

(b) second, to the payment of any outstanding interest and fees due under this Agreement other than for principal, pro rata as among all Agents and the Lenders in accord with the amount of such interest and fees owing each;

(c) third, to the payment of the outstanding principal of the Notes pro rata as among the Lenders in accord with the then respective unpaid principal balances of such Notes (subject to adjustment for outstanding Settlement Amounts pursuant to Section 8.6); and

(d) fourth, to all Agents and the Lenders pro rata in accord with the amounts of any other indebtedness, obligations or liabilities of the Obligors owing to them hereunder and under the Notes and the other Financing Documents (including, without limitation, the Hedging Agreements) unless and until all such indebtedness, obligations and liabilities have been fully paid and satisfied.

Section 8.6. Settlement. (a) In order to minimize the frequency of transfers of funds between the Administrative Agent and each Lender, advances and repayments of Revolving Credit Loans will be settled according to the procedures described in this Section 8.6. The Administrative Agent shall, every week, or, so long as a Default or Event of Default exists, sooner, if so elected by the Administrative Agent in its discretion, but in each case on a Business Day, (each such day being a "Settlement Date"), distribute to each Lender a statement (the "Agent's Report") disclosing as of the immediately preceding Business Day, the aggregate unpaid principal balance of Revolving Credit Loans outstanding as of such date, repayments and prepayments of principal received from the Obligors with respect to the Revolving Credit Loans since the immediately preceding Agent's Report and additional Revolving Credit Loans made to the Obligors since the date of the immediately preceding Agent's Report. Each Agent's Report shall disclose the net amount (the "Settlement Amount") due to or due from the Lenders to effect a Settlement of any Revolving Credit Loan. The Agent's Report submitted to a Lender shall be, absent manifest error, prima facie evidence of the amount due to or from such Lender to effect a Settlement of any Revolving Credit Loan. If the Agent's Report discloses a net amount due from the Administrative Agent to any Lender to effect the Settlement of a Revolving Credit Loan, the Administrative Agent, concurrently with the delivery of the Agent's Report to the Lenders, shall transfer, by wire transfer or otherwise, such amount to such Lender in funds immediately available to such Lender, in accordance with such Lender's instructions. If the Agent's Report discloses a net amount due to the Administrative Agent from any Lender to effect the Settlement of any Revolving Credit Loan, then such Lender shall wire transfer such amount, in funds immediately available to the Administrative Agent, as instructed by the Administrative Agent. Such net amount due from a Lender to the Administrative Agent shall be due by 2:00 p.m. (New York, New York time) on the Settlement Date if such Agent's Report is received before 11:00 a.m. (New York, New York time) and such net amount shall be due by 2:00 p.m. (New York, New York time) on the first Business Day following the Settlement Date if such Agent's Report is received after 11:00 a.m. (New York, New York time). Notwithstanding the foregoing, payments actually received by the Administrative Agent (which shall be credited on the day received if received prior to 11:00 a.m. (New York, New York time)) with respect to the following items (relative, in each case, to Revolving Credit Loans) shall be distributed by the Administrative Agent to each Lender as follows:

(i) as soon as possible, but in any event within one Business Day after receipt thereof by the Administrative Agent, payments applicable to interest on the Revolving Credit Loans shall be paid to each Lender in proportion to its pro rata share of the Revolving Credit Loans (based on the outstanding principal amount of funds actually advanced by such Lender with respect to such Revolving Credit Loans). Each Lender's share of interest accruing each day on the Revolving Credit Loans shall be based on such Lender's Daily Loan Balance. For purposes hereof, the term "Daily Loan Balance" shall mean as of any day for any Lender, an amount calculated as of the end of that day by subtracting (a) the cumulative principal amount paid by the Administrative Agent to such Lender on account of Revolving Credit Loans from the Closing through and including the date as of which the Daily Loan Balance is being determined from (b) the cumulative principal amount advanced by such Lender to the Administrative Agent for the benefit of

the Obligors to fund Revolving Loans made on and after the Closing Date through and including such date of determination; and

(ii) as soon as possible, but in any event within one Business Day after receipt thereof by the Administrative Agent, payments applicable to the fees set forth in Section 3.2 and expenses payable under this Agreement, shall in each case be paid to each Lender as set forth therein.

(b) In the event that any bankruptcy, reorganization, liquidation, receivership or similar cases or proceedings in which an Obligor is a debtor prevent the Administrative Agent or any Lender from making any Loan to effect a Settlement contemplated hereby, the Administrative Agent or such Lender, as the case may be, will make such dispositions and arrangements with the other Lenders with respect to such Revolving Credit Loans, either by way of purchase of participations, distribution, pro tanto assignment of claims, subrogation or otherwise, as shall result in each Lender's share of the outstanding Revolving Credit Loans being equal, as nearly as may be, to the percentage which such Lender's Revolving Credit Commitment bears to the Revolving Credit Commitments of all the Lenders.

(c) Payments to effect a Settlement shall be made without set-off, counterclaim or reduction of any kind. The failure or refusal of any Lender to make available to the Administrative Agent at the aforesaid time and place the amount of the Settlement Amount due from such Lender (i) shall not relieve any other Lender from its several obligation hereunder to make available to the Agent the amount of such other Lender's Settlement Amount and (ii) shall not impose upon such other Lender any liability with respect to such failure or refusal or otherwise increase the Revolving Credit Commitment of such other Lender.

Section 8.7. Notations. Each Loan made against a Note, the status of all amounts evidenced by a Note as constituting part of the Prime Rate Portion or a LIBOR Portion, and, in the case of any LIBOR Portions, the rates of interest and Interest Periods applicable to such Term Portions, shall be recorded by the relevant Lender on its books and records or, at its option in any instance, endorsed on a schedule to the relevant Notes and the unpaid principal balance and status, rates and Interest Periods so recorded or endorsed by such Lender shall absent manifest error be prima facie evidence in any court or other proceeding brought to enforce such Note of the principal amount remaining unpaid thereon, the status of the Loan or Loans evidenced thereby and the interest rates and Interest Periods applicable thereto; provided that the failure of a Lender to record any of the foregoing shall not limit or otherwise affect the obligation of the Obligors to repay the principal amount of each Note together with accrued interest thereon. Prior to any negotiation of a Note, a Lender shall record on a schedule thereto the status of all amounts evidenced thereby as constituting part of the Prime Rate Portion or a LIBOR Portion and, in the case of any LIBOR Portions, the rates of interest and the Interest Periods applicable thereto.

Section 9. Affirmative Covenants.

The Obligors, jointly and severally, covenant that so long as either (i) credit is in use by an Obligor hereunder or (ii) the Revolving Credit Commitments have not been fully terminated or (iii) there exists any outstanding Obligation hereunder:

Section 9.1. Compliance with Law. The Obligors will comply with all laws, ordinances or governmental rules or regulations to which it is subject, including, without limitation, ERISA and Environmental Laws, and will obtain and maintain in effect all licenses, certificates, permits, franchises and other governmental authorizations necessary to the ownership of its Properties or to the conduct of its business, in each case to the extent necessary to ensure that non-compliance with such laws, ordinances or governmental rules or regulations or failures to obtain or maintain in effect such licenses, certificates, permits, franchises and other governmental authorizations could not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect.

Section 9.2. Insurance. (a) All risk of loss of Collateral shall be borne solely by the Obligors.

(b) The Obligors shall maintain at their own expense, with insurers acceptable to the Collateral Agent and Lenders and comply with all terms and conditions of the following insurance coverages:

(i) the Obligors shall maintain all risk property insurance against direct physical loss or damage on an all risks basis, including flood and earthquake coverage, subject to a maximum deductible of $50,000. The property shall be insured for the full replacement cost and such policy shall contain an agreed amount endorsement waiving any coinsurance penalty;

(ii) as an extension of the coverage required under Section 9.2(b)(i), the Obligors shall maintain business income insurance including extra expense in an agreed amount not less than $2,000,000 with a minimum period of indemnity of six (6) months, subject to a maximum $50,000 deductible and shall contain an agreed amount endorsement waiving any coinsurance penalty;

(iii) the Obligors shall maintain commercial general liability insurance written on an occurrence basis with a limit of not less than $1,000,000 each occurrence and $2,000,000 in the aggregate. Such coverage shall include, but not be limited to, premises/operations, blanket contractual liability, independent contractors, broad form products and completed operations, personal injury, fire legal liability and employee benefits liability. Such insurance shall not exclude coverage for punitive or exemplary damages where insurable by law;

(iv) the Obligors shall maintain workers' compensation insurance in accordance with statutory provisions covering accidental injury, illness or death of an employee of the Obligors while at work or in the scope of his or her employment with the

Obligors and employer's liability insurance in an amount not less than $500,000. Such coverage shall not contain any occupational disease exclusions;

(v) the Obligors shall maintain automobile liability insurance covering owned, non-owned, leased, hired or borrowed vehicles against bodily injury or property damage. Such coverage shall have a limit of not less than $1,000,000;

(vi) the Obligors shall maintain excess or umbrella liability insurance in an aggregate amount not less than $10,000,000, written on an occurrence basis providing limits in excess of the insurance limits required under Section 9.2(b)(iii), (b)(iv) (employers liability only), and (b)(v). Such insurance shall follow form the primary insurances and drop down in case of exhaustion of underlying limits and /or aggregates. Such insurance shall not exclude coverage for punitive or exemplary damages where insurable by law;

(vii) the Obligors shall maintain employee dishonesty insurance in an amount not less than $1,000,000 including loss Inside/Outside coverage, Depositors Forgery, and computer theft and funds transfer fraud, in an amount not less than $1,000,000 each insuring agreement;

(viii) the Obligors shall maintain employment practices liability insurance written on a claims-made basis with a limit of not less than $1,000,000 each loss and in the aggregate with a deductible not to exceed $25,000;

(ix) the Obligors shall maintain professional liability insurance written on a claims-made basis (with coverage for prior acts including, without limitation, prior acts of P&M provided, that such coverage with respect to P&M shall not be required to be in force prior to 30 days after the date of Closing) with a limit of not less than $5,000,000 each claim and in the aggregate with a deductible not to exceed $50,000; and

(x) the Obligors shall maintain directors and officers liability insurance in an amount not less than $5,000,000 with; coverage to be provided for the new board of directors with an effective date as of Closing.

(c) The Obligors shall maintain such other insurance to such extent and against such risks, as are reasonably satisfactory to the Collateral Agent;

(d) The Obligors shall cause each insurance policy (other than any policy referred to in clause (b)(iv) above related to workers' compensation or any policy referred to in clause (b)(x)) pertaining to the insurable interests or properties to (i) the name the Collateral Agent for the benefit of the Agents and Lenders (all of the foregoing are hereinafter referred to as the "Additional Insureds") as an "additional insured" if such policy is a liability policy, (ii) name the Collateral Agent as "loss payee" if such policy is a property and/or business income policy, (iii) provide that, the Collateral Agent shall be notified in writing of any proposed cancellation or modification of such policy, initiated by an Obligor's insurer at least thirty (30) days in advance prior to any proposed cancellation or modification, (iv) contain a waiver of subrogation in favor

of the Additional Insureds, (v) provide that Loss Payees can make claims for losses notwithstanding breaches of warranties or agreements by the primary insured party, (vi) contain a cross liability clause, (vii) provide that the insurance shall be primary and without right of contribution from any other insurance which may be available to the Additional Insureds and (viii) provide that the Additional Insureds and their affiliates have no responsibility for premiums;

(e) The Obligors shall on or before the date of Closing, purchase and thereafter maintain key man life insurance in the amount of $10,000,000 on the life of Policano and $10,000,000 on the life of Manzo. With respect to each such life insurance policy, the Collateral Agent shall receive an Assignment of Life Insurance Policy, together with evidence satisfactory to the Lenders that the Company shall have been designated as the irrevocable beneficiary thereunder (it being agreed that such Assignment of Life Insurance Policy shall permit the Company to retain such amount of life insurance proceeds, in the event of the death of Policano or Manzo, reasonably necessary to recruit a replacement therefor, which amount for recruitment expenses shall not exceed $2,000,000 per policy). The Company shall be the owner and beneficiary of each such life insurance policy, and the Company shall not change the beneficiary thereof without the prior written consent of the Collateral Agent;

(f) The Obligors shall on the date of Closing and at least fifteen (15) (and not more than 60) days prior to each anniversary of the date of Closing, deliver or cause to be delivered to the Collateral Agent an insurance broker's opinion letter from the Company's independent insurance agent confirming that the insurance premiums with respect to the policies of insurance required to be maintained pursuant to this Section 9.2 have been paid, that such policies are in force, and that such policies meet the insurance requirements set forth in this Section 9.2. The Company shall also furnish or cause to be furnished a certificate of insurance evidencing that all the coverages listed in 9.2 have been renewed and continue to be in full force and effect for such period as shall be then stipulated, (ii) specify the insurers with whom the insurances are carried and (iii) contain such other certifications and undertakings as are customarily provided to Lenders, as reasonably requested by the Collateral Agent;

(g) Upon the request of an Agent or any Lender, the Obligors will provide copies of the insurance policies maintained by the Obligors. In the event the Obligors, at any time or times hereafter, shall fail to obtain or maintain any of the policies or insurance required herein or to pay any premium in whole or part relating thereto, then the Collateral Agent, without waiving or releasing any obligations or resulting Event of Default, may at any time or times thereafter (but shall be under no obligation to do so) obtain and maintain such policies of insurance and pay such premiums and take any other action with respect thereto which the Collateral Agent deems advisable. The Collateral Agent shall provide the Company with contemporaneous notice of any action taken by the Collateral Agent and any such payments shall be part of the indebtedness secured by the Security Documents, secured by the Collateral and payable on demand; and

(h) The Obligors irrevocably make, constitute and appoint the Collateral Agent and any Person whom the Collateral Agent may from time to time designate as the Obligor's true and lawful attorney (and agent-in-fact) for the limited purpose of endorsing the name of the related Obligor on any check, draft instrument or other item of payment for the proceeds of the policies

of insurance described in clauses (i) and (ii) of Section 9.2(b) and, subject to the Collateral Agency Agreement, for making all determinations and decisions with respect to such policies of insurance. The Collateral Agent shall apply the net proceeds of any such insurance claim or settlement received by the Collateral Agent in accordance with the terms of the Collateral Agency Agreement. Notwithstanding the foregoing, the Company and not the Collateral Agent shall retain such right to endorse checks, draft instruments or other items of payment if (i) no Default or Event of Default then exists, and (ii) the aggregate amount of such checks, draft instruments or other items of payment with respect to a particular incident or event does not exceed $100,000.

Section 9.3. Maintenance of Properties, Environmental Matters, Etc. The Obligors will maintain and keep, or cause to be maintained and kept, its properties in good repair, working order and condition (other than ordinary wear and tear), so that the business carried on in connection therewith may be properly conducted at all times, provided that this Section 9.3 shall not prevent an Obligor from discontinuing the operation and the maintenance of any of its properties if such discontinuance is desirable in the conduct of its business and such Obligor has concluded that such discontinuance could not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect. Without limiting the generality of this Section 9.3, each Obligor: (i) shall maintain its Properties in compliance in all Material respects with any applicable Environmental Laws; (ii) shall obtain and maintain in full force and effect all governmental approvals required for its operations at or on its properties by any applicable Environmental Laws; (iii) shall cure as soon as practicable any material violation of applicable Environmental Laws with respect to any of its Properties; (iv) shall not, and shall not permit any other Person to, own or operate on any of its Properties any landfill or dump or hazardous waste treatment, storage or disposal facility as defined pursuant to the Resource Conservation and Recovery Act of 1980, as amended, or any comparable state law; (v) shall not use, generate, treat, store, release or dispose of Hazardous Materials at or on any of its Properties (including without limitation, any underground storage tanks) except in the ordinary course of its business and in Material compliance with all Environmental Laws; and (vi) shall notify each Lender in writing, and within a reasonable period of time, and provide any reasonably requested documents, upon learning of any Material environmental claim or Material violation of any Environmental Laws, or any release of a reportable quantity (as determined under any Environmental Law) of a Hazardous Material, or any claim arising out of or in connection with a release of a Hazardous Material, which arises in connection with any of its Properties, and any other environmental or health and safety condition which would reasonably be expected to result in any material interference with the use or operation of any of its Properties or could reasonably be expected to have a Material Adverse Effect. With respect to any release of Hazardous Materials, the Obligors shall conduct any necessary or required investigation, study, sampling and testing, and undertake any cleanup, removal, remedial or other response action necessary to remove, clean up or abate any material quantity of Hazardous Materials released or disposed at or on any of its properties as required by any applicable Environmental Law.

Section 9.4. Payment of Taxes and Claims. The Obligors will file all tax returns required to be filed in any jurisdiction and to pay and discharge all taxes shown to be due and payable on such returns and all other taxes, assessments, governmental charges, or levies imposed on it or any of its Properties, assets, income or franchises, to the extent such taxes and

assessments have become due and payable and before they have become delinquent and all claims for which sums have become due and payable that have or might become a Lien on properties or assets of any Obligor, provided that no Obligor need pay any such tax or assessment or claims if (i) the amount, applicability or validity thereof is contested by such Obligor on a timely basis in good faith and in appropriate proceedings, and such Obligor has established reserves reasonably deemed by it to be adequate on its books with respect thereto and (ii) the nonpayment of all such taxes and assessments in the aggregate could not reasonably be expected to have a Material Adverse Effect and any Lien resulting from such nonpayment of any such tax or assessment or claim is and remains a Permitted Lien.

Section 9.5. Corporate Existence, Etc. Each Obligor will at all times preserve and keep in full force and effect its corporate or limited liability company existence, provided, however, that (a) any Subsidiary may merge or consolidate with or into any other Subsidiary if, at the time thereof and after giving effect thereto, (i) no Default or Event of Default exists hereunder and (ii) in the case of any such transaction involving an Inactive Subsidiary, such transaction shall satisfy the requirements of Section 10.13 and (b) the foregoing shall not prohibit the transactions required under said Section 10.13. Each Obligor will at all times preserve and keep in full force and effect all rights and franchises of such Obligor unless, in the good faith judgment of such Obligor, the termination of or failure to preserve and keep in full force and effect such right or franchise could not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect.

Section 9.6. Interest Rate Protection Program. The Obligors shall at all times beginning 90 days after the Closing keep and maintain a program to protect against variations in interest rates applicable to one-half of the principal of the Term Notes from time to time outstanding, which program shall be reasonably satisfactory to the Required Lenders.

Section 9.7. Taxes.

(a) Payments Free and Clear of Taxes. Any and all payments by any Obligor hereunder, under the Notes or under any other Financing Document shall be made free and clear of and without deduction for any and all present or future taxes (including any excise taxes), levies, imposts, deductions, charges, penalties, assessments, or withholdings, and all liabilities with respect thereto, excluding, in the case of each Lender, taxes imposed on its income, capital, profits or gains and franchise taxes imposed on it, in each case by (i) the United States (including, without limitation, withholding taxes imposed by the United States) including any authority, agency or instrumentality thereof, (ii) the jurisdiction in which such Lender's office is located or (iii) the jurisdiction in which such Person is organized, managed, controlled or doing business, in each case including all political subdivisions thereof (all such taxes, levies, imposts, deductions, charges, withholdings and liabilities not excluded by the foregoing clauses (i), (ii) or (iii) being hereinafter referred to as "Taxes"). If any Obligor shall be required by law to withhold or deduct any Taxes from or in respect of any sum payable hereunder, under the Notes or under any other Financing Document to such Lender or the Collateral Agent, (x) such sum payable shall be increased as may be necessary so that after making all required withholdings or deductions (including withholdings or deductions applicable to additional sums payable under this Section 9.7) such Lender or the Collateral Agent (as the case may be) receives an amount

equal to the sum it would have received had no such withholdings or deductions been made, (y) such Obligor shall make such withholdings or deductions, and (z) such Obligor shall pay the full amount withheld or deducted to the relevant taxation authority or other authority in accordance with applicable law. In no event shall any Lender or Agent receive actual payments hereunder which are duplicative of other actual payments made to such Lender or Agent hereunder.

(b) Other Taxes. In addition, the Obligors agree to pay any present or future stamp, value-added or documentary taxes or any other excise or property taxes, charges or similar levies which arise from and which relate directly to (i) any payment made under any Financing Document or (ii) the execution, delivery or registration of, or otherwise with respect to, this Agreement, the Notes or any other Financing Document (hereinafter referred to as "Other Taxes").

(c) Indemnification. The Obligors will indemnify all Agents and each Lender against, and reimburse each on demand for, the full amount of all Taxes and Other Taxes (including, without limitation, any Taxes or Other Taxes imposed by any Governmental Authority on amounts payable under this Section 9.7 and any additional income or franchise taxes resulting therefrom) incurred or paid by such Lender or the Collateral Agent (as the case may be) or any affiliate of such Lender and any liability (including penalties, interest, and out-of-pocket expenses paid to third parties) arising therefrom or with respect thereto, whether or not such Taxes or Other Taxes were correctly or lawfully payable; provided that the Obligors shall not be obligated to indemnify any Lender, Agent or any affiliate of such Lender or Agent for liability resulting from such Person's gross negligence or willful misconduct or its failure to give notice thereof to the Company within a reasonable period after it becomes aware of such Taxes or Other Taxes. A certificate as to any amount payable to any Person under this Section 9.7 submitted by such Person to the Company shall, absent manifest error, be final, conclusive and binding upon all parties hereto. This indemnification shall be made within thirty (30) days from the date such Person makes written demand therefor and within thirty (30) days after the receipt of any refund of the Taxes or Other Taxes following final determination that the Taxes or Other Taxes which gave rise to the indemnification were not required to be paid, such Person shall repay the amount of such paid indemnity to the Company. Such Person agrees to take reasonable efforts to pursue any right such Person has to any rebate, refund or credit of such paid indemnity.

(d) Receipts. Within thirty (30) days after the date of any payment of Taxes or Other Taxes by an Obligor, such Obligor will furnish to the Lender or Lenders affected thereby, the original or a certified copy of a receipt or other documentation reasonably satisfactory to such Lender evidencing payment thereof. The Obligors will furnish to any Lender upon such Lender's request from time to time an Officer's Certificate stating that all Taxes and Other Taxes of which it is aware that are due have been paid and that no additional Taxes or Other Taxes of which it is aware are due.

(e) Withholding Forms. (i) Each Lender that is not created or organized under the laws of the United States or a political subdivision thereof shall deliver to the Company on or before the date of the Closing or upon becoming, and from time to time thereafter upon the

Company's request, a true and accurate certificate executed in duplicate by a duly authorized officer of such Lender to the effect that such Lender is eligible to receive payments hereunder and under the Notes without deduction or withholding of United States federal income tax (I) under the provisions of an applicable tax treaty concluded by the United States (in which case the certificate shall be accompanied by two duly completed copies of IRS Form 1001 (or any successor or substitute form or forms)) or (II) under Sections 1441(c)(1) and 1442(a) of the Code (in which case the certificate shall be accompanied by two duly completed copies of IRS Form 4224 (or any successor or substitute form or forms)) or (III) in the case of any Lender claiming exemption from United States withholding tax with respect to "portfolio interest," a properly completed and executed Internal Revenue Service Form W-8 (or any successor or substitute form or forms) and a certificate representing that such holder is not a "bank" for purposes of Section 881(c) of the Code, is not a "10% shareholder" of the Company within the meaning of Section 871(h)(3)(B) of the Code, and is not a "controlled foreign corporation" with respect to the Company within the meaning of Section 864(d)(4) of the Code.

Section 9.8. Landlord Consents; Mortgagee Acknowledgements. (a) As promptly as possible and in any event within 180 days after the date of Closing, the Company shall deliver to the Collateral Agent (which shall provide copies to each of the Lenders), with respect to each interest in real property leased by an Obligor (including space leases but excluding (i) de minimis leases, (ii) space leases leased by P&M as of Closing and (iii) any other leases with respect to which the Collateral Agent has elected in writing to the Company to waive the delivery of the Lease Assignment and related waiver and consent referred to hereinbelow), a Lease Assignment and consent and waiver of the lessor and any other Person holding a fee or leasehold interest in, or a mortgage on, such real property, pursuant to which consent and waiver such Person or Persons shall consent to (1) the entry upon such Property and removal of any and all Property of such Obligor, (2) notice of defaults to and cures by the Lenders, and (3) assumption by the Lenders of the applicable lease upon default, and which consent and waiver shall otherwise be in form and substance satisfactory to the Required Lenders. Such consent and waiver (the "SEA Consent") in the case of space leased by S.E.A., Inc. ("SEA"), 15411 Vantage Parkway West, Suite 212, Houston, Texas (the "SEA Texas Leasehold"), shall include the release (or subordination satisfactory to the Collateral Agent) of the landlord of any Lien held by such landlord on property or assets of S.E.A., Inc. (it being agreed that the Obligors shall not be required to deliver such release or subordination with respect to S.E.A., Inc. if the landlord thereunder fails to deliver such release or subordination solely as a result of the Obligor's failure to pay Material cash consideration to such landlord but in no event more than $25,000). In addition, the Obligors will not permit the renewal or extension of the SEA Texas Leasehold unless and until the SEA Consent has been obtained. Notwithstanding anything contained herein or in any Financing Documents to the contrary, unless and until the SEA Consent has been delivered to the Collateral Agent, (i) no Obligor will enter into any Material transaction with SEA and (ii) the Obligors will not permit any Material assets to be subject to the SEA Texas Leasehold which are not subject to the SEA Texas Leasehold as of the date of Closing. Upon obtaining each Lease Assignment and each consent and waiver, the Company shall promptly record such Lease Assignment and consent in the real estate records for such Property but only where the lease to which such assignment relates is so recorded. Such Lease Assignment and consent and waiver shall be accompanied by an opinion of outside counsel for the related Obligor addressed to the Collateral Agent to the effect that the Lease Assignment

being delivered is legal, valid, binding and enforceable under applicable state law subject to usual and customary qualifications and shall otherwise be satisfactory in form and scope to the Collateral Agent.

(b) As promptly as possible and in any event within 180 days after the date of Closing, the Obligors shall cause the landlord of any interest in real property under which an Obligor is the lessee and with respect to which the Obligors are obligated to deliver a Lease Assignment and consent and waiver pursuant to the provisions of Section 9.8(a), to receive an acknowledgment from any mortgagee (concurrently with the execution of such mortgage) of such property that such mortgage shall not have the right to terminate or otherwise exercise remedies under any lease of such property unless an event of default exists under such lease permitting such exercise of remedies.

(c) If and to the extent the Obligors have not delivered Lease Assignments and related consents and waivers required pursuant to the provisions of Section 9.8(a) within 90 days after the date of Closing, the Obligors will furnish a reasonably detailed description to the Collateral Agent (which shall provide copies to each Lender), of the status of the matters required to be performed under said Section 9.8(a).

Section 9.9. Pro Forma Balance Sheet. (a) Within 30 days following the date of Closing, the Company will deliver to the Agent and each Lender a pro forma consolidated balance sheet of the Company, prepared by the Company reflecting the assets, liabilities and stockholders' equity of the Company as of the date of Closing, adjusted to reflect the effect of the initial Loans and the use of the proceeds thereof and the consummation of the Related Transactions, including the payment of related costs and expenses.

(b) Within 60 days following the date of Closing, the Company will deliver to the Agent and each Lender copies of all of the items and information described in Section 7.1(k), but with respect to fiscal year 2000 of the Obligors, rather than fiscal year 2001.

Section 9.10. Use of Proceeds. All proceeds of Loans shall be used as provided in Section 5.14.

Section 9.11. Year 2000 Problem. The Obligors shall take all actions necessary and commit adequate resources to assure that its computer-based and other systems are able to effectively process data, including dates before, on and after January 1, 2000, without experiencing any Year 2000 Problem that could cause a Material Adverse Effect. At the request of any Lender or Agent, the Company will provide such Lender and Agent with assurances and substantiations (including, but not limited to, the results of internal and external audit reports prepared in the ordinary course of business) reasonably acceptable to such Lender or Agent as to the capability of the Obligors to conduct their businesses and operations before, on and after January 1, 2000 without experiencing a Year 2000 Problem causing a Material Adverse Effect.

Section 10. Negative Covenants.

The Obligors, jointly and severally, covenant that so long as any credit is available to or in use by the Company hereunder:

Section 10.1. Coverage Ratios. (a) The Obligors will not permit the Senior Interest Charges Coverage Ratio at the end of each calendar quarter to be less than the ratio specified below set forth opposite such quarter end:

Calendar Quarter Ending	Ratio
March 31, 2000	4.15 to 1.00
June 30, 2000	4.15 to 1.00
September 30, 2000	4.25 to 1.00
December 31, 2000	4.25 to 1.00
March 31, 2001	4.50 to 1.00
June 30, 2001	4.50 to 1.00
September 30, 2001	5.00 to 1.00
December 31, 2001	5.00 to 1.00
March 31, 2002	6.00 to 1.00
June 30, 2002	6.00 to 1.00
September 30, 2002	6.00 to 1.00
December 31, 2002	6.00 to 1.00
March 31, 2003 and each calendar quarter end thereafter	7.00 to 1.00

(b) The Obligors will not permit the Total Interest Charges Coverage Ratio at the end of each calendar quarter to be less than the ratio specified below set forth opposite such quarter end:

Calendar Quarter Ending	Ratio
March 31, 2000	2.40 to 1.00
June 30, 2000	2.40 to 1.00
September 30, 2000	2.50 to 1.00
December 31, 2000	2.50 to 1.00
March 31, 2001	2.75 to 1.00
June 30, 2001	2.75 to 1.00

September 30, 2001	3.25 to 1.00
December 31, 2001	3.25 to 1.00
March 31, 2002	3.50 to 1.00
June 30, 2002	3.50 to 1.00
September 30, 2002	3.50 to 1.00
December 31, 2002	3.50 to 1.00
March 31, 2003 and each calendar quarter end thereafter	4.00 to 1.00

(c) The Obligors will not permit the Senior Debt Service Coverage Ratio at the end of each calendar quarter to be less than the ratio specified below set forth opposite such quarter end:

Calendar Quarter Ending	Ratio
March 31, 2000	1.65 to 1.00
June 30, 2000	1.65 to 1.00
September 30, 2000	1.65 to 1.00
December 31, 2000	1.65 to 1.00
March 31, 2001	1.85 to 1.00
June 30, 2001	1.85 to 1.00
September 30, 2001	1.85 to 1.00
December 31, 2001	1.85 to 1.00
March 31, 2002 and each calendar quarter end thereafter	2.00 to 1.00

(d) The Obligors will not permit the Total Debt Service Coverage Ratio at the end of each calendar quarter to be less than the ratio specified below set forth opposite such quarter end:

Calendar Quarter Ending	Ratio
March 31, 2000	1.25 to 1.00
June 30, 2000	1.25 to 1.00
September 30, 2000	1.25 to 1.00
December 31, 2000	1.25 to 1.00
March 31, 2001	1.35 to 1.00
June 30, 2001	1.35 to 1.00
September 30, 2001	1.35 to 1.00

December 31, 2001	1.35 to 1.00
March 31, 2002 and each calendar quarter end thereafter	1.50 to 1.00

Section 10.2. Current Ratio. The Obligors will not permit the Current Ratio at the end of each calendar quarter to be less than 1.50 to 1.00.

Section 10.3. Minimum EBITDA. The Obligors will not permit EBITDA at the end of each calendar quarter for the immediately preceding 12 month period ending at the end of said quarter to be less than the amount specified below set forth opposite such quarter end:

Calendar Quarter Ending	Minimum EBITDA
March 31, 2000	$26,000,000
June 30, 2000	$26,500,000
September 30, 2000	$26,500,000
December 31, 2000	$27,500,000
March 31, 2001	$28,500,000
June 30, 2001	$29,000,000
September 30, 2001	$30,000,000
December 31, 2001	$32,000,000
March 31, 2002 and each calendar quarter end thereafter	$35,000,000

Section 10.4. Debt to Cash Flow Ratio. (a) The Obligors will not permit the Senior Debt to Cash Flow Ratio at the end of any calendar quarter to be greater than the ratio specified below set forth opposite such quarter end:

Calendar Quarter Ending	Ratio
March 31, 2000	2.50 to 1.00
June 30, 2000	2.50 to 1.00
September 30, 2000	2.50 to 1.00
December 31, 2000	2.50 to 1.00
March 31, 2001	2.25 to 1.00
June 30, 2001	2.25 to 1.00
September 30, 2001	2.00 to 1.00
December 31, 2001	2.00 to 1.00
March 31, 2002	1.50 to 1.00

Calendar Quarter Ending	Ratio
June 30, 2002	1.50 to 1.00
September 30, 2002	1.50 to 1.00
December 31, 2002	1.50 to 1.00
March 31, 2003 and each calendar quarter end thereafter	1.00 to 1.00

(b) The Obligors will not permit the Debt to Cash Flow Ratio at the end of each calendar quarter to be greater than the ratio specified below set forth opposite such quarter end:

Calendar Quarter Ending	Ratio
March 31, 2000	3.75 to 1.00
June 30, 2000	3.75 to 1.00
September 30, 2000	3.75 to 1.00
December 31, 2000	3.75 to 1.00
March 31, 2001	3.25 to 1.00
June 30, 2001	3.25 to 1.00
September 30, 2001	3.00 to 1.00
December 31, 2001	3.00 to 1.00
March 31, 2002	2.50 to 1.00
June 30, 2002	2.50 to 1.00
September 30, 2002	2.50 to 1.00
December 31, 2002	2.50 to 1.00
March 31, 2003 and each calendar quarter end thereafter	2.00 to 1.00

Section 10.5. Lease Rentals. The Obligors will not, at any time, permit aggregate Lease Rentals at the end of each calendar year for the immediately preceding period of 12 consecutive calendar months ending at the end of said year to exceed the amount specified below opposite each year end as set forth below:

Calendar Quarter Ending	Amount
December 31, 2000	$ 6,000,000
December 31, 2001	$ 8,000,000
December 31, 2002	$10,000,000
December 31, 2003	$12,000,000

Calendar Quarter Ending	Amount
December 31, 2004	$14,000,000
December 31, 2005 and each calendar year ending thereafter	$16,000,000

Section 10.6. Maximum Compensation. The Obligors will not pay salaries or other compensation (including, without limitation, loans or advances which are (or are anticipated to be) forgiven or not timely repaid in cash) to any employee in excess of seven hundred fifty thousand dollars ($750,000) per annum except pursuant to Performance Bonus plans. Compensation shall not include severance payments or Loans for Stock Purchases. No employee shall have an employment contract or be subject to a compensation plan with a term of more than four years.

Section 10.7. Limitation on Capital Expenditures. The Obligors will not permit the aggregate amount of Capital Expenditures in each year indicated below to exceed the amount set opposite such year:

Year Ending December 31,	Maximum Capital Expenditures
2000	$3,090,000
2001	$3,180,000
2002	$3,280,000
2003	$ 3,380,00
2004	$3,480,000
2005	$3,580,000
2006	$3,690,000

(other than Capital Expenditures made from the Insurance Account with insurance proceeds received in connection with a casualty occurrence to the extent that such proceeds are applied in accordance with and pursuant to the terms and limitations of the Collateral Agency Agreement).

Section 10.8. Limitations on Debt. The Obligors will not create, assume, guarantee or otherwise incur or in any manner be or become liable in respect of any Debt, except for Debt presently outstanding and described on Schedule 5.15 and:

(1) Debt evidenced by the Revolving Credit Notes;

(2) Debt evidenced by the Term Notes;

(3) any Swaps entered into by the Obligors with respect to notional amounts not to exceed, in the aggregate, the outstanding principal amount of all Loans hereunder;

(4) Debt evidenced by the Subordinated Debentures in aggregate principal amount not in excess of $30,000,000 (increased by the principal amount of the so-called "PIK Amount" pursuant to Paragraph 2(c) of the Subordinated Debentures);

(5) Debt incurred in connection with the making of Capital Expenditures permitted under Section 10.7 hereof provided that (i) such Debt is either unsecured or secured by Liens described in Section 10.9(g) and (ii) the aggregate principal amount of all such Debt incurred pursuant to this Section 10.8(5) by all Obligors in any fiscal year shall not exceed $1,500,000; and

(6) secured Debt of the Company permitted pursuant to Section 10.9(g) in an aggregate principal amount not to exceed $500,000.

Section 10.9. Limitation on Liens. No Obligor will create or incur, or suffer to be incurred or to exist, any Lien on its property or assets, whether now owned or hereafter acquired, or upon any income or profits therefrom, or transfer any property for the purpose of subjecting the same to the payment of obligations in priority to the payment of its general creditors, or acquire or agree to acquire any property or assets upon conditional sales agreements or other title retention devices, except:

(a) Liens for property taxes and assessments or governmental charges or levies and Liens securing claims or demands of mechanics and materialmen, provided payment thereof is not at the time required by Section 9.4; provided further in each case, the obligation secured is not overdue or, if overdue, is bonded or the execution of which is stayed by appropriate judicial action; and provided finally that any such Lien is subject and subordinate to the Lien of the Security Documents unless otherwise provided by operation of law;

(b) Liens of or resulting from any judgment or award, the time for the appeal or petition for rehearing of which shall not have expired, or in respect of which such Obligor shall at any time in good faith be prosecuting an appeal or proceeding for a review and in respect of which the obligation secured by such Lien is bonded or a stay of execution pending such appeal or proceeding for review shall have been secured; provided that any such Lien is subject and subordinate to the Lien of the Security Documents;

(c) Liens incidental to the conduct of business or the ownership of properties and assets (including Liens in connection with worker's compensation, unemployment insurance and other like laws, warehousemen's and attorneys' liens and statutory landlords' liens) and Liens to secure the performance of bids, tenders or trade contracts, or to secure statutory obligations, surety or appeal bonds or other Liens of like general nature incurred in the ordinary course of business and not in connection with the borrowing of money; provided in each case, the obligation secured is not overdue or, if overdue, is being contested in good faith by appropriate actions or proceedings and is bonded or the execution of which is stayed by appropriate judicial action; and provided

further that any such Lien is subject and subordinate to the Lien of the Security Documents unless otherwise provided by operation of law;

(d) minor survey exceptions or minor encumbrances, easements or reservations, or rights of others for rights-of-way, utilities and other similar purposes, or zoning or other restrictions as to the use of real properties, which do not in any event materially impair the value of such real property or the use thereof in the operation of the business of such Obligor;

(e) Liens existing as of the date of Closing and reflected in Schedule 5.15;

(f) Liens of the Security Documents and Liens expressly permitted pursuant thereto; and

(g) Liens incurred after the date of Closing given to secure the payment of the purchase price incurred in connection with the acquisition of fixed assets useful and intended to be used in carrying on the business of an Obligor, including Liens existing on such fixed assets at the time of acquisition thereof, whether or not such existing Liens were given to secure the payment of the purchase price of the fixed assets to which they attach so long as they were not incurred, extended or renewed in contemplation of such acquisition, provided that (i) the Lien shall attach solely to the fixed assets acquired or purchased, (ii) at the time of acquisition of such fixed assets, the aggregate amount remaining unpaid on all Debt secured by Liens on such fixed assets whether or not assumed by such Obligor shall not exceed 100% of the lesser of the total purchase price or Fair Market Value at the time of acquisition of such fixed assets (as determined in good faith by the Board of Directors of the Company), and (iii) all such Debt shall have been incurred within the limitations provided in Section 10.8(5); and

Section 10.10. Distributions. No Obligor will at any time declare or make, or incur any liability to declare or make, any Distribution provided, however, that the foregoing provisions of this Section 10.10 shall not prohibit the payment by the Obligors of (i) earn-out payments contained in agreements described on Schedule 10.10 and (ii) repurchases by the Company in the event of any "Involuntary Transfer" as defined in and as contemplated by Section 3(b) of the Restricted Stock Agreement, provided, further, however, that in the case of any such payment pursuant to clause (i) or (ii) above (excluding earn-out arrangements described on Schedule 10.10) at the time of such payment and after giving effect thereto no Default or Event of Default exists hereunder.

Section 10.11. Restricted Investment. No Obligor will make or authorize any Restricted Investments.

Section 10.12. Merger, Consolidation, Etc. No Obligor shall consolidate with or merge with any other corporation or convey, transfer or lease substantially all of its assets in a single transaction or series of transactions to any Person provided, however, that (a) that the foregoing shall not prohibit any Subsidiary from consolidating or merging with or into any other Subsidiary

or conveying, transferring or leasing all or substantially all of its assets to another Subsidiary if, at the time thereof and after giving effect thereto, (i) no Default or Event of Default exists hereunder and (ii) in the case of any transaction involving an Inactive Subsidiary, such transaction shall satisfy the requirements of Section 10.13, and (b) the foregoing shall not prohibit the transactions required under said Section 10.13.

Section 10.13. Sale of Assets. No Obligor shall make any Asset Disposition. Notwithstanding the foregoing, as promptly as practicable and in any event within 90 days after the date of Closing, the Obligors shall furnish to the Agent (which will promptly furnish copies to the Lenders) a detailed plan whereunder (a) substantially all of the operating assets of the Company are transferred to either an existing Subsidiary or a wholly-owned Subsidiary to be formed in connection with such transfer and (b) the Inactive Subsidiaries are dissolved or merged into a Subsidiary which is an Obligor with such Obligor as the survivor or continuing corporation. The aforementioned plan shall be satisfactory to the Agent in form, scope and substance. In addition, as promptly as practicable and within 180 days after the date of Closing, the transactions contemplated by and described in the aforementioned plan shall be fully consummated upon terms and provisions satisfactory in form, scope and substance to the Agent.

Section 10.14. Issuance of Certain Stock. (a) No Obligor shall issue any shares of capital stock of any class or other equity interests (or any options, warrants, convertible securities or rights with respect thereto) after the Closing other than (i) pursuant to the exercise of Warrants of the Company outstanding as of Closing, (ii) capital stock of the Company of an existing class issued as a stock split or stock dividend, (iii) capital stock issued by an Obligor pursuant to the Forensic Technologies International Corporation Employee Stock Purchase Plan dated June 30, 1997 and Forensic Technologies International Corporation 1997 Stock Option Plan dated as of March 27, 1997, as amended May 19, 1999; (iv) capital stock issued by the Company for cash consideration equal to the fair market value thereof (net of customary discount and commissions) provided that the net cash proceeds to the Company are concurrently with the receipt thereof applied to the prepayment of the Term Notes together with accrued and unpaid interest thereon and any amounts which may be payable pursuant to the provisions of Section 2 (which prepayment shall be applied on a pro-rata basis based on the unpaid principal amount of all outstanding Term Notes and if such prepayment is a partial prepayment of the Term Notes, such prepayment shall be deemed to be applied first against the amount otherwise due at the final maturity date of the respective Term Notes and any additional amounts of such partial prepayment shall be applied against the required installment payments in respect of such Term Notes in the inverse chronological order thereof) provided, further, that notwithstanding the foregoing proviso, up to but not in excess of 25% of such net cash proceeds may be applied to reduce Subordinated Debt if each of the following conditions are satisfied: (1) at the time of such payment and after giving effect thereto, no Default or Event of Default exists hereunder, (2) the Senior Debt to Cash Flow Ratio as of the end of each of the immediately preceding two calendar quarters shall have been equal to or less than 1.75 to 1.00, (3) such payment shall not violate the terms and provisions of the Subordination Agreement and (4) any such payment shall be applied, first, against outstanding accrued and unpaid interest then due and payable, if any, and second, against outstanding principal; and (5) capital stock issued by the Company for fair consideration in connection with a Permitted Acquisition.

Section 10.15. Sale-and-Leasebacks. No Obligor shall enter into any Sale-and-Leaseback Transaction.

Section 10.16. Prohibition of Change in Fiscal Year. No Obligor will change its fiscal year-end for accounting purposes from December 31 of any year.

Section 10.17. Sale or Discount of Receivables. No Obligor will discount or sell its notes receivable or accounts receivable.

Section 10.18. Subsidiaries. The Company will at all times own 100% of the outstanding shares of capital stock or equity, partnership or membership or interest of each Subsidiary. In the event the Company acquires any Subsidiaries after the Closing, the Company shall, concurrently with such acquisition, cause such Subsidiary to join this Agreement as a Co-Borrower hereunder pursuant to an instrument of joinder on the form of Exhibit 10.18 or otherwise satisfactory in form and substance to the Administrative Agent.

Section 10.19. Partnerships, Joint Ventures and LLC's. No Obligor will act or participate as a general or limited partner in any partnership or as a joint venturer in any joint venture or as a member of any LLC other than the Company as a member of P&M.

Section 10.20. Margin Securities. No Obligor will own, purchase or acquire (or enter into any contract to purchase or acquire) any "margin security" as defined by any regulation of the Board of Governors of the Federal Reserve System as now in effect or as the same may hereafter be in effect other than Securities received by an Obligor from an Account Debtor which is the subject of any proceedings under the Bankruptcy Code or any other comparable bankruptcy or insolvency law applicable under the law of any other country or political subdivision thereof.

Section 10.21. Payments of Debt. No Obligor shall, directly or indirectly or through any Affiliate, purchase, redeem, retire, acquire, advance or pay any Debt of an Obligor or deposit with any trustee in defeasance of any indenture under which such Debt may be outstanding, except: (a) the payment of the Debt evidenced by the Notes upon the terms and conditions provided for herein or therein or under any Security Document; (b) the payment of the Debt evidenced by the Subordinated Debentures, to the extent such payment is required by the terms and conditions provided for in the Subordinated Note Agreement and permitted by the Subordination Agreement; (c) Debt permitted by this Agreement incurred within the limitations of Section 10.8(3) or (5).

In addition to and not in limitation of the foregoing restrictions contained in this Section 10.21, no Obligor will make:

(a) any payment of principal of, or interest on, any of the Subordinated Debt, if prohibited by the Subordination Agreement or if any Default or Event of Default then exists hereunder or would result from such payment;

(b) any payment of the principal or interest due on the Subordinated Debt as a result of acceleration thereunder or a mandatory prepayment thereunder;

(c) any amendment or modification of or supplement to the documents evidencing or securing the Debt other than in respect of the Obligations pursuant to the terms hereof; and

(d) payment of principal or interest on the Debt other than when due (without giving effect to any acceleration of maturity or mandatory prepayment) other than in respect of the Obligations pursuant to the terms hereof.

In addition to and not in limitation of the foregoing restrictions contained in this Section 10.21 and in Section 10.14, and without limitation of any applicable subordination provisions in respect of the Subordinated Debt, no Obligor shall prepay, directly or indirectly, any amounts in respect of outstanding Subordinated Debt (first against accrued and unpaid interest then due and payable and, second, against outstanding principal) issued pursuant to the Subordinated Note Agreement, provided, however, that on April 30 of each year beginning April 30, 2003, the Company may prepay outstanding Subordinated Debt (together with accrued and unpaid interest thereon) if and so long as each of the following conditions are satisfied:

(i) the aggregate principal amount prepaid is not in excess of the portion of the principal amount of Subordinated Debt attributable to PIK Amounts capitalized for the immediately preceding fiscal year;

(ii) at the time of any such prepayment of such Subordinated Debt and after giving effect thereto, no Default or Event of Default exists or shall exist hereunder; and

(iii) any and all such prepayments shall be paid solely out of the 50% of Excess Cash Flow, if any, after the repayments required under Section 8.4(a).

No Obligor shall take or omit to take any action whereby the subordination of Subordinated Debentures to the Notes might be terminated, impaired or adversely affected.

Section 10.22. No Amendment of Organizational Documents. The Obligors covenant that each will not permit any amendment to or modification of its Articles of Incorporation or Bylaws (or articles of association or operating agreement) if such amendment or modification could adversely affect the rights of the Agents or Lenders.

Section 10.23. Guaranties. No Obligor will become or be liable in respect of any Guaranty provided, however, that any Obligor shall be permitted to enter into a Guaranty of any Debt of any other Obligor permitted to be incurred hereunder.

Section 10.24. Amendments to Other Documents. No Obligor will cause or permit, directly or indirectly, any amendment, waiver, consent, modification or adjustment (including, without limitation, any adjustment contemplated by the last sentence of Exhibit B to the Policano and Manzo Employment Agreements) of the Policano Employment Agreement, the Manzo Employment Agreement, the LLC Purchase Agreement, the Restricted Stock Agreements dated as of the date of Closing between the Company and Policano and, separately, Manzo, or the compensation plans, described on Schedule 10.6 or the Subordinated Note Agreement or the

Subordinated Debentures; provided, however, that the foregoing shall not preclude (i) routine, ministerial modifications to any employment or compensation agreement, (ii) amendments to compensation plans (which shall not, in any event, include the Restricted Stock Agreement) and Performance Bonuses provided, that such amendments are not otherwise prohibited by this Agreement including, without limitation, Section 10.6 hereof, and any Performance Bonus so amended continues to constitute a Performance Bonus hereunder and (iii) any holder of Subordinated Debentures from waiving any default by an Obligor under the Subordinated Note Agreement or from waiving compliance by the Obligors with any provisions of the Subordinated Note Agreement, unless, as a condition of obtaining such waiver, the Obligors are required to comply with additional terms or conditions that could adversely affect the interests of either an Obligor or the holders of the Notes.

Section 10.25. Transactions with Affiliates. No Obligor will enter into, directly or indirectly, (i) any Material transaction or Material group of related transactions (including without limitation the purchase, lease, sale or exchange of properties of any kind or the rendering of any service and including the employment as an officer of any immediate family member of an Affiliate) or (ii) any employment, management, consulting or advisory or similar arrangements, in each case, with any Affiliate of such Obligor, provided that such transactions referred to in clauses (i) or (ii) above are permitted if (a) pursuant to the reasonable requirements of such Obligor's business and upon fair and reasonable terms no less favorable to such Obligor than would be obtainable in a comparable arm's-length transaction with a Person not an Affiliate of such Obligor and (b) any Material transactions or Material employment management, consulting, advisory or similar arrangements, are specifically approved by the Board of Directors of the Company. Prior to the consummation of the transactions required pursuant to the provisions of Section 10.13, no Obligor will (i) enter into, directly or indirectly, any transaction or arrangement with any Inactive Subsidiary or (ii) permit any Inactive Subsidiary to engage in any transaction other than pursuant to Section 10.13. Notwithstanding anything contained herein or in any of the Financing Documents to the contrary, the Obligors (i) will cause the assets and properties of RestorTek, Inc., an Illinois corporation ("RestorTek") to be free and clear of any Liens (or evidence thereof) other than the Liens securing the Obligations under the Financing Documents at all times from and after 180 days after Closing and (ii) will not permit RestorTek to enter into any transaction or arrangement with any other Obligor, or obtain or acquire any Material assets or property which RestorTek does not own as of the date of Closing, unless and until the Obligors shall have delivered evidences of release and termination satisfactory to the Collateral Agent of any and all liens or evidences thereof encumbering the assets or property of RestorTek other than liens securing the Obligations under the Financing Documents.

Section 10.26. Line of Business. No Obligor will enter into any line or area of business other than scientific, litigation, financial and claims management consulting services.

Section 10.27. Termination of Pension Plans. No Obligor will withdraw from any Multiemployer Plan or permit any employee benefit plan maintained by an Obligor to be terminated if such withdrawal or termination would result in withdrawal liability (as described in Part 1 of Subtitle E of Title IV of ERISA) or the imposition of a Lien on any Property of the Company pursuant to Section 4068 of ERISA. No Obligor will, or will permit any ERISA

Affiliate to, (i) maintain, contribute to, or have any liability with respect to, any defined benefit plan under ERISA or (ii) be subject to, or obligated under, any Multi-Employer Plan.

Section 10.28. Material Contracts Assigned. No Obligor will enter into any Material contract or agreement, unless such Obligor uses its reasonable best efforts to ensure that such contract or agreement includes a provision with respect to its collateral assignment to the Collateral Agent substantially in the form attached hereto as Exhibit 10.28-1. To the extent any such Material contract or agreement contains a license for any software, system development or similar Property which Property is material to the performance of the contract by the contracting party, the Obligors will cause such contracting party to enter into a license agreement substantially in the form attached hereto as Exhibit 10.28-2 concurrently with the execution and delivery of such Material contract or agreement.

Section 10.29. Certain Compensation. No Obligor shall enter into any phantom stock or similar compensation program with any Person unless such program prohibits any rights of exercise, required repurchase or other direct or indirect compensation if and so long as any of the Obligations hereunder remain outstanding.

Section 11. Events of Default.

An "Event of Default" shall exist if any of the following conditions or events shall occur and be continuing:

(a) an Obligor defaults in the payment of any principal of any Loan when the same becomes due and payable, whether at maturity or at a date fixed for prepayment or by declaration or otherwise; or

(b) an Obligor defaults in the payment of any interest on any Loan or of any fee or other Obligation payable by an Obligor (other than Obligations referred to in paragraph (a) of this Section 11) hereunder for more than three Business Days after the same becomes due and payable; or

(c) an Obligor defaults in the performance of or compliance with any term contained in (i) Section 7 and such default is not remedied within 30 days or (ii) Section 9.2(a), Section 9.2(b) or Section 10; or

(d) an Obligor defaults in the performance of or compliance with any term contained herein applicable to such party (other than those referred to in paragraphs (a), (b) and (c) of this Section 11) or of any other Financing Document and such default is not remedied within 30 days after the earlier of (i) a Responsible Officer of the Company obtaining actual knowledge of such default and (ii) the Company receiving written notice of such default from any Lender; or

(e) any representation or warranty made in writing by or on behalf of an Obligor or by any officer of an Obligor or by Policano or Manzo, in each case, in any

Financing Document (or in any agreement, document or instrument assigned for collateral purposes or otherwise or pledged under any Financing Documents including, without limitation, the LLC Purchase Agreement) or in any writing by an Obligor (or any officer of an Obligor) or by Policano or Manzo furnished to any Lender in connection with the transactions contemplated hereby proves to have been false or incorrect in any Material respect on the date as of which made and shall remain Material; or

(f) (i) an Obligor is in default (as principal or as guarantor or other surety) in the payment of any principal of or premium or make-whole amount or interest on, or liability in respect of, any Debt, leases, collateral or other obligations (which Debt, leases, collateral or other obligations is in an amount of at least $500,000 ("Material Liability")) that is outstanding beyond any period of grace provided with respect thereto, or (ii) an Obligor is in default in the performance of or compliance with any term of any evidence of any Material Liability or of any mortgage, indenture or other agreement relating thereto or any other condition exists, and as a consequence of such default or condition such Material Liability has become, or has been declared (or one or more Persons are entitled to declare such Material Liability to be), due and payable before its stated maturity or before its regularly scheduled dates of payment, or (iii) as a consequence of the occurrence or continuation of any event or condition (other than the passage of time or the right of the holder of a Material Liability to convert such Material Liability into equity interests), (x) an Obligor has become obligated to purchase or repay a Material Liability before its regular maturity or before its regularly scheduled dates of payment or (y) one or more Persons have the right to require an Obligor so to purchase or repay such Material Liability; or

(g) an Obligor (i) is generally not paying, or admits in writing its inability to pay, its debts as they become due, (ii) files, or consents by answer or otherwise to the filing against it of, a petition for relief or reorganization or arrangement or any other petition in bankruptcy, for liquidation or to take advantage of any bankruptcy, insolvency, reorganization, moratorium or other similar law of any jurisdiction, (iii) makes an assignment for the benefit of its creditors, (iv) consents to the appointment of a custodian, receiver, trustee or other officer with similar powers with respect to it or with respect to any substantial part of its Property, (v) is adjudicated as insolvent or to be liquidated, or (vi) takes action for the purpose of any of the foregoing; or

(h) a court or Governmental Authority of competent jurisdiction enters an order appointing, without consent by the related Obligor, a custodian, receiver, trustee or other officer with similar powers with respect to it or with respect to any substantial part of its property, or constituting an order for relief or approving a petition for relief or reorganization or any other petition in bankruptcy or for liquidation or to take advantage of any bankruptcy or insolvency law of any jurisdiction, or ordering the dissolution, winding-up or liquidation of such Obligor, as the case may be, or any such petition shall be filed against an Obligor and such petition shall not be dismissed within 60 days; or

(i) an "Event of Default" as such term is defined in the Collateral Agency Agreement or the Subordinated Note Agreement (including, without limitation, Article 4 thereof without amendment or waiver thereof) shall occur and be continuing; it being understood by each party to this Credit Agreement that nothing contained herein shall create any right by any such party to make any claim of any type against any of the Principals (as defined in the Subordinated Note Agreement) in any way related to the covenants or other agreements made by such Principals in the Subordinated Note Agreement; or

(j) a final judgment or judgments for the payment of money aggregating in excess of $500,000 are rendered against an Obligor and which judgments are not, within 30 days after entry thereof, bonded, discharged or stayed pending appeal, or are not discharged within 30 days after the expiration of such stay; or

(k) if (i) any Plan (other than a Multiemployer Plan) shall fail to satisfy the minimum funding standards of ERISA or the Code for any plan year or part thereof or a waiver of such standards or extension of any amortization period is sought or granted under Section 412 of the Code, (ii) a notice of intent to terminate any Plan (other than a Multiemployer Plan) shall have been or is reasonably expected to be provided to participants in such Plan or filed with the PBGC or the PBGC shall have instituted proceedings to terminate or appoint a trustee to administer any such Plan or the PBGC shall have notified an Obligor or any ERISA Affiliate that such a Plan may become a subject of any such proceedings, (iii) the aggregate "amount of unfunded benefit liabilities" (within the meaning of section 4001(a)(18) of ERISA) under all Plans (other than Multiemployer Plans) that are subject to Section 302 or Title IV of ERISA, determined in accordance with Title IV of ERISA, shall exceed $500,000, (iv) an Obligor or any ERISA Affiliate shall have incurred or is reasonably expected to incur any liability pursuant to Title I (other than normal operating liabilities under a Plan) or IV of ERISA or excise tax provisions of the Code relating to employee benefit plans, (v) an Obligor or any ERISA Affiliate withdraws from any Multiemployer Plan, or (vi) an Obligor establishes or amends any employee welfare benefit plan that provides post-employment welfare benefits in a manner that would increase the liability of an Obligor thereunder; and any such event or events described in clauses (i) through (vi) above, either individually or together with any other such event or events, could reasonably be expected to have a Material Adverse Effect; or

(l) a Change in Control shall have occurred; or

(m) the occurrence of any event or circumstance which the Required Lenders determine in their reasonable discretion to have a Material Adverse Effect;

(n) the Company shall have terminated Policano or Manzo "Without Cause" as contemplated in the Policano or Manzo Employment Agreement, as the case may be, or Policano or Manzo shall have terminated his employment with the Company for "Good Reason" as contemplated in the Policano and Manzo Employment Agreement,

unless the Board of Directors of P&M engages, within 90 days of any such event, a replacement for the relevant individual approved by the Agent and the Required Lenders, which approval shall not be unreasonably withheld; it being understood by each party to this Credit Agreement that nothing contained in this paragraph shall create any right by such party to make any claim of any type against Policano or Manzo in any way related to the event of default described in this paragraph; or

(o) for any reason except death or disability either Jack B. Dunn, IV ("Dunn") or Stewart J. Kahn ("Kahn") fails to renew his respective employment agreement described on Schedule 10.6 with the Company, is otherwise no longer employed by the Obligors and engaged in their operations and management in substantially his present capacity, or fails to give his full time and attention to the Obligor's business, unless the Board of Directors of the Company engages, within 90 days of such event, a replacement for the relevant individual approved by the Agent and the Required Lenders, which approval shall not be unreasonably withheld; it being understood by each party to this Credit Agreement that nothing contained in this paragraph shall create any right by such party to make any claim of any type against Dunn or Kahn in any way related to the event of default described in this paragraph.

As used in Section 11, the terms "employee benefit plan" and "employee welfare benefit plan" shall have the respective meanings assigned to such terms in Section 3 of ERISA.

Section 12. Remedies on Default, Etc.

Section 12.1. Bankruptcy Defaults. (a) If an Event of Default described in paragraph (g) or (h) of Section 11 has occurred, all the Loans then outstanding and all fees, charges and other Obligations payable to the Lenders hereunder shall automatically become immediately due and payable, and the obligations of the Lenders to extend further credit pursuant to any of the terms hereof shall immediately terminate.

Section 12.2. Non-Bankruptcy Default. If any other Event of Default has occurred and is continuing, the obligation of the Lenders to extend further credit hereunder shall be suspended unless and until the conditions set forth in Section 4.2 are satisfied or waived in accordance with Section 17 and the Required Lenders, by notice to the Company, may take one or more of the following actions:

(a) terminate the obligations of the Lenders to extend any further credit hereunder;

(b) declare all the Notes then outstanding and all fees, charges and other Obligations payable to the Lenders hereunder to be immediately due and payable; and

(c) enforce any and all rights and remedies available to it under the Financing Documents or applicable law.

Section 12.3. No Waivers or Election of Remedies, Expenses, Etc. No course of dealing and no delay on the part of any Lender in exercising any right, power or remedy shall operate as a waiver thereof or otherwise prejudice such Lender's rights, powers or remedies. No right, power or remedy conferred by any Financing Document upon any Lender shall be exclusive of any other right, power or remedy referred to herein or therein or now or hereafter available at law, in equity, by statute or otherwise. Without limiting the obligations of the Obligors under Section 13, the Obligors will pay to each Lender on demand such further amount as shall be sufficient to cover all costs and expenses of such Lender incurred in any enforcement or collection under this Section 12, including, without limitation, reasonable attorneys' fees, expenses and disbursements (including those of common counsel to the Lenders).

Section 12.4. Interest Upon Acceleration. Upon any Note being accelerated or otherwise becoming due and payable pursuant to Section 12.1 or 12.2, in addition to any other amounts payable under the Financing Documents including pursuant to Section 2 hereof, the Obligors shall pay the unpaid principal amount thereof, together with all accrued and unpaid interest thereon.

Section 13. Expenses, Indemnity, Etc.

Section 13.1. Transaction Expenses. Whether or not the transactions contemplated hereby are consummated, the Obligors will pay all costs and expenses (including reasonable attorneys' fees of a special counsel and, if reasonably required, local or other counsel provided, however, that it is agreed that in connection with the closing of the transactions contemplated by this Agreement and without limiting the requirements in respect of the Subordinated Debt, the Obligors shall not be responsible for the professional fees or disbursements or charges of counsel other than Chapman and Cutler, as special counsel to the Agents and Lenders hereunder and such local counsel as the Agents may reasonably request) incurred by all Agents, any Lender or the Collateral Agent in connection with such transactions and in connection with any amendments, waivers or consents under or in respect of the Financing Documents (whether or not such amendment, waiver or consent becomes effective), including, without limitation: (a) the costs and expenses incurred in enforcing or defending (or determining whether or how to enforce or defend) any rights under the Financing Documents or in responding to any subpoena or other legal process or informal investigative demand issued in connection with the Financing Documents, or by reason of being Lender hereunder, (b) the costs and expenses, including financial advisors' fees, incurred in connection with the insolvency or bankruptcy of an Obligor or in connection with any work-out or restructuring of the transactions contemplated hereby or by the Financing Documents, and (c) the initial and on-going fees of the Collateral Agent in connection with the Collateral Agency Agreement as agreed in writing with the Company or any other Obligor. The Obligors will pay, and will save each Lender harmless from, all claims in respect of any fees, costs or expenses, if any, of brokers and finders (other than those retained by a Lender). It is understood and agreed that if any Lender should pay any costs and expenses which are provided by this Section 13.1 to be paid by the Obligors, the Obligors shall upon demand reimburse such Lender in the amount of any such payment together with interest thereon from the tenth Business Day following date of such demand to the date of reimbursement therefor at a rate per annum equal to 0.25% above the Prime Rate.

Section 13.2. General Indemnity. The Obligors, jointly and severally, agree to defend, protect, indemnify, and hold harmless all Agents and each Lender and each of their respective Affiliates, including, without limitation, their respective officers, directors, employees, attorneys and agents (collectively, the "Indemnitees") 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, the reasonable fees and disbursements of counsel for such Indemnitees in connection with any investigative, administrative or judicial proceeding, whether or not such Indemnitees shall be designated a party thereto), imposed on, incurred by, or asserted against such Indemnitees (whether direct or indirect, consequential or otherwise, and whether based on any federal or state laws or other statutory regulations, including, without limitation, securities and commercial and ERISA laws and regulations, under common law or in equity, or based on contract or otherwise, including those relating to violation of any environmental, health or safety laws or regulations, the past, present or future operations of an Obligor or any of its predecessors in interest, or the past, present or future environmental, health or safety condition of any properties thereof) in any manner relating to or arising out of any Financing Document or any agreement contemplated thereby, or any act, event or transaction related or attendant thereto, the making of the Loans or the use or intended use of the proceeds thereof (collectively, the "Indemnified Matters"); provided, however, the Obligors shall have no obligation to an Indemnitee hereunder with respect to Indemnified Matters to the extent caused by or resulting from the willful misconduct or gross negligence of such Indemnitee. To the extent that the undertaking to indemnify, pay and hold harmless set forth in the preceding sentence may be unenforceable because it is violative of any law or public policy, the Obligors shall contribute the maximum portion which it is permitted to pay and satisfy under applicable law to the payment and satisfaction of all Indemnified Matters incurred by the Indemnitees. The Obligors, jointly and severally, further agree that the indemnities set forth in this Section 13.2 are in addition to, and shall not in any manner limit or act as a waiver of, any rights, including, without limitation, any rights to indemnification or contribution, which the Indemnitees may have under any other document, instrument or agreement or any applicable law.

Section 13.3. Survival. The obligations of the Obligors under this Section 13 will survive the payment or transfer of any Note, the enforcement, amendment or waiver of any provision of the Financing Documents, and the termination of any of the Financing Documents.

Section 14. Survival of Representations and Warranties; Entire Agreement.

All representations and warranties contained herein shall survive the execution and delivery of the Financing Documents, the making of the Loans, the transfer by any Lender of any of its Notes or portion thereof or interest therein, the payment of any Note and the assignment by any Lender of any part of its rights and obligations under this Agreement, and all representations and warranties contained herein may be relied upon by any subsequent Lender regardless of any investigation made at any time by or on behalf of such Lender. All statements contained in any certificate or other instrument delivered by or on behalf of an Obligor or Policano or Manzo pursuant to the Financing Documents shall be deemed representations and warranties of such Obligor or Policano or Manzo under the Financing Documents. Subject to the preceding

sentence, the Financing Documents embody the entire agreement and understanding between the Lenders and the Obligors and supersede all prior agreements and understandings relating to the subject matter hereof.

Section 15. Amendment and Waiver.

Section 15.1. Requirements. This Agreement, the Financing Documents and the Notes may be amended, and the observance of any term hereof of the Financing Documents or of the Notes may be waived (either retroactively or prospectively), with (and only with) the written consent of the Company, the Agents and the Required Lenders, except that (a) this Agreement (insofar as it relates to the terms and conditions of the Revolving Credit Commitments) and the Revolving Credit Notes may not be amended without the consent of the Required Revolving Credit Lenders, and this Agreement (insofar as it relates to the terms and conditions of the Term A Loan Commitments and the Term B Loan Commitments) and the Term Notes may not be amended without the consent of the Required Term Lenders, and (b) without the consent of all Lenders no such amendment, modification or waiver shall increase the amount or extend the term of any Lender's Commitment or reduce the amount of any principal of or interest rate applicable to, or extend the maturity of, any Obligation owed to it or reduce the amount of the fees to which it is entitled hereunder or release any guarantor or any Material part of the collateral security afforded by the Security Documents (except in connection with any release, sale or other disposition required or permitted to be effected by the provisions hereof or of the Security Documents) or change this Section or change the definition of "Required Lenders" or change the number of Lenders required to take any action hereunder or under any of the other Financing Documents.

Section 15.2. Solicitation of Lenders.

(a) Solicitation. The Company will provide the Administrative Agent (and the Administrative Agent shall promptly furnish to each Lender (irrespective of the amount of its Commitment)) with sufficient information, sufficiently far in advance of the date a decision is required, to enable the Administrative Agent and Lenders to make an informed and considered decision with respect to any proposed amendment, waiver or consent in respect of any of the provisions hereof or of the other Financing Documents. It is specifically acknowledged that the Company shall be required to deliver any request for amendment or waiver only to the Administrative Agent and that the Agent shall promptly furnish such request to such lender and such other person as the Administrative Agent deems appropriate. The Company will deliver executed or true and correct copies of each amendment, waiver or consent effected pursuant to the provisions of this Section 15 or the provisions of any other Financing Document to each Lender promptly following the date on which it is executed and delivered by, or receives the consent or approval of, the requisite Lenders. The Company will cooperate with the Administrative Agent appointed under Section 17.1 in connection with the preparation and processing of any such amendment, waiver or consent.

(b) Payment. No Obligor will directly or indirectly pay or cause to be paid any remuneration, whether by way of supplemental or additional interest, fee or otherwise, or grant

any security, to any Agent or Lender as consideration for or as an inducement to the entering into by any Agent or Lender of any waiver or amendment of any of the terms and provisions hereof or of the other Financing Documents unless such remuneration is concurrently paid, or security is concurrently granted, on the same terms, ratably to each Agent and Lender.

Section 15.3. Binding Effect, Etc. Any amendment or waiver consented to as provided in this Section 15 applies equally to all Agents and Lenders and is binding upon them and upon each future Agent and Lender and upon the Obligors. No such amendment or waiver will extend to or affect any obligation, covenant, agreement, Default or Event of Default not expressly amended or waived or impair any right consequent thereon. No course of dealing between any Obligor and any Lender nor any delay in exercising any rights hereunder or under any Note shall operate as a waiver of any rights of any Lender or Agent. As used herein, the term "this Agreement" and references thereto shall mean this Agreement as it may from time to time be amended or supplemented.

Section 16. Notices.

Except as otherwise specified herein, all notices and communications provided for hereunder shall be in writing and sent (a) by telecopy if the sender on the same day sends a confirming copy of such notice by a recognized overnight delivery service (charges prepaid), or (b) by registered or certified mail with return receipt requested (postage prepaid), or (c) by a recognized overnight delivery service (specifying next Business Day delivery, with charges prepaid). Any such notice must be sent:

(i) if to the Agent or any Lender, to the Agent or such Lender at the address specified for such communications in Schedule A, or at such other address as such Lender or Agent shall have specified to the Company in writing, or

(ii) if to an Obligor, to the Company at its address set forth on page one hereof to the attention of:

Jack B. Dunn, IV
Chief Executive Officer
FTI Consulting, Inc.
2021 Research Drive
Annapolis, Maryland 21401
Telephone: (410) 224-8770
Facsimile: (410) 224-2809

with a copy to:

Theodore Pincus
Chief Financial Officer
FTI Consulting, Inc.
2021 Research Drive
Annapolis, Maryland 21401
Telephone: (410) 224-8770
Facsimile: (410) 224-2809

with a copy (including any notice of default) to:

Richard C. Tilghman, Jr., Esq.
Piper Marbury Rudnick & Wolfe LLP
6225 Smith Avenue
Baltimore, Maryland 21209-3600
Telephone: (410) 580-4274
Facsimile: (410) 580-3001

or such other address as the Company shall have specified to the Agent and the Lenders.

Notices under this Section 16 will be deemed given only when actually received.

Section 17. The Agents.

Section 17.1. Appointment and Authorization. Each Lender hereby appoints and authorizes (i) Newcourt (in its capacity as Administrative Agent for the Lenders hereunder) to take such action as agent on its behalf and to exercise such powers hereunder and under the other Financing Documents as are designated to the Administrative Agent by the terms hereof and thereof together with such powers as are reasonably incidental thereto. Each Lender acknowledges and agrees that Newcourt has been appointed as Collateral Agent pursuant to the Collateral Agency Agreement dated the date of Closing and each Lender acknowledges that the Collateral Agent is authorized to take such action as agent on its behalf and to exercise such powers hereunder and under the other Financing Documents as are designated to the Collateral Agent. Each Lender hereby appoints Newcourt as Book Manager. Each Lender hereby appoints SunTrust as Documentation Agent. Each Lender hereby appoints Capital Syndication Corporation as Syndication Agent and Lead Arranger hereunder. Each Lender appoints B of A as Co-Lead Arranger. The following provisions of this Section 17 shall apply to all Agents except as otherwise expressly provided for in the other Financing Documents including, without limitation, the terms and provisions of Section 6 of the Collateral Agency Agreement. It is acknowledged and agreed that the Documentation Agent, the Syndication Agent, the Book Manager, the Lead Arranger and the Co-Lead Arranger shall have no rights, obligations or responsibilities hereunder.

The Lenders expressly agree that each Agent is not acting as a fiduciary of the Lenders in respect of the Financing Documents, the Obligors or otherwise, and nothing herein or in any of

the other Financing Documents shall result in any duties or obligations on an Agent or any of the Lenders except as expressly set forth herein. An Agent may resign at any time by sending 30 days prior written notice to the Company and the Lenders. In the event of any such resignation, the Required Lenders may appoint a new agent, which shall succeed to all the rights, powers and duties of such Agent hereunder and under the other Financing Documents. Any resigning Agent shall be entitled to the benefit of all the protective provisions hereof with respect to its acts as an agent hereunder, but no successor Agent shall in any event be liable or responsible for any actions of its predecessor. If an Agent resigns and no successor is appointed, the rights and obligations of such Agent shall be automatically assumed by the Required Lenders and (i) the Obligors shall be directed to make all payments due each Lender hereunder directly to such Lender and (ii) such Agent's rights, if any, in the Financing Documents shall be assigned without representation, recourse or warranty to the Lenders as their interests may appear.

Section 17.2. Rights as a Lender. Each Agent has and reserves all of the rights, powers and duties hereunder and under the other Financing Documents as any Lender may have and may exercise the same as though it were not the Agent and the terms "Lender" or "Lenders" as used herein and in all of such documents shall, unless the context otherwise expressly indicates, include such Agent in its individual capacity as a Lender.

Section 17.3. Standard of Care. The Lenders acknowledge that they have received and approved copies of the Financing Documents and such other information and documents concerning the transactions contemplated and financed hereby as they have requested to receive and/or review. No Agent or Arranger makes any representations or warranties of any kind or character to the Lenders with respect to the validity, enforceability, genuineness, perfection, value, worth or collectibility hereof or of the Notes or any of the other Obligations or of any of the other Financing Documents or of the Liens provided for thereby or of any other documents called for hereby or thereby or of the Collateral. Neither an Agent nor any director, officer, employee, agent, attorney or representative thereof (including any Collateral Agent therefor) shall in any event be liable for any clerical errors or errors in judgment, inadvertence or oversight, or for action taken or omitted to be taken by it or them hereunder or under the other Financing Documents or in connection herewith or therewith except for its or their own gross negligence or willful misconduct. No Agent shall incur any liability under or in respect of this Agreement or the other Financing Documents by acting upon any notice, certificate, warranty, instruction or statement (oral or written) of anyone (including anyone in good faith believed by it to be authorized to act on behalf of an Obligor), unless it has actual knowledge of the untruthfulness of same. Each Agent may execute any of its duties hereunder by or through employees, agents, and attorneys-in-fact and shall not be answerable to the Lenders for the default or misconduct of any such agents or attorneys-in-fact selected with reasonable care. Each Agent shall be entitled to advice of counsel concerning all matters pertaining to the agencies hereby created and its duties hereunder, and shall incur no liability to anyone and be fully protected in acting upon the advice of such counsel. Each Agent shall be entitled to assume that no Default or Event of Default exists unless notified in writing to the contrary by a Lender. Each Agent shall in all events be fully protected in acting or failing to act in accord with the instructions of the Required Lenders. Upon the occurrence of an Event of Default hereunder, each Agent shall take such action with respect to the enforcement of the Liens on the Collateral and the preservation and protection thereof as it shall be directed to take by the Required

Lenders; provided that such direction shall not conflict with the provisions of law or of the Financing Documents. Each Agent shall in all cases be fully justified in failing or refusing to act hereunder unless it shall be indemnified to its satisfaction by the Lenders ratably and severally against any and all liability and expense which may be incurred by such Agent by reason of taking or continuing to take any such action. Each Agent may treat the owner of any Note as the holder thereof until written notice of transfer shall have been filed with such Agent signed by such owner in form satisfactory to the Administrative Agent. Each Lender acknowledges that it has independently and without reliance on any Agent or any other Lender and based upon such information, investigations and inquiries as it deems appropriate made its own credit analysis and decision to extend credit to the Obligors. Without limiting any obligation contained herein for the Agent to deliver or forward information to the Lenders, it shall be the responsibility of each Lender to keep itself informed as to the creditworthiness of the Obligors and an Agent shall have no liability to any Lender with respect thereto.

Section 17.4. Costs and Expenses. Each Lender agrees to reimburse each Agent for all reasonable costs and expenses suffered or incurred by each Agent or in performing its duties hereunder and under the other Financing Documents, or in the exercise of any right or power imposed or conferred upon each Agent hereby or thereby, to the extent that such Agent is not promptly reimbursed for same by the Obligors or out of the Collateral, all such reasonable costs and expenses to be borne by the Lenders ratably in accordance with the amounts of their respective Commitments (or unpaid principal amount of Loans with respect to any Commitments that have expired or been terminated). Any such reimbursement by the Lenders to an Agent shall not eliminate the Obligors' obligation to reimburse such Agent and the Lenders for such expenses hereunder.

Section 17.5. Indemnity. The Lenders shall ratably (based on the aggregate of outstanding Loans and unused Commitments, if any) and severally indemnify and hold each Agent, and its directors, officers, employees, agents and representatives (including as such any security trustee therefor) harmless from and against any liabilities, losses, costs and expenses suffered or incurred by them hereunder or under the other Financing Documents or in connection with the transactions contemplated hereby or thereby, regardless of when asserted or arising, except to the extent they are promptly reimbursed for the same by the Obligors or out of the Collateral and except to the extent that any event giving rise to a claim was caused by the gross negligence or willful misconduct of the party seeking to be indemnified.

Section 17.6. Consultation with Experts. Each Agent may consult with legal counsel, independent public accountants and other experts selected by it and shall not be liable for any action taken or omitted to be taken by it in good faith in accordance with the advice of such counsel, accountants or experts.

Section 17.7. Enforcement of Collateral. The Lenders acknowledge and agree that all proceedings at law or in equity to foreclose or otherwise realize upon the Collateral subject to the Security Documents shall be instituted and maintained by or at the direction of the Collateral Agent for the benefit of itself and the holders of the Obligations in the manner provided for in this Agreement and the Security Documents, and no Lender shall individually have the right to institute any such proceeding in absence of default by the Collateral Agent.

Section 17.8. Hedging Arrangements. By virtue of a Lender's execution of this Agreement or an Assignment Agreement pursuant to Section 18.2 hereof, as the case may be, any affiliate of such Lender with whom an Obligor has entered into an agreement creating Hedging Liability shall be deemed a Lender party hereto for purposes of any reference in a Financing Document to the parties for whom the Collateral Agent is acting, it being understood and agreed that the rights and benefits of such affiliate under the Financing Documents consist exclusively of such affiliate's right to share in payments under the Financing Documents and collections out of the Collateral as more fully set forth in other provisions hereof.

Section 18. Participations; Assignments.

Section 18.1. Participations. Any Lender may, upon notice to the Company, grant participations in its Commitments or Loans to any other Lender or other lending institution (a "Participant"); provided that (i) the amount of each such participation granted by such Lender shall be in an amount not less than $2,500,000; (ii) no Participant shall thereby acquire any direct rights under this Agreement (including any consent or waiver rights), (iii) no Lender shall agree with a Participant not to exercise any of such Lender's rights hereunder without the consent of such Participant except for rights which under the terms hereof may only be exercised by all Lenders and (iv) no sale of a participation in extensions of credit shall in any manner relieve the selling Lender of its obligations hereunder.

Section 18.2. Assignment Agreements. Each Lender may, from time to time, upon notice to the Company, assign to other commercial lenders all or a part of its rights and obligations under this Agreement (including without limitation the indebtedness evidenced by any Note then owned by such assigning Lender, together with an equivalent proportion of its Commitment to make Loans hereunder) pursuant to written agreements executed by such assigning Lender, such assignee lender or lenders, and, so long as no Default or Event of Default exists, acknowledged by the Company (it being acknowledged that the failure of the Company to acknowledge such assignment shall not in any way hinder or impair such assignment) and the Administrative Agent, which agreements shall specify in each instance the portion of the indebtedness evidenced by the Notes which is to be assigned to each such assignee lender and the portion and type of the Commitment of the assigning Lender to be assumed by it (the "Assignment Agreements"); provided, however, that (i) the Administrative Agent must consent, which consent shall not be unreasonably withheld, to each assignment with respect to the Revolving Credit to a party which was not an original signatory of this Agreement; (ii) unless the Administrative Agent otherwise consents, the aggregate amount of the Commitments, Loans and Notes of the assigning Lender being assigned pursuant to each such assignment (determined as of the effective date of the relevant Assignment Agreement) shall in no event be less than $5,000,000 (or if the aggregate amount of all Commitments, Loans and Notes of the assigning Lender is less than $5,000,000, such lesser amount) and shall be an integral multiple of $10,000; (iii) an assignment fee of $3,500 shall be paid by the assigning Lender to the Administrative Agent concurrently with such assignment; and (iv) the Company must consent, which consent shall not be unreasonably withheld, to each assignment with respect to the Revolving Credit to a party which is not an Eligible Assignee. Upon the execution of each Assignment Agreement by the assigning Lender thereunder, the assignee lender thereunder, the Administrative Agent and, if required, the acknowledgment of the Company and payment to such assigning Lender by such assignee lender

of the purchase price for the portion of the indebtedness of the Obligors being acquired by it, (i) such assignee lender shall thereupon become a "Lender" for all purposes of this Agreement with a Commitment in the amount set forth in such Assignment Agreement and with all the rights, powers and obligations afforded a Lender hereunder, (ii) such assigning Lender shall have no further liability for funding the portion of its Commitment assumed by such other Lender and (iii) the address for notices to such assignee Lender shall be as specified in the Assignment Agreement executed by it. Concurrently with the execution and delivery of any such Assignment Agreement with respect to a Lender's Revolving Credit Commitment, the Obligors shall execute and deliver a Revolving Credit Note to the assignee Lender in the amount of its Revolving Credit Commitment and, unless the assigning Lender shall have assigned all of its rights and obligations under this Agreement, a new Revolving Credit Note to the assigning Lender in the amount of its Revolving Credit Commitment after giving effect to the reduction occasioned by such assignment, all such Revolving Credit Notes to constitute "Revolving Credit Notes" for all purposes of this Agreement and of the other Financing Documents. Concurrently with the execution and delivery of any such Assignment Agreement with respect to a Term Note, the Obligors shall execute and deliver a Term Note to the assignee Lender in the amount of the assigned principal and, unless the assigning Lender shall have assigned all of its rights and obligations under this Agreement with respect to its Term Notes, a new Term Note to the assigning Lender in the amount of the principal not so assigned, all such Term Notes to constitute "Term Notes" for all purposes of this Agreement and of the other Financing Documents. Each assigning Lender, upon the issuance of the Notes to be delivered by the Obligors in connection with such assignment, shall deliver each of its Notes which is the subject of such assignment to the Company for cancellation.

The Obligors agree to cooperate fully with the Lenders and any rating agency and the Administrative Agent to the extent reasonably necessary to enable and effectuate the participations, assignments and syndication contemplated in this Section 18.

Section 19. Miscellaneous.

Section 19.1. Successors and Assigns. All covenants and other agreements contained in this Agreement by or on behalf of any of the parties hereto bind and inure to the benefit of their respective successors and assigns (including, without limitation, any subsequent Lender) whether so expressed or not; provided, however, that no Obligor shall not assign or transfer its rights and obligations hereunder.

Section 19.2. Actions and Proceedings. Any legal action or proceeding against an Obligor with respect to this Agreement may be brought in such of the courts of competent jurisdiction of the State of New York in New York County, the City of New York or in the United States District Court for the Southern District of New York as the Agent, the Collateral Agent or the required Lenders, as the case may be, may elect, and by execution and delivery of this Agreement, each Obligor irrevocably submits to the nonexclusive jurisdiction of such courts for purposes of legal actions and proceedings hereunder and, in the case of any such legal action or proceeding brought in the above-named New York courts, hereby irrevocably consents, during such time, to the service of process out of any of the aforementioned courts in any such action or proceeding by the mailing of copies thereof by registered or certified mail, postage prepaid, (or

by nationally recognized courier service) to the Company at its address as provided in Section 16 hereof (including to the attention of the individual named in clause (ii) of Section 16) or by any other means permitted by applicable law. If it becomes necessary for the purpose of service of process out of any such courts, each Obligor shall take all such action as may be required to authorize a special agent to receive, for and on behalf of it, service of process in any such legal action or proceeding, and shall take all such action as may be necessary to continue said appointment in full force and effect so that each Obligor will at all times have an agent for service of process for the above purposes in New York, New York. To the extent permitted by law, final judgment (a certified copy of which shall be conclusive evidence of the fact and of the amount of any indebtedness of each Obligor to any Lender) against an Obligor in any such legal action or proceeding shall be conclusive and may be enforced in other jurisdictions by suit on an unsatisfied judgment. Each Obligor severally, hereby irrevocably waives and agrees not to assert, by way of motion, as a defense, or otherwise, in any legal action or proceeding brought hereunder in any of the above-named courts, (i) that it or any of its Property is immune from the above-described legal process (whether through service or notice, attachment prior to judgment, attachment in aid of execution, or otherwise), (ii) that such action or proceeding is brought in an inconvenient forum, that venue for the action or proceeding is improper or that this Agreement or any other Financing Document may not be enforced in or by such courts, or (iii) any defense that would hinder or delay the levy, execution or collection of any amount to which any party hereto is entitled pursuant to a final judgment of any court having jurisdiction. Nothing in these provisions shall limit any right of any Lender to bring actions, suits or proceedings in the courts of any other jurisdiction.

Section 19.3. Severability. Any provision of this Agreement that is prohibited or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining provisions hereof, and any such prohibition or unenforceability in any jurisdiction shall (to the full extent permitted by law) not invalidate or render unenforceable such provision in any other jurisdiction.

Section 19.4. Construction. Each covenant contained herein shall be construed (absent express provision to the contrary) as being independent of each other covenant contained herein and in the other Financing Documents, so that compliance with any one covenant shall not (absent such an express contrary provision) be deemed to excuse compliance with any other covenant. Where any provision herein refers to action to be taken by any Person, or which such Person is prohibited from taking, such provision shall be applicable whether such action is taken directly or indirectly by such Person.

Section 19.5. Counterparts. This Agreement may be executed in any number of counterparts, each of which shall be an original but all of which together shall constitute one instrument. Each counterpart may consist of a number of copies hereof, each signed by less than all, but together signed by all, of the parties hereto.

Section 19.6. Payments Due on Non-Business Days. Anything in this Agreement or in the Notes to the contrary notwithstanding, any payment of principal of or interest on any Note that is due on a date other than a Business Day shall be made on the next succeeding Business

Day (including the additional days elapsed in the computation of the interest payable on such next succeeding Business Day).

Section 19.7. Governing Law. This Agreement shall be construed and enforced in accordance with, and the rights of the parties shall be governed by, the law of the State of New York excluding choice-of-law principles of the law of such State that would require the application of the laws of a jurisdiction other than such State.

Section 19.8. Agreement of Lenders. Each of the Lenders hereby agrees with each other Lender that if it should receive or obtain any payment (whether by voluntary payment, by realization upon collateral, by the exercise of rights of set-off or banker's lien, by counterclaim or cross action, or by the enforcement of any rights under this Agreement, any of the other Financing Documents or otherwise) in respect of the Obligations in a greater amount than such Lender would have received had such payment been made to the Collateral Agent and been distributed among the Lenders as contemplated by Section 8.5 hereof in respect of proceeds and avails of collateral then in that event the Lender receiving such disproportionate payment shall purchase for cash without recourse from the other Lenders an interest in the Obligations of the Obligors to such Lenders in such amount as shall result in a distribution of such payment as contemplated by said Section 8.5. In the event any payment made to a Lender and shared with the other Lenders pursuant to the provisions hereof is ever recovered from such Lender, the Lenders receiving a portion of such payment hereunder shall restore the same to the payor Lender, but without interest.

Section 19.9. Waiver of Trial by Jury. Each of the parties hereto hereby, to the fullest extent permitted by law, waives trial by jury in any action brought under or in connection with this Agreement or any of the other Financing Documents.

Section 19.10. Reproduction of Documents. For the purposes of this Section 19.10, this Agreement and the other Financing Documents and all documents relating thereto, including, without limitation, (a) consents, waivers and modifications that may hereafter be executed, (b) documents received by the Lenders at the Closing (except the Notes themselves), and (c) financial statements, certificates and other information previously or hereafter furnished to the Lenders, may be reproduced by any Lender by any photographic, photostatic, microfilm, microcard, miniature photographic or other similar process and such Lender may destroy any original document so reproduced. Each Obligor agrees and stipulates that, to the extent permitted by applicable law, any such reproduction shall be admissible in evidence as the original itself in any judicial or administrative proceeding (whether or not the original is in existence and whether or not such reproduction was made by any Lender in the regular course of business) and any enlargement, facsimile or further reproduction of such reproduction shall likewise be admissible in evidence. This Section 19.10 shall not prohibit any Obligor or any Lender from contesting any such reproduction to the same extent that it could contest the original, or from introducing evidence to demonstrate the inaccuracy of any such reproduction.

Section 19.11. Confidential Information. For the purposes of this Section 19.11, "Confidential Information" means information delivered to the Agents or any Lender by or on behalf of the Obligors in connection with the transactions contemplated by or otherwise pursuant

to this Agreement that was maintained, created by, or is proprietary to the Company and its operations, personnel, facilities and business enterprises and was clearly marked or labeled or otherwise adequately identified when received by such Agent or Lender as being confidential information of the Obligors, provided that such term does not include information that (a) was publicly known or otherwise known to the Person receiving such information prior to the time of such disclosure, (b) subsequently becomes publicly known through no act or omission by such Person acting on its behalf, (c) otherwise becomes known to such Person other than through disclosure by the Obligors or (d) constitutes financial statements delivered to such Person under Section 7 that are publicly available. Each such Person receiving Confidential Information will maintain the confidentiality of such Confidential Information in accordance with procedures adopted by such Person in good faith to protect confidential information of third parties delivered to it, provided that such Person may deliver or disclose Confidential Information to (i) its directors, officers, employees, agents, attorneys and affiliates (to the extent such disclosure reasonably relates to the administration of the investment represented by its Loans and provided that such Person agrees to be bound by the provisions of this Section 19.11 with respect to such Confidential Information), (ii) its financial advisors and other professional advisors who agree to hold confidential the Confidential Information substantially in accordance with the terms of this Section 19.11, (iii) the Agents or any other Lender, (iv) any Institutional Investor to which a Lender grants a participation in or assigns its Loans to (if such Person has agreed in writing prior to its receipt of such Confidential Information to be bound by the provisions of this Section 19.11), (v) any Person from which such Person offers to purchase any security of the Obligors (if such Person has agreed in writing prior to its receipt of such Confidential Information to be bound by the provisions of this Section 19.11), (vi) any federal or state regulatory authority having jurisdiction over such Person, (vii) any nationally recognized rating agency that requires access to information about such Lender's investment portfolio or (viii) any other Person to which such delivery or disclosure may be necessary or appropriate (w) to effect compliance with any law, rule, regulation or order applicable to such Person, (x) in response to any subpoena or other legal process, (y) in connection with any litigation to which such Person is a party or (z) if an Event of Default has occurred and is continuing, to the extent such Person may reasonably determine such delivery and disclosure to be necessary or appropriate in the enforcement or for the protection of the rights and remedies under its Notes and this Agreement, provided that, in the case of any delivery or disclosure contemplated by any of the foregoing clauses (vi) through (x) (other than subclause (z) of clause (x)), such Person shall, unless prohibited by law, give the Company such prior notice thereof as is reasonably practicable under the circumstances.

* * * * *

In Witness Whereof, the parties hereto have caused this Agreement to be executed and delivered as of the day and year first above written.

FTI Consulting, Inc.

By /s/ JACK B. DUNN IV

Name Jack B. Dunn IV

Title CEO

Teklicon, Inc.

By /s/ JACK B. DUNN IV

Name Jack B. Dunn IV

Title CEO

L.W.G., Inc.

By /s/ JACK B. DUNN IV

Name Jack B. Dunn IV

Title CEO

KCI Management Corp.

By /s/ JACK B. DUNN IV

Name Jack B. Dunn IV

Title CEO

Klick, Kent & Allen, Inc.

By /s/ JACK B. DUNN IV

Name Jack B. Dunn IV

Title CEO

S.E.A., Inc.

By /s/ JACK B. DUNN IV

Name Jack B. Dunn IV

Title CEO

Kahn Consulting, Inc.

By /s/ JACK B. DUNN IV

Name Jack B. Dunn IV

Title CEO

Policano & Manzo, L.L.C.

By /s/ JACK B. DUNN IV

Name Jack B. Dunn IV

Title Manager

RestorTek, Inc.

By /s/ JACK B. DUNN IV

Name Jack B. Dunn IV

Title CEO

Newcourt Commercial Finance Corporation, as
Administrative Agent and as Lender and as
Collateral Agent and as Book Manager

By /s/ JOHN P. SIRICO, II

Its Vice President

SunTrust Bank, N.A., as Documentation Agent and
as Lender

By /s/ E. DONALD BESCH, JR.

Its Director

Bank of America, N.A., as Co-Lead Arranger and
Lender

By /s/ BARBARA P. LEVY

Its Senior Vice President

Capital Syndication Corporation,
as Syndication Agent and Lead Arranger

By /s/ MARK O'KEEFFE

Its Vice President

ING (U.S.) Capital LLC,
as Lender

By /s/ JAMES W. LATIMER

Its Managing Director

Defined Terms

As used herein, the following terms have the respective meanings set forth below or set forth in the Section hereof following such term:

General Provisions

Where the character or amount of any asset or liability or item of income or expense is required to be determined or any consolidation or other accounting computation is required to be made for the purposes of any Financing Document, the same shall be done in accordance with GAAP, to the extent applicable, except where such principles are inconsistent with the express requirements of such Financing Document.

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

"Accounts" means all of each Obligor's now owned or hereafter acquired or arising accounts evidencing the right of such Obligor to payment for inventory sold or for services rendered (whether or not evidenced by instruments, notes, drafts, acceptances, documents, or chattel paper), whether or not earned by performance, and all of each Obligor's rights to any merchandise (including without limitation any returned or repossessed goods and the right of stoppage in transit) which is represented by, arises from or is related to any of the foregoing.

"Adjusted EBITDA" means, in respect of any period, EBITDA plus, in the event that any Obligor has acquired any Person during the period with respect to which EBITDA was calculated, the EBITDA of such Person (including pro-forma overhead and expenses) for the entire 12-month period ending on the last day of the month immediately preceding the date of such acquisition, provided, that (i) the Lenders shall have received audited financial statements of such Person accompanied by a report satisfactory to the Lenders by a nationally recognized accounting firm acceptable to the Lenders and (ii) any adjustments to EBITDA to give effect to the acquisition of such Person shall be acceptable to the Lenders in their reasonable opinion. The foregoing is in no way intended to permit any transaction otherwise prohibited by this Agreement including, without limitation, any transaction prohibited by Section 10.11.

"Adjusted LIBOR" means a rate per annum determined in accordance with the following formula:

$$\text{Adjusted LIBOR} = \frac{\text{LIBOR}}{100\%-\text{Reserve Percentage}}$$

For purposes of determining Adjusted LIBOR, the following terms have the following meanings:

"Reserve Percentage" means, for the purpose of computing Adjusted LIBOR, the maximum rate of all reserve requirements (including, without limitation, any marginal,

emergency, supplemental or other special reserves) imposed by the Board of Governors of the Federal Reserve System (or any successor) under Regulation D on Eurocurrency liabilities (as such term is defined in Regulation D) for the applicable Interest Period as of the first day of such Interest Period, but subject to any amendments to such reserve requirement by such Board or its successor, and taking into account any transitional adjustments thereto becoming effective during such Interest Period. For purposes of this definition, each LIBOR Portion shall be deemed to be Eurocurrency liabilities as defined in Regulation D without benefit of or credit for prorations, exemptions or offsets under Regulation D. "LIBOR" means, for each Interest Period, (a) the LIBOR Index Rate for such Interest Period, if such rate is available, and (b) if the LIBOR Index Rate cannot be determined, with respect to any Interest Period, an interest rate per annum equal to the London Interbank Offered Rate for such Interest Period, as published or announced two (2) Business Days prior to the commencement of such Interest Period in the Money Rates Section of The Wall Street Journal (Eastern Edition), or (if the London Interbank Offered Rate for such Interest Period is not so published or announced at such time) interpolated from publications or announcements in The Wall Street Journal (Eastern Edition) for the London Interbank Offered Rates for the periods of time closest to such Interest Period or, in the event that The Wall Street Journal (Eastern Edition) ceases for any reason to publish or announce such rate of interest, any other source selected by the Agent. "LIBOR Index Rate" means, for any Interest Period, the rate per annum (rounded upwards, if necessary, to the next higher one hundred-thousandth of a percentage point) for deposits in U.S. Dollars for a period equal to such Interest Period which appears on the Telerate Page 3750 (or if the Telerate Page is not available, the Reuters Screen LIBO Page) as of 11:00 a.m. (London, England time) on the date 2 Business Days before the commencement of such Interest Period. "Telerate Page 3750" means the display designated as "Page 3750" on the Dow Jones Telerate Service (or such other page as may replace Page 3750 on that service). "Reuters Screen LIBO Page" means the display designated as the "LIBO" page on the Reuters Monitory Money Rates Service (or such other page as may replace the LIBO page on that service or such other service as may be nominated by the British Bankers' Association as the information vendor for the purpose of displaying British Banker's Association Interest Settlement Rates for U.S. Dollar deposits). Each determination of LIBOR made by the Administrative Agent shall be conclusive and binding on the Obligor and the Lenders absent manifest error.

"Affiliate" means, at any time, and with respect to any Person, (a) any other Person that at such time directly or indirectly through one or more intermediaries Controls, or is Controlled by, or is under common Control with, such first Person, and (b) any Person beneficially owning or holding, directly or indirectly, 10% or more of any class of voting or equity interests of such first Person or any Person of which such first Person beneficially owns or holds, in the aggregate, directly or indirectly, 10% or more of any class of voting or equity interests. As used in this definition, "Control" means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of a Person, whether through the ownership of voting securities, by contract or otherwise. Unless the context otherwise clearly requires, any reference to an "Affiliate" is a reference to an Affiliate of an Obligor. Notwithstanding the foregoing, "Affiliate" shall not include Newcourt-CFC or any Person holding Warrants to the extent such status arises solely from being a Warrant holder.

"Agent" is defined in the introductory paragraph of this Agreement.

"Agent's Report" is defined in Section 8.6.

"Agents" means and includes each of the agents referred to in Section 17.1 (and shall not, in any event, include the Company).

"Applicable LIBOR Margin" shall mean, with respect to the relevant Tranche of Term Notes, the respective percentage indicated in the respective defined term relative to the LIBOR Portion of such Tranche.

"Applicable Prime Rate Margin" shall mean, with respect to the relevant Tranche, the respective percentage indicated in the respective defined terms relative to the Prime Rate Portion of such Tranche.

"Applicable Revolving Credit Prime Rate Margin" means 1.75%, which percentage will be adjusted on the first to occur of the delivery to the Agent of the financial statements required by Section 7.1(a) or the 45th day following the end of each Fiscal Quarter (commencing with the Fiscal Quarter ending March 31, 2000), effective such day, determined as follows for the Debt to Cash Flow Ratio as of the last day of such Fiscal Quarter:

If the Debt to Cash Flow Ratio is	Applicable Revolving Credit Prime Rate Margin
Equal to or greater than 3.50 to 1	2.00%
Less than 3.50 to 1 and greater than or equal to 3.00 to 1	1.75%
Less than 3.00 to 1 and greater than or equal to 2.50 to 1	1.50%
Less than 2.50 to 1	1.25%

it being acknowledged that the Applicable Revolving Credit Prime Rate Margin shall be 2.00% for any Fiscal Quarter with respect to which the Obligors have not timely delivered the financial statements required by Section 7.1(a) for the prior Fiscal Quarter.

"Applicable Term A Credit LIBOR Margin" means with respect to any Term A Note for any Interest Period commencing prior to the date which is six (6) months after the date of Closing 3.25%, and for any Interest Period commencing on or after the date which is six (6) months after the date of Closing, the percentage determined as follows for the Debt to Cash Flow Ratio as of the last day of the Fiscal Quarter having been most recently completed at least 60 days prior to the commencement of such Interest Period:

If the Debt to Cash Flow Ratio is	Applicable Term A Credit LIBOR Margin
Equal to or greater than 3.50 to 1	3.50%
Less than 3.50 to 1 and greater than or equal to 3.00 to 1	3.25%
Less than 3.00 to 1 and greater than or equal to 2.50 to 1	3.00%
Less than 2.50 to 1	2.75%

it being acknowledged that the Applicable Term A Credit LIBOR Margin shall be 3.50% for any Interest Period with respect to which the Obligors have not timely delivered the financial statements required by Section 7.1(a) for the Fiscal Quarter having been most recently completed at 60 days prior to the commencement of such Interest Period.

"Applicable Term A Credit Prime Rate Margin" means 1.75%, which percentage will be adjusted on the first to occur of the delivery to the Agent of the financial statements required by Section 7.1(a) or the 45th day following the end of each Fiscal Quarter (commencing with the Fiscal Quarter ending March 31, 2000), effective such day, determined as follows for the Leverage Ratio as of the last day of such Fiscal Quarter:

If the Debt to Cash Flow Ratio is	Applicable Term A Credit Prime Rate Margin
Equal to or greater than 3.50 to 1	2.00%
Less than 3.50 to 1 and greater than or equal to 3.00 to 1	1.75%
Less than 3.00 to 1 and greater than or equal to 2.50 to 1	1.50%
Less than 2.50 to 1	1.25%

it being acknowledged that the Applicable Term A Prime Rate Margin shall be 2.00% for any Fiscal Quarter with respect to which the Obligors have not timely delivered the financial statements required by Section 7.1(a) for the prior Fiscal Quarters.

"Applicable Term B Credit Prime Rate Margin" means the sum of the then Applicable Term A Credit Prime Rate Margin plus .50%.

"Applicable Term B Credit LIBOR Margin" means the sum of the then applicable Term A Credit LIBOR Margin plus .50%.

"Approved Closing Budget" shall mean the 12 month projected budget of the Obligors indicating, among other things, Capital Expenditures, furnished pursuant to Section 4.1.13(c), which shall be satisfactory in form and substance to the Lenders and shall not be subject to amendment without the prior written consent of the Required Lenders.

"Asset Disposition" means any Transfer except a Transfer (so long as such Transfer is permitted under the Security Documents) which is either (a) made in the ordinary course of business and involving (i) only property that is inventory held for sale and (ii) de minimus Transfers in the ordinary course of business of damaged or obsolete property of an Obligor or (b) made by a Subsidiary to another Subsidiary if at the time thereof and after giving effect thereto, no Default or Event of Default exists hereunder.

"Assignment of Life Insurance Policy means each collateral assignment of the life insurance policies maintained pursuant to Section 9.2(e) in form and substance satisfactory to the Administrative Agent and the Collateral Agent.

"Assignment Agreements" is defined in Section 18.2.

"Authorized Representative" means those persons shown on the list of officers provided by the Company pursuant to Section 4.1.3(b) or on any update of any such list provided by the Company to the Lenders, or any further or different officer of the Company so named by any Authorized Representative of the Company in a written notice to the Lenders.

"Bankruptcy Code" shall mean Title 11 of the United States Code, as the same may from time to time be amended, modified or supplemented.

"Borrowing" means the total of Loans of a single type made to the Obligors by all the Lenders on a single date. Borrowings of Loans are made ratably from each of the Lenders according to their Percentages of the applicable Commitments.

"Borrowing Base" means, as of any time it is to be determined, 85% of the then outstanding unpaid amount of Eligible Accounts minus the Borrowing Base Reserve; provided that the Borrowing Base shall be computed only as against and on so much of the Collateral as is included on the certificates to be furnished from time to time by the Company pursuant to Section 7.1(m) hereof and, if required by the Collateral Agent, the Administrative Agent or the Required Lenders pursuant to any of the terms hereof or any Security Document, as verified by such other evidence required to be furnished to the Collateral Agent, the Administrative Agent or the Lenders pursuant hereto or pursuant to any such Security Document.

"Borrowing Base Certificate" means a certificate executed by a Responsible Officer of the Company, in a form reasonably acceptable to the Agent setting forth the calculation of the

Borrowing Base, including a calculation of each component thereof, all in such detail as shall be satisfactory to the Administrative Agent.

"Borrowing Base Reserve" means, as of any time it is to be determined, an amount equal to the product of (a) the then outstanding unpaid amount of Eligible Accounts multiplied by (b) a percentage equal to the excess of (i) the dilution percentage for the 12-month period ending on last day of the immediately preceding monthly accounting period of the Company, as determined by the most recent field examination, over (ii) 5%; provided, however, that the Borrowing Base Reserve shall not be less than zero.

"Business Activity Report" means a report required to be filed with the Secretary of State or other appropriate office in New Jersey, Indiana, Michigan, Minnesota or West Virginia (or any other state that requires a creditor to file such a report in order to bring suit or enforce its remedies against an account debtor with respect to such portion of an account in the court or through judicial process of such state) by all entities doing business, or making sales, in such states.

"Business Day" means any day other than a Saturday, a Sunday or a day on which commercial banks in Annapolis, Maryland, New York, New York, Parsippany, New Jersey or Chicago, Illinois, are required or authorized to be closed and, when used with respect to LIBOR Portions, a day on which commercial banks are generally open and dealing in United States Dollar deposits in London, England.

"Capital Expenditures" for any period of determination hereof shall mean (a) all expenses incurred during such period by the Obligors in connection with capital replacements, additions, renewals or improvements to any of the capital assets of an Obligor which are required to be capitalized on the books and accounts of the Obligors in accordance with GAAP and (b) the amount of Capital Lease Obligations relating to all Capital Leases entered into during such period by the Obligors.

"Capital Lease" means, with respect to any Person, any lease by that Person which requires such Person to concurrently recognize the acquisition of an asset and the incurrence of a liability in accordance with GAAP.

"Capital Lease Obligation" means, with respect to any Person and a Capital Lease, the amount of the obligations of such Person as the lessee under such Capital Lease which would, in accordance with GAAP, appear as a liability on a balance sheet of such Person.

"Cash Interest Charges" means, with respect to any period, the sum (without duplication) of the following: all cash interest (paid or accrued and payable in cash) in respect of Debt of the Obligors (including imputed interest on Capital Leases of the Obligors) deducted in determining Net Income for such period. "Cash Interest Charges" shall be adjusted retroactively to give effect to the Debt of any business entity acquired by an Obligor (whether by acquisition of stock, assets or otherwise) and shall be computed as though such Debt of such

business entity so acquired had been owed by the Obligors throughout the applicable calculation period.

"Change in Control" means any of the following events or circumstances:

(i) the failure for any reason of the Company to own and hold not less than 100% of the outstanding shares of all voting stock or equity interests of the all Subsidiaries free and clear of any Liens other than the Liens of the Security Documents;

(ii) any sale of all or substantially all of the capital stock or assets of any Obligors regardless of whether or not in connection with the merger or consolidation provided, however, that the foregoing shall not prohibit any transaction among Subsidiaries otherwise permitted by Section 10.12; and

(iii) a "change in control" of the Company occurs of a nature that would be required to be reported in response to Item 1 of Form 8-K promulgated under the Securities Exchange Act of 1934, as amended, ("Exchange Act"); any "person" (as such term is used in Section 13(d) and 14(d)(2) of the Exchange Act) is or becomes the beneficial owner, directly or indirectly, of securities of the Company representing more than fifty percent (50%) of the combined voting power of the Company's then outstanding voting securities; or during any period of two (2) consecutive years, individuals who at the beginning of such period constitute the Board of Directors of the Company cease for any reason to constitute at least a majority thereof unless the election, or the nomination for election by the Company's shareholders, of each new director was approved by a vote of at least two-thirds of the directors then still in office who were directors at the beginning of such two (2) year period.

"Chattel Paper" shall have the meaning specified in the Uniform Commercial Code of the State of New York.

"Closing" is defined in Section 4.1.

"Co-Borrowers" shall mean each and every Subsidiary, from time to time.

"Code" means the Internal Revenue Code of 1986, as amended from time to time, and the rules and regulations promulgated thereunder from time to time.

"Collateral Agent" means Newcourt, and its successors under the Collateral Agency Agreement.

"Collateral Agency Agreement" shall mean the Collateral Agency Agreement dated as of February 4, 2000 between the Obligors and the Collateral Agent.

"Commitments" means the Revolving Credit Commitments, the Term A Loan Commitments and the Term B Loan Commitments.

"Company" is defined in the first paragraph of this Agreement.

"Consolidated Net Worth" means, as of the date of any determination, consolidated stockholders' equity of the Company, determined in accordance with GAAP.

"CP Period" is defined in Section 1.3(b).

"CP Rate" means an interest rate per annum equal to the Commercial Paper interest rate, as published in the Money Rates section of The Wall Street Journal (Eastern Edition) for the period of days which corresponds most closely to the applicable CP Period of the Loan contemplated under Section 1.3(b).

"Current Assets" means current assets of the Obligors determined in accordance with GAAP excluding, however, cash and cash equivalents.

"Current Liabilities" means current liabilities of the Obligors determined in accordance with GAAP excluding Current Maturities of Funded Debt.

"Current Maturities of Funded Debt" means, at any time and with respect to any item of Funded Debt, the portion of such Funded Debt outstanding at such time which by the terms of such Funded Debt or the terms of any instrument or agreement relating thereto is due on demand or within one year from such time (whether by sinking fund, other required prepayment or final payment at maturity) and is not directly or indirectly renewable, extendible or refundable at the option of the obligor under an agreement or firm commitment in effect at such time to a date one year or more from such time.

"Current Ratio" means, as of the date of any determination, the ratio, expressed as a percentage of Current Assets to Current Liabilities.

"Debt" means, with respect to any Person, all obligations of such Person which in accordance with GAAP shall be classified upon a balance sheet of such Person as liabilities of such Person, and in any event shall include without duplication:

(a) its liabilities for borrowed money (including principal and all accrued interest (whether such interest is due and payable or capitalized and compounded));

(b) its liabilities for the deferred purchase price of property acquired by such Person (excluding accounts payable and accrued liabilities arising in the ordinary course of business but including, without limitation, all liabilities created or arising under any conditional sale or other title retention agreement with respect to such property);

(c) its Capital Lease Obligations;

(d) all liabilities for borrowed money secured by any Lien with respect to any property owned by such Person (whether or not it has assumed or otherwise become

liable for such liabilities, provided if such Person shall not have assumed or otherwise become liable for such liability, the amount of such liability shall be the then Fair Market Value of such property);

(e) all its liabilities in respect of letters of credit or instruments serving a similar function issued or accepted for its account by banks and other financial institutions (whether or not representing obligations for borrowed money);

(f) Swaps of such Person; and

(g) any Guaranty of such Person with respect to liabilities of a type described in any of clauses (a) through (f) hereof.

Debt of any Person shall include all obligations of such Person of the character described in clauses (a) through (g) to the extent such Person remains legally liable in respect thereof notwithstanding that any such obligation is deemed to be extinguished under GAAP.

"Debt to Cash Flow Ratio" means, at the date of determination, the ratio of (a) all Debt of the Obligors at such date to (b) Adjusted EBITDA for the 12-month period ending on such date.

"Debt Service" means, at the date of determination the sum of the following: (a) Cash Interest Charges for the 12-month period ending on such date, (b) all installments of principal scheduled to be paid on the Term Notes during such period, and (c) the principal component of any payments in respect of Capital Lease Obligations of the Obligors (and in the event of any acquisition occurring during such period, the Capital Lease Obligations of the acquired company) scheduled to be paid during such period. In the case of any such date of determination on or prior to the first anniversary of the date of Closing, each of the foregoing calculations shall be determined on an annualized basis.

"Default" means an event or condition the occurrence or existence of which would, with the lapse of time or the giving of notice or both, become an Event of Default.

"Disposition Value" means, at any time, with respect to any property the book value thereof, valued at the time of such disposition in good faith by the related Obligor.

"Distribution" means:

(a) dividends or other distributions or payments on capital stock (including so-called phantom stock) of an Obligor or any ERISA Affiliate (except distributions by a Subsidiary to the Company or another Subsidiary);

(b) the redemption or acquisition of such stock or of warrants, rights or other options to purchase such stock (except when solely in exchange for such stock) unless made, contemporaneously, from the net proceeds of a sale of such stock; and

(c) any payment to any stockholder of an Obligor or to any Affiliate of any of them whether in respect of services rendered to an Obligor or otherwise.

(d) any management, consulting, advisory, earn-out or other generally similar payment or fee to any Person.

Notwithstanding the foregoing, "Distribution" shall not mean or include (i) stock splits and other common stock dividends made on a pro-rata basis to all stockholders, (ii) the issuance of preferred stock of the Company provided, that such preferred stock is not subject to any redemption, re-purchase or acquisition by an Obligor which is either mandatory or at the option of the holder of such preferred stock or (iii) payments of the type described in clauses (c) or (d) made in the ordinary course of business to employees for actual services rendered, provided that such payments are otherwise permitted by the terms and provisions of this Agreement.

"Documentation Agent" is defined in Section 17.1.

"EBITDA" means, in respect of any period, the sum of (a) Net Income for such period plus, (without duplication) to the extent deducted in the determination of Net Income for such period, (b) Cash Interest Charges, (c) taxes imposed on or measured by income or excess profits (for such period and without regard to any prior periods) and, (d) the amount of all depreciation and amortization allowances and other non-cash expenses of the Obligors during such period, and minus (e) to the extent added in the determination of Net Income for such period, (i) non-cash income of the Obligors and (ii) any cash payments made or required to have been made during such period by any Obligor in respect of any earn-out arrangement to which such Obligor is subject.

"Eligible Accounts" means all Accounts arising in the ordinary course of an Obligor's business from credit sales recorded in such Obligor's books and records (but excluding interest, late charges, penalties, collection costs and other sums due or payable in respect thereof), that are subject to a first-priority and valid, fully perfected security interest in favor of the Collateral Agent, and that are and at all time continue to be acceptable to the Collateral Agent in all respects in its reasonable discretion; provided, however, that standards of eligibility may be fixed and revised by the Collateral Agent at any time or from time to time in the Collateral Agent's reasonable discretion, with the consent of the Required Lenders, if such standards shall be relaxed or reduced. Without in any manner limiting the Collateral Agent's discretion to establish other or further standards of eligibility, Eligible Accounts shall not include the following:

(1) any Account (a) for the rendition of services by an Obligor, which services have not been fully performed with respect to the specific matters invoiced in such account (it being acknowledged that the foregoing shall not be construed to require the completion of the entire project) and, if applicable, acknowledged and/or accepted by the Account Debtor with respect thereto; or (b) for the sale of goods by an Obligor, which goods do not comply with the specifications of the Account Debtor with respect thereto (if any) or have not been shipped or delivered to, and accepted by, such Account Debtor

(or, if accepted, the Account Debtor with respect thereto has offered or attempted to return any of such goods) or that otherwise does not represent a final sale;

(2) any Account (i) that has not been invoiced by such Obligor concurrently with or subsequent to the rendition of services to which such Account related, (ii) that has payment terms of, or has been outstanding for, more than ninety (90) days after the original invoice date for such Account or that has been written off such Obligor's books or otherwise designated as uncollectible or (iii) that was recorded in such Obligor's books for beyond 360 days from the invoice date thereof;

(3) any Account owed by any Account Debtor or its Affiliates, if fifty percent (50%) or more of all Accounts owed to any Obligor by such Account Debtor or its Affiliates are ineligible by reason of any of the criteria set forth herein;

(4) any Account with respect to which the Account Debtor thereunder is an Affiliate of an Obligor, or a director, officer, employee or agent of an Obligor or Affiliate of an Obligor;

(5) any Account which is owed by the United States of America or any department, agency, public corporation or other instrumentality thereof;

(6) any Account with respect to any Account Debtor whose total obligations owing to the Obligors exceed ten percent (10%) of all Accounts, in each case to the extent the obligations owing to the Obligors by such Account Debtor are in excess of such percentage;

(7) any Account with respect to which the transaction giving rise thereto was not made in compliance with all applicable laws, or that arises out of a contract or order which, by its terms, forbids, restricts or makes void or unenforceable the assignment by the Obligors to the Collateral Agent of the Account arising with respect thereto;

(8) any Account which in any way fails to meet or violates any warranty, representation or covenant contained in this Agreement or any Financing Document relating directly or indirectly to the Obligors' Accounts;

(9) any Account that is not a valid, legally enforceable and unconditional obligation of the Account Debtor with respect thereto, or to the extent that it is subject to setoff, recoupment, rebate, counterclaim, credit or allowance (except any credit, allowance or rebate which has been deducted in computing the net amount of the applicable invoice as shown in the original schedule or Borrowing Base Certificate furnished to the Agent identifying or including such Account) or adjustment by the Account Debtor with respect thereto, or to any claim by such Account Debtor denying liability thereunder in whole or in part;

(10) any Account in respect of which one or more Obligors are not the sole payees and remittance parties with sole and good and marketable title thereto or that is subject to any assignment, claim or Lien, other than (a) any Lien or security interest in favor of the Collateral Agent and (b) Liens consented to in writing by the Collateral Agent (it being acknowledged that the foregoing shall not be construed to exclude an Account solely by reason that a Person other than an Obligor is initially a joint payee, so long as such other Person has a full obligation of remittance to an Obligor and otherwise satisfies the requirements of this definition of "Eligible Accounts");

(11) any Account that is not payable in cash in U.S. dollars;

(12) any Account that is evidenced by a promissory note or other instrument or by Chattel Paper unless (a) the Agent shall have specifically agreed in writing to include such Account as an Eligible Account, (b) only payments then due and payable under such promissory note or other instrument or such Chattel Paper shall be included as an Eligible Account, and (c) the original of such promissory note or other instrument or such Chattel Paper has been endorsed and/or assigned and delivered to the Collateral Agent in a manner satisfactory to the Collateral Agent;

(13) any Account that does not arise from the rendition of services by an Obligor;

(14) any Account arising from a "sale on approval," "sale or return" or "consignment," "guaranteed sale," "bill and hold," or subject to any repurchase or return agreement, or otherwise having terms by reason of which payment by the Account Debtor with respect thereto may be conditional;

(15) any Account that is subject to any adverse security deposit or that represents any progress payment or similar advance that is due prior to the completion of performance by an Obligor of the underlying contract for goods or services;

(16) any Account with respect to which the Account Debtor thereunder is not (i) a resident or citizen of, or is not located within, the United States of America or Canada or (ii) organized under the laws of the United States or Canada unless the Account Debtor with respect thereto has supplied the relevant Obligor with an irrevocable letter of credit issued by a financial institution satisfactory to the Collateral Agent, sufficient to satisfy such Account in full and in form and substance satisfactory to the Collateral Agent and such Obligor has delivered such letter of credit to the Collateral Agent (it being acknowledged that the foregoing shall not be construed to exclude Accounts from law firms with regional offices outside the United States or Canada provided, that the Account Debtor remains the law firm headquartered in, and organized under the law of, the United States or any State thereof or Canada or any province thereof);

(17) any portion of any Account that is derived from the Account Debtor being located in the States of Indiana, New Jersey, Michigan, Minnesota or West Virginia (or any other state that requires a creditor to file a Business Activity Report or similar document in order to bring suit or otherwise enforce its remedies against such Account Debtor with respect to such portion of such Account in the court or through any judicial process of such state); provided, however, that such restrictions shall not apply to such Account if (a) at the time such portion of the Account was created and at all times thereafter the related Obligor had filed and has maintained effective a current Notice of Business Activities Report with the appropriate office or agency of the State of New Jersey, Minnesota or West Virginia or such other state, as applicable, and has provided the Collateral Agent with satisfactory evidence thereof or (b) with respect to such Account, the related Obligor was and has continued to be exempt from the filing of such Report and has provided or will provide the Agent with satisfactory evidence thereof; and

(18) any Account with respect to which any one or more of the following events has occurred (whether or not such event is continuing) with respect to the Account Debtor thereunder: (i) the death or judicial declaration of incompetency of such Account Debtor, if such Account Debtor is an individual; (ii) the filing by or against such Account Debtor of a request, proposal, notice of intent to file a proposal, proceeding or petition for liquidation, reorganization, arrangement, adjustment of debts, adjudication as a bankrupt, winding up, or other relief under the Bankruptcy Code or any other bankruptcy, insolvency, restructuring, liquidation, winding up, corporate or other similar laws of the United States or any state or political subdivision thereof, or any foreign jurisdiction, now or hereafter in effect; (iii) the making of any assignment by such Account Debtor for the benefit of creditors; (iv) the appointment of a receiver, trustee, monitor, custodian, liquidator, administrator or other official for such Account Debtor or for any of the assets of such Account Debtor; (v) the institution by or against such Account Debtor or of any formal or informal proceeding for the dissolution or liquidation of, settlement of claims against, or winding up of affairs of, such Account Debtor; (vi) such Account Debtor's admission in writing of its inability to pay, or the non-payment generally by such Account Debtor of, its debts as they become due; (vii) the cessation of the business of such Account Debtor as a going concern; (viii) a proceeding or action is then threatened or pending against the Account Debtor which proceeding or action would be reasonably likely to result in any material adverse change in such Account Debtor's financial condition or in its ability to pay any Account in full when due.

Any Account of an Obligor that is at any time an Eligible Account but which subsequently fails to meet any of the foregoing requirements shall forthwith cease to be an Eligible Account.

"Eligible Assignee" shall mean (a) any Lender, (b) an Affiliate of any Lender, (c) any Federal Reserve Bank, and (d) any commercial bank, insurance company, investment or mutual fund, finance company or other entity which extends credit or buys loans as one of its businesses; it being understood and agreed, however, that (i) with respect to any assignment of any Term Loan, or any advances outstanding under the Revolving Credit Commitments after the

Revolving Credit Termination Date, such entity described in this clause (d) must also be an institutional "accredited investor" (as defined in Regulation D under the Securities Act of 1933, as amended) and (ii) with respect to any assignment of the Revolving Credit Commitments, or any portion thereof and/or any advances under the Revolving Credit Commitments, prior to the Revolving Credit Termination Date, such entity described in this clause (d) must also have total assets in excess of $250,000,000.

"Environmental Laws" means any and all Federal, state, local, and foreign statutes, laws, regulations, ordinances, rules, judgments, orders, decrees, permits, concessions, grants, franchises, licenses, agreements or governmental restrictions relating to pollution and the protection of the environment or the release of any materials into the environment, including but not limited to those related to hazardous substances or wastes, air emissions and discharges to waste or public systems.

"Environmental Reports" is defined in Section 4.1.12.

"ERISA" means the Employee Retirement Income Security Act of 1974, as amended from time to time, and the rules and regulations promulgated thereunder from time to time in effect.

"ERISA Affiliate" means any trade or business (whether or not incorporated) that is treated as a single employer together with an Obligor under section 414 of the Code.

"Event of Default" is defined in Section 11.

"Excess Cash Flow" for any Fiscal Year shall mean EBITDA for such Fiscal Year, minus (a) the amount of Capital Expenditures for such Fiscal Year (provided such amount is not greater than the amount of Capital Expenditures permitted pursuant to Section 10.7), (b) Current Maturities of Funded Debt for such Fiscal Year including all principal installments required to be paid on the Term Notes for such Fiscal Year, (c) Changes in Working Capital for such Fiscal Year, (d) Cash Interest Charges for such Fiscal Year, (e) taxes imposed on or measured by income or excess profits which is current tax expense during such Fiscal Year, (f) prepayments on the Term Notes made by the Obligors during such Fiscal Year and (g) the aggregate amount of any payments made without violation of this Agreement in respect of earn-outs during such Fiscal Year. For purposes of this definition, the following terms shall have the following meanings:

"Changes in Working Capital" for any Fiscal Year shall mean the Working Capital as at the end of such Fiscal Year, minus Working Capital as at the beginning of such Fiscal Year.

"Working Capital" shall mean, as of the date of any determination, the difference between (a) Current Assets, minus (b) Current Liabilities.

No deductions shall be made in calculating "Excess Cash Flow" for any Fiscal Year as a result of any transactions which are not permitted or required by the terms and provisions of the Financing Documents.

"Excess Cash Flow" shall in no event include proceeds of life insurance policies on the lives of Policano or Manzo to the extent such proceeds are either (i) applied to the prepayment of the Notes hereunder or (ii) properly retained and applied by the Company for recruitment costs pursuant to the provisions of Section 9.2(e).

"Exchange Act" means the Securities Exchange Act of 1934, as amended.

"Fair Market Value" means, at any time and with respect to any Property, the sale value of such Property that would be realized in an arm's-length sale at such time between an informed and willing buyer and an informed and willing seller (neither being under a compulsion to buy or sell).

"Fee Letter" means and includes (i) the letter of Newcourt Capital to the Company dated November 10, 1999 and (ii) the letter of January 21, 2000 of ING (U.S.) Capital LLC to the Company and any other letters of Lenders delivered to the Company prior to the date of Closing regarding the payment of fees to such Lenders.

"Financing Documents" shall mean this Agreement, the Notes, the Security Documents, the Hedging Agreements and, for the purposes of this Agreement (and not for the purposes of any reference in the Security Documents to the "Financing Documents") the LLC Purchase Agreement.

"Fiscal Quarter" means and includes each fiscal quarter of the Company, which fiscal quarters end on March 31, June 30, September 30 and December 31 of each year.

"Fiscal Year" means the fiscal year of the Company which ends on December 31 of each year.

"Flow of Funds Statement" means a statement of the source and application at Closing of funds required for the making of the initial Loans hereunder and the consummation of the Related Transactions, certified by the Company as true and correct.

"Funded Debt" means, with respect to any Person, all Debt of such Person including, without limitation, all borrowings hereunder and all Subordinated Debt and any other Debt excluding Debt of the type described in clause (f) of the definition of "Debt."

"GAAP" means generally accepted accounting principles as in effect from time to time in the United States of America.

"Governmental Authority" means

(a) the government of

(i) the United States of America or any State or other political subdivision thereof, or

(ii) any jurisdiction in which an Obligor conducts all or any part of its business, or which asserts jurisdiction over any properties of an Obligor, or

(b) any entity exercising executive, legislative, judicial, regulatory or administrative functions of, or pertaining to, any such government.

"Guaranty" means, with respect to any Person, any obligation (except the endorsement in the ordinary course of business of negotiable instruments for deposit or collection) of such Person guaranteeing or in effect guaranteeing any indebtedness, dividend or other obligation of any other Person in any manner, whether directly or indirectly, including (without limitation) obligations incurred through an agreement, contingent or otherwise, by such Person:

(a) to purchase such indebtedness or obligation or any property constituting security therefor;

(b) to advance or supply funds (i) for the purchase or payment of such indebtedness or obligation, or (ii) to maintain any working capital or other balance sheet condition or any income statement condition of any other Person or otherwise to advance or make available funds for the purchase or payment of such indebtedness or obligation;

(c) to lease properties or to purchase properties or services primarily for the purpose of assuring the owner of such indebtedness or obligation of the ability of any other Person to make payment of the indebtedness or obligation; or

(d) otherwise to assure the owner of such indebtedness or obligation against loss in respect thereof.

In any computation of the indebtedness or other liabilities of the obligor under any Guaranty, the indebtedness or other obligations that are the subject of such Guaranty shall be assumed to be direct obligations of such obligor.

"Hazardous Material" means any and all pollutants, toxic or hazardous wastes or any other substances that might pose a hazard to health or safety, the removal of which may be required or the generation, manufacture, refining, production, processing, treatment, storage, handling, transportation, transfer, use, disposal, release, discharge, spillage, seepage, or filtration of which is or shall be restricted, prohibited or penalized by any applicable law (including, without limitation, asbestos, urea formaldehyde foam insulation and polychlorinated biphenyls).

"Hedging Agreements" means the agreements from time to time entered into by any one or more of the Obligors evidencing Hedging Liability or otherwise setting forth the terms and conditions applicable thereto.

"Hedging Liability" means the liability of any one or more of the Obligors to any of the Lenders, or any affiliates of such Lenders, in respect of any interest rate swap agreements, interest rate cap agreements, interest rate collar agreements, interest rate floor agreements, interest rate exchange agreements, or other similar interest rate hedging arrangements as any one or more of the Obligors may from time to time enter into with any one or more of the Lenders party to this Agreement or their affiliates, with written notice to the Administrative Agent.

"Inactive Subsidiary" or "Inactive Subsidiaries" shall mean and include Bodaken Associates, a Nevada corporation and Anamet Laboratories, Inc., a California corporation.

"Institutional Investor" means any bank, trust company, finance company, savings and loan association or other financial institution, any pension plan, any investment company, any insurance company, any broker or dealer, or any other similar financial institution or entity, regardless of legal form.

"Insurance Account" is defined in the Collateral Agency Agreement.

"Interest Period" means with respect to any LIBOR Portion, the period commencing on the date such Loan is made and ending one, two or three months thereafter and each one-month, two-month or three-month period thereafter; provided that, all of the foregoing provisions relating to Interest Periods are subject to the following:

(i) if any Interest Period would otherwise end on a day which is not a Business Day, that Interest Period shall be extended to the next succeeding Business Day, unless the result of such extension would be to carry such Interest Period into another calendar month in which event such Interest Period shall end on the immediately preceding Business Day;

(ii) no Interest Period in respect of any Tranche may extend beyond a scheduled amortization date, including the final maturity date of the Notes of such Tranche; and

(iii) the interest rate to be applicable to each Portion for each Interest Period shall apply from and including the first day of such Interest Period to but excluding the last day thereof.

For purposes of determining an Interest Period, a month means a period starting on one day in a calendar month and ending on a numerically corresponding day in the next calendar month; provided, however, if an Interest Period begins on the last day of a month or if there is no numerically corresponding day in the month in which an Interest Period is to end, then such Interest Period shall end on the last Business Day of the next month.

"Investment" shall mean any acquisition or investment, made in cash or by delivery of property, by an Obligor (i) in any Person, whether by acquisition of stock, Debt or other obligation or Security, or by loan, Guaranty, advance, capital contribution or otherwise, or (ii) in any property.

"Key Employees" shall mean and include Jack B. Dunn, IV, Stewart J. Kahn, Michael Policano, Robert Manzo, Barry Monheit, Pat Brady and Glen Baker and, without limiting the right of approval by the Agents and the Required Lenders of any replacements for Messrs. Dunn, Kahn, Policano and Manzo, any and all replacements for each of the foregoing individuals.

"Lease Assignment" shall mean a collateral assignment of lease as contemplated by Section 9.8 and otherwise satisfactory in form, scope and substance to the Collateral Agent.

"Lease Rentals" means, with respect to any period, the sum of the rental and other obligations required to be paid during such period by each Obligor as lessee under all leases of real or personal property other than Capital Leases, excluding any amounts required to be paid by the lessee (whether or not therein designated as rental or additional rental) which are an account of maintenance and repairs, insurance, taxes, assessments, water rates and similar charges.

"Lenders" means Newcourt, SunTrust, ING and B of A, in their capacity as Lenders hereunder and the other lenders becoming parties hereto pursuant to Section 18.2.

"Lien" means, with respect to any Person, any mortgage, lien, pledge, charge, security interest or other encumbrance, or any interest or title of any vendor, lessor, lender or other secured party to or of such Person under any conditional sale or other title retention agreement or Capital Lease, upon or with respect to any property or asset of such Person (including in the case of stock, stockholder agreements, voting trust agreements and all similar arrangements) and any lien for damages, investigation costs, cleanup costs and response costs incurred by any Governmental Authority under any Environmental Laws.

"LLC Purchase Agreement" shall mean the LLC Membership Interests Purchase Agreement by and between the Company and Policano and Manzo dated as of February 4, 2000, without amendment or modification thereof.

"Loan" means a Revolving Credit Loan, a Term A Loan, or a Term B Loan.

"Loans for Stock Purchases" shall mean and include full recourse loans by the Company to individuals who are employees of one or more Obligors as of the date of Closing provided, that (i) the proceeds of each such loan are used by such individual, concurrently with the making of such loan, to acquire shares of common stock of the Company through a program of loans by the Company to such individual, (ii) each such loan shall be secured by a perfected pledge of the stock acquired by such employee with the proceeds of such loan, and (iii) the proceeds of any sale or transfer of such pledge stock shall be applied to the payment of accrued and unpaid interest and principal on such Loan.

"Manzo" shall mean Robert Manzo, an individual.

"Material" means material in relation to the business, operations, affairs, financial condition, assets, properties or business prospects of the Obligors taken as a whole.

"Material Adverse Effect" means a material adverse effect on (a) the business, operations, affairs, financial condition, assets, properties or business prospects of the Obligors taken as a whole, or (b) the ability of an Obligor to perform their respective payment or other obligations under any of the Financing Documents, or (c) the validity or enforceability of any of the Financing Documents.

"Memorandum" is defined in Section 5.3.

"Multiemployer Plan" means any Plan that is a "multiemployer plan" (as such term is defined in section 4001(a)(3) of ERISA).

"Net Income" means, with reference to any period, the consolidated net income (or loss) of the Obligors for such period (taken as a cumulative whole), as determined in accordance with GAAP, provided that there shall be excluded:

(a) the income (or loss) of any Person (excluding Subsidiaries) in which an Obligor has an ownership interest, except to the extent that any such income has been actually received by an Obligor in the form of cash dividends or similar cash distributions,

(b) any restoration to income of any contingency reserve, except to the extent that provision for such reserve was made out of income accrued during such period,

(c) any aggregate net gain (but not any aggregate net loss) during such period arising from the sale, conversion, exchange or other disposition of capital assets (such term to include, without limitation, (i) all non-current assets and, without duplication, (ii) the following, whether or not current: all fixed assets, whether tangible or intangible, all inventory sold in conjunction with the disposition of fixed assets, and all Securities),

(d) any gains resulting from any write-up of any assets (but not any loss resulting from any write-down of any assets),

(e) any net gain from the collection of the proceeds of life insurance policies,

(f) any gain arising from the acquisition of any Security, or the extinguishment, under GAAP, of any Debt, of an Obligor,

(g) any net income or gain (but not any net loss) during such period from (i) any change in accounting principles in accordance with GAAP, (ii) any prior period adjustments resulting from any change in accounting principles in accordance with

GAAP, (iii) any extraordinary items, or (iv) any discontinued operations or the disposition thereof, and

(h) any portion of such net income that cannot be freely converted into United States Dollars.

"Net Income" shall be adjusted retroactively to give effect to earnings or losses of any other business entity the assets of which have been acquired substantially as an entity by purchase, merger, consolidation or otherwise after the beginning of such period and such acquisition is completed prior to the end of such period.

"Net Proceeds Amount" means, with respect to any Transfer of any Property by any Person, an amount equal to the difference of

(a) the aggregate amount of the consideration (valued at the Fair Market Value of such consideration at the time of the consummation of such Transfer) received by such Person in respect of such Transfer, minus

(b) all ordinary and reasonable out-of-pocket costs and expenses actually incurred by such Person in connection with such Transfer.

"Newcourt-CFC" means Newcourt Commercial Finance Corporation, a Delaware corporation, and an affiliate of The CIT Group, Inc.

"New Lender" is defined in Section 2.12.

"Notes" means each Revolving Credit Note and each Term Note.

"Obligations" means all obligations of the Obligors to pay principal and interest on the Loans and all other payment obligations of the Obligors to any Agent or any Lender arising under this Agreement or the other Financing Documents, in each case whether now existing or hereafter arising, due or to become due, direct or indirect, absolute or contingent, and howsoever evidenced, held or acquired.

"Obligor" shall mean and include the Company and each Co-Borrower.

"Officer's Certificate" means a certificate of a Senior Financial Officer or of any other officer of the Company or the Co-Borrower as the case may be, whose responsibilities extend to the subject matter of such certificate.

"Overdue Rate" means, with respect to any Tranche of Notes, the interest rate then applicable to such Tranche plus an amount equal to 2.00% per annum.

"P&M" mean Policano & Manzo, L.L.C., a New Jersey limited liability company.

"PBGC" means the Pension Benefit Guaranty Corporation referred to and defined in ERISA or any successor thereto.

"Percentage" means, for each Lender with respect to each type of Commitment, the percentage of the Commitments of such type represented by such Lender's Commitment of such type or, if the Commitments of a type have been terminated, the percentage held by such Lender of the aggregate principal amount of all outstanding Obligations in respect of such Commitment.

"Performance Bonus" shall mean and include each bonus or bonus plan which, in each case, relates specifically and directly to ascertainable revenue, profit, cash flow or hourly benchmarks and, in addition, in the case of not more than three senior executives of the Company, in the aggregate, for any annual fiscal period, any increase in the equity value of the Company.

"Permitted Acquisitions" shall mean and include any acquisition by the Company of another Person, provided, that (i) the sole consideration paid by the Company for such acquisition shall consist of shares of common stock of the Company, (ii) such acquisition shall be a stock for stock acquisition such that after giving effect thereto, the acquired Person shall be a wholly-owned Subsidiary of the Company, (iii) at the time of such acquisition and after giving effect thereto, no Default or Event of Default exists under this Agreement, (iv) concurrently with such acquisition, 100% of the shares of capital stock of the acquiree shall be pledged and delivered to the Collateral Agent as collateral for the Obligations together with such additional Security Documents as the Collateral Agent may require and such acquiree shall become a Obligor hereunder, (v) Consolidated Net Worth immediately after giving effect to such acquisition is not less than Consolidated Net Worth immediately preceding such acquisition, (vi) pro forma EBITDA after giving effect to such acquisition for the 12 month period immediately preceding such acquisition is greater than the actual EBITDA of the Company for said period without giving effect to such acquisition, and (vii) in the event the proposed acquiree has Material contingent liabilities (as determined in the sole discretion of the Agent), the Agent and the Required Lenders shall have given their prior written consent to such acquisition.

"Permitted Liens" shall mean any Lien permitted under Section 10.9.

"Person" means an individual, partnership, corporation, estate, limited liability company, association, trust, unincorporated organization, or a government or agency or political subdivision thereof.

"PIK Amount" shall have the meaning ascribed to such term in paragraph 2(c) of the Subordinated Debentures.

"Plan" means an "employee pension benefit plan" (as defined in section 3(2) of ERISA) that is or, within the preceding five years, has been established or maintained, or to which contributions are or, within the preceding five years, have been made or required to be made by an Obligor or any ERISA Affiliate or with respect to which an Obligor or any ERISA Affiliate may have any liability.

"Pledge Agreement" shall mean the Pledge Agreement dated as of February 4, 2000 between the Obligors and the Collateral Agent.

"Pledged Shares" shall mean the certificates, if any, evidencing the shares of capital stock or other equity interests of the Co-Borrowers pledged under and pursuant to the Pledge Agreement.

"Policano" means Michael Policano, an individual.

"Portion" means all of the principal indebtedness evidenced by the Notes of the same type bearing interest at the same rate for the same period of time.

"Prime Rate" means, for any day, the "Prime Rate" as indicated in The Wall Street Journal (Eastern Edition) under the section captioned Money Rates.

"Pro Forma Closing Date Balance Sheet" means the projected pro forma unaudited balance sheet of the Obligors dated February 4, 2000, reflecting the assets, liabilities and stockholders' equity of the Obligors as of February 4, 2000, adjusted to reflect the effect of the making of the initial Loans hereunder and the use of the proceeds thereof and the consummation of the Related Transactions, including the payment of related costs and expenses and including such reasonable estimates as are permitted or required by GAAP, all as if the date of Closing were February 4, 2000.

"Property" or "properties" means, unless otherwise specifically limited, real or personal property of any kind, tangible or intangible, choate or inchoate.

"Related Transactions" is defined in Section 4.1.6.

"Required Lenders" means the Lenders who, in the aggregate, hold outstanding Term Loans and Revolving Credit Commitments at least equal to 66-2/3% of the sum of (i) all outstanding Term Loans and (ii) all Revolving Credit Commitments, in the aggregate.

"Required Revolving Credit Lenders" means the Lenders whose Percentages represent at least 66 2/3% of the aggregate Revolving Credit Commitments or, if the Revolving Credit Commitments have been terminated, the aggregate principal amount of all outstanding Obligations under or in respect of the Revolving Credit.

"Required Term Lenders" means the Lenders who hold at least 66 2/3% of the principal amount of the Term Notes of each Tranche then outstanding.

"Responsible Officer" means any Senior Financial Officer and any other officer of the Company with responsibility for the administration of the relevant portion of the subject Financing Document and, for the purposes of Section 11(d), the President or any Vice President of the Company.

"Restricted Investments" means all Investments except the following:

(a) property to be used in the ordinary course of business of an Obligor;

(b) current assets arising from the sale or lease of goods and services in the ordinary course of business of an Obligor;

(c) Investments existing on the date of the Closing and disclosed in Schedule 5.15;

(d) Investments in United States Governmental Securities, provided that such obligations mature within 365 days from the date of acquisition thereof;

(e) Investments in certificates of deposit or banker's acceptances issued by an Acceptable Bank, provided that such obligations mature within 365 days from the date of acquisition thereof;

(f) Investments in commercial paper given the highest rating by a credit rating agency of recognized national standing and maturing not more than 270 days from the date of creation thereof;

(g) Investments in Repurchase Agreements;

(h) Investments in tax-exempt obligations of any state of the United States of America, or any municipality of any such state, in each case rated "AA" or better by S&P, "Aa2" or better by Moody's or an equivalent rating by any other credit rating agency of recognized national standing, provided that such obligations mature within 365 days from the date of acquisition thereof;

(i) loans to officers and employees of an Obligor made in the ordinary course of business, so long as the outstanding amount of all such loans to all officers and employees of all Obligors shall not, in the aggregate, exceed at any time $1,000,000, provided the outstanding amount of all loans to any individual officer and employee shall not exceed at any time $250,000 (it being agreed that for the purposes of this clause (i) of this definition of "Restricted Investments," the aforementioned loans shall not include loans or advances which constitute compensation for the purposes of, and which are otherwise permitted by, Section 10.6);

(j) Loans for Stock Purchases;

(k) Permitted Acquisitions; and

(l) Investments in Persons who are either (i) Subsidiaries as of the date of Closing or (ii) either with the consent of the Required Lenders or pursuant to a Permitted Acquisition, Persons who after giving effect to such investments, will be Subsidiaries.

As used in this definition of "Restricted Investments":

"Acceptable Bank" means any bank or trust company (i) which is organized under the laws of the United States of America or any State thereof, (ii) which has capital, surplus and undivided profits aggregating at least $250,000,000, and (iii) whose long-term unsecured debt obligations (or the long-term unsecured debt obligations of the bank holding company owning all of the capital stock of such bank or trust company) shall have been given a rating of "A" or better by S&P, or "A2" or better by Moody's.

"Acceptable Broker-Dealer" means any Person other than a natural person (i) which is registered as a broker or dealer pursuant to the Securities Exchange Act Exchange Act of 1934, as amended, and (ii) whose long-term unsecured debt obligations shall have been given a rating of "A" or better by S&P, "A2" or better by Moody's.

"Moody's" means Moody's Investors Service, Inc.

"Repurchase Agreement" means any written agreement

(a) that provides for (i) the transfer of one or more United States Governmental Securities in an aggregate principal amount at least equal to the amount of the Transfer Price (defined below) to an Obligor from an Acceptable Bank or an Acceptable Broker-Dealer against a transfer of funds (the "Transfer Price") by such Obligor to such Acceptable Bank or Acceptable Broker-Dealer, and (ii) a simultaneous agreement by such Obligor, in connection with such transfer of funds, to transfer to such Acceptable Bank or Acceptable Broker-Dealer the same or substantially similar United States Governmental Securities for a price not less than the Transfer Price plus a reasonable return thereon at a date certain not later than 365 days after such transfer of funds,

(b) in respect of which an Obligor shall have the right, whether by contract or pursuant to applicable law, to liquidate such agreement upon the occurrence of any default thereunder, and

(c) in connection with which an Obligor, or an agent thereof, shall have taken all action required by applicable law or regulations to perfect a Lien in such United States Governmental Securities.

"S&P" means Standard & Poor's Ratings Group, a division of The McGraw-Hill Companies, Inc.

"United States Governmental Security" means any direct obligation of, or obligation guaranteed by, the United States of America, or any agency controlled or supervised by or acting as an instrumentality of the United States of America pursuant to authority granted by the Congress of the United States of America, so long as such obligation or guarantee shall have the benefit of the full faith and credit of the United

States of America which shall have been pledged pursuant to authority granted by the Congress of the United States of America.

"Restricted Stock Agreement" means the Restricted Stock Agreement dated February 4, 2000 by and between the Company and each of Policano and Manzo.

"Revolving Credit" is defined in Section 1.1.

"Revolving Credit Commitments" is defined in Section 1.1.

"Revolving Credit Loan" and "Revolving Credit Loans" each is defined in Section 1.1.

"Revolving Credit Note" is defined in Section 1.1.

"Revolving Credit Termination Date" means February 4, 2005, or such earlier date on which the Revolving Credit Commitments are terminated in whole pursuant to Section 8.3, 12.1 or 12.2.

"Sale-and-Leaseback Transaction" means a transaction or series of transactions pursuant to which an Obligor shall sell or transfer to any Person any property, whether now owned or hereafter acquired, and, as part of the same transaction or series of transactions, an Obligor shall rent or lease as lessee (other than pursuant to a Capital Lease), or similarly acquire the right to possession or use of, such property or one or more properties which it intends to use for the same purpose or purposes as such property for a period of six months or longer.

"Secured Obligations" is defined in the Collateral Agency Agreement.

"Securities Act" means the Securities Act of 1933, as amended from time to time.

"Security" has the meaning set forth in section 2(a)(1) of the Securities Act.

"Security Agreement" shall mean the Security Agreement dated as of February 4, 2000 between the Obligors and the Collateral Agent.

"Security Documents" shall mean the Collateral Agency Agreement, the Security Agreement, the Trademark Agreement, Lease Assignments, Pledge Agreement, the Assignment of Life Insurance Policy, together with any agreement entered into at any time for the purpose of securing or guaranteeing the Secured Obligations and/or preserving or protecting the Collateral or the Collateral Agent's interest therein including any agreement or instrument pledged or assigned under any such agreement.

"Seller Notes" means the promissory notes described in Schedule 5.15.

"Senior Debt" means any Debt of an Obligor that is not Subordinated Debt.

"Senior Debt to Cash Flow Ratio" means, at the date of determination, the ratio of (a) all Senior Debt of the Obligors at such date to (b) Adjusted EBITDA for the 12-month period ending on such date.

"Senior Debt Service Coverage Ratio" means, at the date of determination, Total Debt Service Coverage Ratio reduced by Debt Service in respect of Subordinated Debt during the calculation period.

"Senior Financial Officer" means the chief financial officer, principal accounting officer, treasurer or comptroller of the Company or the Co-Borrower, as the case may be.

"Senior Interest Charges Coverage Ratio" means, at the date of determination, Total Interest Charges Coverage Ratio reduced by Cash Interest Charges in respect of Subordinated Debt for the calculation period.

"Settlement" means as of any time, the making of, or the receiving of payments, in immediately available funds, by the Lenders, to the extent necessary to cause each Lender's actual funded share of the outstanding amount of Revolving Credit Loans (after giving effect to any Revolving Credit Loan to be made on such day) to be equal to such Lender's ratable share (as hereinafter set forth) of the Revolving Credit Loans then outstanding (after giving effect to any Revolving Credit Loan to be made on such day), in any case where, prior to such event or action, such Lender's actual funded share of the Revolving Credit Loans is not so equal. For purposes hereof, a Lender's "ratable share" of the outstanding Revolving Credit Loans as of any time shall be a fraction of the Revolving Credit Loans then outstanding, the numerator of which is such Lender's Revolving Credit Commitment, and the denominator of which is the Revolving Credit Commitments of all the Lenders.

"Settlement Amount" is defined in Section 8.6.

"Settlement Date" is defined in Section 8.6.

"Subordinated Debentures" is defined in Section 1 of the Subordinated Note Agreement.

"Subordinated Debt" means the Subordinated Debentures and any other Debt of the Obligors that shall contain or have applicable thereto subordination provisions approved in writing prior to the incurrence thereof by the Required Lenders.

"Subordinated Note Agreement" means the Investment and Loan Agreement dated as of February 4, 2000 between the Obligors and the holders of the Subordinated Debentures.

"Subordination Agreement" means the Subordination Agreement dated as of February 4, 2000 among the Holders of the Subordinated Debt and the Agent hereunder.

"Subsidiary" means, as to any Person, any corporation, association or other business entity in which such Person or one or more of its Subsidiaries or such Person and one or more of

its Subsidiaries owns sufficient equity or voting interests to enable it or them (as a group) ordinarily, in the absence of contingencies, to elect a majority of the directors (or Persons performing similar functions) of such entity, and any partnership or joint venture if more than a 50% interest in the profits or capital thereof is owned by such Person or one or more of its Subsidiaries or such Person and one or more of its Subsidiaries (unless such partnership can and does ordinarily take major business actions without the prior approval of such Person or one or more of its Subsidiaries).

"Swaps" means, with respect to any Person, payment obligations with respect to interest rate swaps, currency swaps and similar obligations obligating such Person to make payments, whether periodically or upon the happening of a contingency. For the purposes of any Financing Document, the amount of the obligation under any Swap shall be the amount reasonably anticipated to be payable by such Person thereunder, and in making such determination, if any agreement relating to such Swap provides for the netting of amounts payable by and to such Person thereunder or if any such agreement provides for the simultaneous payment of amounts by and to such Person, then in each such case, the amount of such obligation shall be the net amount so determined.

"Syndication Agent" is defined in Section 17.1.

"Taxes" is defined in Section 9.7.

"Term A Loan" and "Term A Loans" each is defined in Section 1.2(a).

"Term A Loan Commitments" is defined in Section 1.2(a).

"Term A Note" and "Term A Notes" each is defined in Section 1.2(a).

"Term B Loan Commitments" is defined in Section 1.2(b).

"Term B Loan" and "Term B Loans" each is defined in Section 1.2(b).

"Term B Note" and "Term B Notes" each is defined in Section 1.2(b).

"Term Commitment" or "Term Commitments" shall mean the Term A Loan Commitments and the Term B Loan Commitments then outstanding.

"Term Loan" or "Term Loans" shall mean the Term A Loans and the Term B Loans then outstanding.

"Term Notes" each shall mean the Term A Notes and the Term B Notes then outstanding.

"Term Portion" is defined in Section 2.1.

"Total Debt Service Coverage Ratio" means, at the date of determination, the ratio of (a) Adjusted EBITDA minus Capital Expenditures for the 12-month period ending on such date minus taxes imposed on or measured by income or excess profits for the 12-month period ending on such date to (b) Debt Service for the 12-month period ending on such date.

"Total Interest Charges Coverage Ratio" means, at the date of determination, the ratio of (a) Adjusted EBITDA for the 12-month period ending on such date to (b) Cash Interest Charges for such 12-month period (or if such date is on or prior to the first anniversary of the date of Closing, the period from the date of Closing to such date, on an annualized basis) ending on such date.

"Trademark Agreement" shall mean the Trademark Collateral Agreement dated the date of Closing between the Company and the Collateral Agent.

"Tranche" shall mean and include the Revolving Credit Notes, the Term A Notes and the Term B Notes, each as a separate Tranche.

"Transfer" means, with respect to any Person, any transaction in which such Person sells, conveys, transfers or leases (as lessor) any of its property.

"U.S. Governmental Authority" means (a) the government of the United States of America or any State or other political subdivision thereof, or (b) any entity exercising executive, legislative, judicial, regulatory or administrative functions of, or pertaining to, any such government.

"Warrants" shall mean the Warrants to purchase common stock of the Company issued by the Company to the holders of the Senior Subordinated Debentures of the Company issued on the date of Closing pursuant to the Warrant Agreement dated the date of Closing among the Company and the holders of the Senior Subordinated Debentures (the "Warrant Agreement").

"Year 2000 Problem" means any significant risk that computer hardware, software or equipment containing embedded microchips material to the business or operations of the Obligors will not, in the case of dates or time periods occurring after December 31, 1999, function at least as effectively and reliably as in the case of times or time periods occurring before January 1, 2000, including the making of accurate leap year calculations.

Exhibit 99.2

FTI Consulting, Inc.

$30,000,000

INVESTMENT AND LOAN AGREEMENT

February, 4 2000

Financing provided by

ALLIED CAPITAL CORPORATION

NEWCOURT COMMERCIAL FINANCE CORPORATION

RELIASTAR FINANCIAL CORP.

and

SUNTRUST BANKS, INC.

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Schedule 5.03B	Schedule of Material Adverse Changes
Schedule 5.04	Schedule of Affiliates
Exhibit 5.05	Financial Statements
Schedule 5.06	Schedule of Material Agreements
Schedule 5.14	Use of Proceeds
Schedule 5.15	Outstanding Debt
Exhibit 5.17A	SBA Size Status Declaration
Exhibit 5.17B	SBA Assurance of Compliance for Non-Discrimination
Exhibit 5.17C	SBA Portfolio Financing Report
Schedule 5.21	Schedule of Patents, Trademarks and Copyrights
Schedule 5.27	Schedule of Side Agreements
Schedule 5.28	Capital Structure
Schedule 5.29	Collective Bargaining Matters
Schedule 5.30	Schedule of Employment, Compensation and Related Agreements
Exhibit 5.33	Acquisition Agreement
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Schedule 8.06	Schedule of Compensation Plans
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Exhibit 10.15	Policano & Manzo Employment Agreements

THIS INVESTMENT AND LOAN AGREEMENT is made by and among (i) FTI Consulting, Inc., a Maryland corporation (collectively with successors and assigns, the "Parent"), (ii) Teklicon, Inc., a California corporation ("Teklicon"), L.W.G., Inc., an Illinois corporation ("L.W.G."), Klick, Kent & Allen, Inc., a Virginia corporation ("KK&A"), Kahn Consulting, Inc., a New York corporation ("Kahn") S.E.A, Inc., an Ohio corporation ("SEA"), RestorTek, Inc., an Illinois corporation ("RestorTek") KCI Management Corp., a New York corporation ("KCI") and Policano & Manzo, LLC, a New Jersey limited liability company ("P&M")(P&M, Teklicon, L.W.G., KK&A, Kahn, SEA, RestorTek and KCI, collectively with successors and assigns the "Subsidiaries", and the Subsidiaries, collectively with the Parent, the "Companies"; each, a "Company"); (iii) for the limited purposes set forth herein, Jack B. Dunn IV, and Stewart J. Kahn, each an executive officer of the Parent, (sometimes hereinafter being referred to collectively as the "Principals"), (iv) Allied Capital Corporation, a Maryland corporation (collectively with successors and assigns, "Group 1"), and (v) Newcourt Commercial Finance Corporation, a Delaware Corporation ("Newcourt"), SunTrust Banks, Inc., a Georgia corporation ("SunTrust") and ReliaStar Financial Corp., a Delaware corporation ("ReliaStar," and with SunTrust and Newcourt and their respective successors and assigns, collectively, "Group 2"; Group 2, collectively with Group 1 and their respective successors and assigns, the "Holders").

RECITALS

A. Under terms of an LLC Membership Interest Purchase Agreement dated as of January 31, 2000 (the "Acquisition Agreement") by and among the Parent, Mr. Michael Policano, and Mr. Robert Manzo, the Parent is purchasing all of the outstanding membership interests of P&M, for $47.5 million in cash and 565,000 shares of the Common Stock of the Parent, plus 250,000 restricted shares of the Common Stock of the Parent. Such purchase is hereinafter referred to as the "Acquisition."

B. Under terms of a Credit Agreement dated the date hereof (the "Credit Agreement"), the Companies are obtaining from Newcourt Commercial Finance Corporation, an affiliate of The CIT Group, Inc., a Delaware corporation (collectively with successors and assigns, "NCFC"), as a lender and as Agent and certain other lenders, a revolving line of credit and two term loans in the principal amount of Sixty Eight Million Five Hundred Thousand Dollars ($ 68,500,000).

C. Also under terms of the letter dated November 10th, 1999, the Companies propose to issue to Holders certain subordinated debentures, and the Parent proposes to issue certain warrants to purchase shares of its common stock, in consideration for a loan (collectively with all modifications, renewals, extensions and replacements thereof and therefor, the "Loan") to the Companies in the aggregate principal amount of Thirty Million Dollars ($30,000,000), to provide funds for the Acquisition and to refinance certain existing debts of the Companies.

D. The Companies and the Holders wish to set out certain agreements and understandings with respect to the foregoing.

PROVISIONS

In consideration of the premises and the covenants herein, the undersigned parties agree as set forth below.

ARTICLE 1

LOAN

Section 1.1 Funding. At Closing (as such term is defined in the definition section hereof in Article 23, below), each Holder will fund that portion of the Loan to the Companies set out next to its name on Exhibit 1.01 hereof. The Loan will be evidenced by, and repaid according to the terms of four(4) subordinated debentures, one (1) of which will be issued by the Companies to Group 1 (collectively, with all modifications, extensions, renewals and replacements thereof and therefor, the "Group 1 Debentures"), and three of which will be issued by the Companies to Group 2 at Closing (with all modifications, extensions, renewals and replacements thereof and therefor, the "Group 2 Debentures" and, together with the Group 1 Debentures and certain debentures issuable pursuant to Section 3.7(d) below, the "Debentures"). This Agreement and the Debentures, collectively with all modifications, extensions, renewals and replacements thereof and therefor, are sometimes hereinafter referred to as the "Loan Documents".

Section 1.2 [Intentionally Omitted].

Section 1.3 Senior Debt. The indebtedness under the Debentures and the Holders' rights herein shall be subordinate to those certain term loans and that certain revolving line of credit arranged by NCFC, as Agent, made pursuant to that certain Credit Agreement dated the date hereof among the Companies, such Agent, and certain other lenders (as amended, refinanced or refunded, collectively, the "Senior Debt"), according to the terms of a certain Subordination Agreement attached as Exhibit 1.03 hereto;

Section 1.4 No Preference Among Holders. The Companies shall make no payments under the Debentures which give preference to one Holder over any other Holder. In each instance of a payment being made to any Holder pursuant to its Debenture, proportionate payments shall likewise be made under all other Debentures as simultaneously as may be practical. If any Holder shall receive any payment from any Company in respect of its Debenture, in an amount above its ratable share or otherwise in violation of this Section, that Holder shall forthwith pay over to the other Holders those sums necessary to restore the balances of all the Debentures to amounts proportionate to their original face amounts.

ARTICLE 2

EQUITY

Section 2.1 Series A Stock Purchase Warrants. At Closing, the Parent will issue and sell, and each Holder will purchase, a Stock Purchase Warrant denominated Series A (collectively with all modifications, extensions, renewals and replacements thereof and therefor, the "Series A Warrants"), to purchase shares of the Parent's common stock which will entitle the Holders to receive that

number of shares of the Parent's authorized but unissued common stock which will provide the Holders, in the aggregate, with Eight and One Half Percent (8.5%) of the Parent's capital stock calculated on the date of the Closing subject to reduction pursuant to the Warrant. The aggregate purchase price for the Series A Warrants shall be One Hundred Dollars ($100), which the Holders shall pay to the Parent at Closing. The shares of the Parent's common stock are hereinafter sometimes referred to as "Shares".

Section 2.2 Series B and C Conditional Warrants. At Closing, the Parent will also issue and sell, and each Holder will purchase, a Stock Purchase Warrant denominated Series B and a Stock Purchase Warrant denominated Series C (collectively with all modifications, extensions, renewals and replacements thereof and therefor, the "Series B Warrants" or the "Series C Warrants," as applicable) to acquire Shares in certain circumstances set out therein. The purchase price for the Series B and Series C Warrants shall be One Hundred Dollars ($100) for each series, which sums the Holders shall pay to the Parent at Closing.

Section 2.3 Valuation of Warrants. The Holders and the Companies hereby agree to endeavor in good faith to agree within 45 days after the Closing, on the fair market value of the Warrants, and to prepare and maintain their books of account, financial statements and tax returns in a manner consistent therewith, it being understood that the Companies are required to account for the Warrants on their financial statements in accordance with GAAP.

Section 2.4 Ceiling on Adjustments to Numbers of Warrant Shares. The provisions in the Series A Warrants for adjustments to the aggregate numbers of Warrant Shares (as defined therein) from time to time shall in no case ever increase the number of Warrant Shares above 19.9% of the number of shares of Parent's Common Stock actually outstanding at Closing, subject in all cases to adjustment as appropriate to reflect stock splits, reverse splits, stock dividends and similar capital events.

ARTICLE 3

INVESTOR EXIT

Section 3.1 Demand Registration Rights. At any time, if Holders owning 20% or more of the outstanding Warrants (determined according to the number of Shares issuable thereunder) and Shares shall make a written request to the Parent, the Parent shall cause to be filed with the Securities and Exchange Commission (the "Commission") a registration statement meeting the requirements of the Securities Act (a "Demand Registration").

(a) Each Holder shall be entitled to have included therein all or such number of such Holder's Shares as the Holder shall request in writing up to the number of Shares for which such Holder's Warrant is then exercisable; provided, however:

(i) that the Parent shall be entitled to postpone for up to ninety (90) days in any 365 day period the filing of any Demand Registration statement otherwise required to be prepared and filed under this Section 3.1 if the Board of Directors of the Parent shall determine in its good faith reasonable judgment, that such Demand Registration would materially interfere with, or

require premature disclosure of, any financing, acquisition, reorganization, or other material event involving the Parent and the Board of Directors delivers written notice of such determination to the Selling Holders;

(ii) the Parent shall be obligated to effect no more than four (4) such Demand Registrations, two (2) of which may be demanded by Group 1, and two (2) by Group 2; and

(iii) a Demand Registration hereunder shall not be deemed to have been effective: (A) unless a registration statement pursuant to the exercise of the demand rights under this Section 3.1 has become effective, (B) if after such registration statement has become effective, such registration or the related offer, sale or distribution of Shares thereunder is interfered with by any stop order, injunction or other order or requirement of the Commission or other governmental agency or court for any reason not attributable to the Selling Holders, or (C) if the conditions to closing specified in the underwriting agreement, if any, entered into in connection with such registration are not satisfied or waived, other than by reason of a failure on the part of the Selling Holders.

(b) If any Demand Registration involves an underwritten offering, or an agented offering, Selling Holders holding a majority of the Shares to be included in the offering shall have the right to select the underwriter or underwriters, manager or managers or agent or agents, as the case may be, to administer such underwritten offering or the placement agent or agents for such agented offering; provided, however that each Person so selected shall be reasonably acceptable to the Parent.

(c) The Parent shall use its best efforts to keep the Demand Registration statement continuously effective for up to 180 days or until such earlier date as of which all the Shares under the Demand Registration statement shall have been disposed of in the manner described in the registration statement.

(d) If any registration under this Section 3.1 involves an underwritten offering and the managing underwriter of such offering shall advise the Selling Holders by letter that, in its view, the number of securities requested to be included in such registration exceeds the largest number that can be sold in an orderly manner in such offering and that such number would materially and adversely affect such offering ("Maximum Amount "), then the Parent shall include in such registration, to the extent the number and type of securities which the Parent is so advised can be sold in (or during the time of) such offering: (1) first, all Shares requested to be included in such registration by the Selling Holders; and (2) second, to the extent that the number of Shares to be included by all Selling Holders is less than the Maximum Amount, securities that the Parent or any other holders of the equity securities of the Parent, proposes to register.

(e) In connection with any registration statement or other filing described herein, and in connection with making and keeping such filings effective as provided herein, the Parent shall bear all the expenses and professional fees of the Parent and Selling Holders (including the fees and expenses of one legal counsel for all Selling Holders), except for the Selling Holder's pro rata share of any underwriting discounts and commissions.

(f) Holders shall not request a Demand Registration hereunder of any offering or sale of Shares which can be effected, according to its proposed terms, so as to comply with the requirements of Rule 144 under the Securities Act without the necessity of any discount, any indemnity or similar undertaking by the Selling Holders.

Section 3.2 Piggy-Back Registration. If the Parent shall at any time prepare and file a registration statement under the Securities Act of 1933, as amended (the "Securities Act"), with respect to the public offering of any Shares, the Parent shall give written notice thereof to each Holder and shall, upon the written request of any Holder within 10 Business Days after such notice, include in the registration statement such number of the Holder's Shares as such Holder may request. The Parent will keep such registration statement effective and current under the Securities Act permitting the sale of the Holders' Shares included therein for the same period that the registration is maintained effective in respect of Shares of other persons (including the Parent). In any underwritten offering the Holders' Shares to be included will be sold at the same time and the same per-share price as the Parent 's Shares. In the event the Parent fails to receive a written inclusion request from a Holder within ten (10) Business Days after the mailing of its written notice, then the Parent shall have no obligation to include any of such Holder's Shares in the offering.

(a) In connection with any registration statement or subsequent amendment or similar document filed and is subject hereto, the Parent shall take all reasonable steps to make the Holders' securities covered thereby eligible for public offering and sale under the securities or blue sky laws of such jurisdictions as may be specified by the relevant Holders by the effective date of such registration statement; provided that in no event shall the Parent be obligated to qualify to do business in any jurisdiction where it is not so qualified at the time of filing such documents, or to take any action which would subject it to unlimited service of process in any jurisdiction where it is not so subject at such time. The Parent shall keep such blue-sky filings current for the length of time it must keep any registration statement, post-effective amendment, prospectus or offering circular effective pursuant hereto.

(b) In connection with any registration statement or other filing described herein, and in connection with making and keeping such filings effective as provided herein, the Parent shall bear all the expenses and professional fees of the Parent and Holders (including the fees and expenses of one legal counsel for all Holders), except for the Holder's pro rata share of any discounts and commissions, and shall also provide the Selling Holders with a reasonable number of printed copies of the prospectus, offering circulars and/or supplemental or amended prospectuses in final and preliminary form. The Parent consents to the use of each such prospectus or offering circular in connection with the sale of Holders' Shares.

(c) Allocation. If any registration under this Section 3.2 involves an underwritten offering and the managing underwriter of such offering shall advise the Parent at any time two (2) or more days prior to the pricing of such offering that, in its view, the number of securities requested to be included in such registration exceeds the Maximum Amount, then the Parent shall notify the Selling Holders of such fact and give such Holders at least 48 hours to negotiate with the managing underwriter regarding the inclusion in such registration of all of the Shares requested by the Holders to be included therein. If such managing underwriter notifies the Parent of such a fact less than two (2) days prior to such pricing, then the Parent shall likewise notify the Selling Holders of such fact and allow them such lesser period to negotiate with such underwriter as is reasonably practicable

under the circumstances. In either such case, one individual designated by Group 1 and one designated by Group 2 shall be allowed to participate in the pricing and share volume negotiations with such underwriter along with the Parent or other relevant sellers, and shall be provided reasonable advance notice thereof. If the managing underwriter does not agree to include more than eighty (80) percent (or such lesser percentage as the Selling Holders shall, in their sole discretion, agree to) of the number of Shares initially requested by the Holders to be included in such registration, then the Parent shall include in such registration, to the extent of the number and type of which the Parent is so advised can be sold in (or during the time of) such offering: (i) first, all shares of its common stock which the Parent proposes to register for its own account and not for the account of third parties (the "Company Securities"); (ii) second, to the extent that the number of Company Securities is less than the Maximum Amount, the remaining Shares to be included in such registration shall be allocated on a pro rata basis among the Selling Holders, in proportion to the number of Shares requested to be included in such registration; and (iii) third, to the extent the number of Company Securities and the Shares requested for inclusion by the Holders is less than the Maximum Amount, to other owners of Shares having piggyback registration rights.

Section 3.3 Certain Obligations of Holders in a Registered Offering.

(a) It shall be a condition precedent to the obligations of the Parent to take any action under this Article 3 with respect to the Shares of any Selling Holder that such Holder shall furnish to the Parent such information regarding itself, the Shares held by it, and the intended method of disposition of such securities as shall be reasonably required to effect the registration of such Holder's Shares.

(b) Each Holder having Shares covered by a registration statement agrees that, upon receipt of any notice from the Parent that the registration materials must be supplemented or amended, such Holder will forthwith discontinue disposition of Shares pursuant to such registration statement until such Holder's receipt of copies of a supplemented or amended prospectus covering such Shares, and, if so directed by the Parent, such Holder will deliver to the Parent (at the Parent's expense) all copies, other than permanent file copies then in such Holder's possession, of the prospectus covering such Shares current at the time of its receipt of such notice.

Section 3.4 Indemnification and Contribution.

(a) In the event of any registration of any of the Shares under the Securities Act pursuant to this Agreement, the Parent will indemnify and hold harmless each Selling Holder, each underwriter of such Shares, and each other person, if any, who controls such Selling Holder or underwriter within the meaning of the Securities Act or the Exchange Act, against any losses, claims, damages, or liabilities, joint or several, to which such Holder, underwriter, or controlling person may become subject under the Securities Act, the Exchange Act, state securities or Blue Sky laws, or otherwise, insofar as such losses, claims, damages, or liabilities (or actions in respect thereof) arise out of or are based upon any untrue statement or alleged untrue statement of any material fact contained in any registration statement under which such Shares were registered under the Securities Act, any preliminary prospectus, or final prospectus contained in the registration statement, or any amendment or supplement to such registration statement, or arise out of or are based upon the omission or alleged omission to state a material fact required to

be stated therein or necessary to make the statements therein not misleading; and the Parent will reimburse such Selling Holder, underwriter, and each such controlling person in connection with investigation or defending any such loss, claim, damage, liability, or action; provided, however, that the Parent will not be liable in any such case to the extent that any such loss, claim, damage, or liability arises out of or is based upon any untrue statement or omission made in such registration statement, preliminary prospectus, or final prospectus, or any such amendment or supplement, in reliance upon and in conformity with information furnished to the Parent, in a written instrument, duly executed, by or on behalf of such Selling Holder, underwriter, or controlling person specifically stating that it is for use in the preparation thereof.

(b) In the event of any registration of any of the Shares under the Securities Act pursuant to this Agreement, each Selling Holder, severally and not jointly, will indemnify and hold harmless the Parent, each of its directors and officers and each underwriters (if any) and each person, if any, who controls the Parent or any such underwriter within the meaning of the Securities Act or the Exchange Act, against any losses, claims, damages, or liabilities, joint or several, to which the Parent, such directors and officers, underwriter, or controlling person may become subject under the Securities Act, Exchange Act, state securities or Blue Sky laws, or otherwise, insofar as such losses, claims, damages, or liabilities (or actions in respect thereof) arise out of or are based upon any untrue statement or alleged untrue statement of a material fact contained in any registration statement under which such Shares were registered under the Securities Act, any preliminary prospectus or final prospectus contained in the registration statement, or any amendment or supplement to the registration statement, or arise out of or are based upon any omission or alleged omission to state a material fact required to be stated therein or necessary to make the statements therein not misleading, if the statement or omission was made in reliance upon and in conformity with written information furnished to the Parent through an instrument duly executed by a Selling Holder specifically stating that it is for use in the preparation of such registration statement, preliminary prospectus, final prospectus, summary prospectus, amendment or supplement; provided, however, that the obligations of each Selling Holder hereunder shall be limited to an amount equal to the proceeds to such Selling Holder of Shares sold in connection with such registration.

(c) Each party entitled to indemnification under this Section 3.4 (the "Indemnified Party") shall give notice to the party required to provide indemnification (the "Indemnifying Party") promptly after such Indemnified Party has actual knowledge of any claim as to which indemnity may be sought, and shall permit the Indemnifying Party to assume the defense of any such claim or any litigation resulting therefrom; provided, that counsel for the Indemnifying Party, who shall conduct the defense of such claim or litigation, shall be approved by the Indemnified Party (whose approval shall not be unreasonably withheld), unless in such Indemnified Party's reasonable judgment a conflict of interest between such Indemnified and Indemnifying Parties may exist in respect of such claim; and, provided, further, that the failure of any Indemnified Party to give notice as provided herein shall not relieve the Indemnifying Party of its obligations under this Section 3.4. The Indemnified Party may participate in such defense at such party's expense; provided, however, that the Indemnifying Party shall pay such expense if representation of such Indemnified Party by the counsel retained by the Indemnifying Party would be inappropriate due to actual or potential differing interests between the Indemnified Party and any other party represented by such counsel in such proceeding. No Indemnifying Party, in the defense of any such claim or litigation, shall except with the prior written consent of each Indemnified Party, consent to entry of any judgment or enter into any settlement that does not include as an unconditional term thereof the giving by the claimant

or plaintiff to such Indemnified Party of a release from all liability in respect of such claim or litigation, and no Indemnified Party shall consent to entry of any judgment or settle such claim or litigation without the prior written consent of the Indemnifying Party.

(d) In order to provide for just and equitable contribution to joint liability under the Securities Act in any case in which either (i) any Holder of Shares exercising rights under this Agreement, or any controlling person of any such Holder, makes a claim for indemnification pursuant to this Section 3.4 but it is judicially determined (by the entry of a final judgment or decree by a court of competent jurisdiction and the expiration of time to appeal or the denial of the last right of appeal) that such indemnification may not be enforced in such case notwithstanding the fact that this Section 3.4 provides for indemnification in such case, or (ii) contribution under the Securities Act may be required on the part of any such Selling Holder or any such controlling person in circumstances for which indemnification is provided under this Section 3.4; then, in each such case, the Parent and such selling Holder will contribute to the aggregate losses, claims, damages, or liabilities to which they may be subject (after contribution from others) in such proportions so that such holder is responsible for the portion represented by the percentage that the aggregate public offering price of its Shares offered by the registration statement bears to the aggregate public offering price of all securities offered by such registration statement, and the Parent is responsible for the remaining portion; provided, however, that, in any such case, (i) no such holder will be required to contribute any amount in excess of the proceeds to it of all Shares sold by it pursuant to such registration statement, and (ii) no person or entity guilty of fraudulent misrepresentation, within the meaning of Section 11(f) of the Securities Act, shall be entitled to contribution from any person or entity who is not guilty of such fraudulent misrepresentation. In addition, no person shall be obligated to contribute hereinunder any amounts in payment for any settlement of any action or claim, effected without such person's prior written consent, which consent shall not be unreasonably withheld.

Section 3.5 Underwritten Offerings.

(a) Underwritten Demand Offerings. If requested by the underwriters for any underwritten offering by any Holders pursuant to a registration requested under Section 3.1, the Parent will enter into an underwriting agreement with such underwriters for such offering, such agreement to be reasonably satisfactory in substance and form to the Parent, the Selling Holders and the underwriters, and to contain such representations and warranties by the Parent and the Selling Holders and such other terms as are generally prevailing in agreements of that type, including, without limitation, indemnities to the effect and to the extent provided in Section 3.4. The Selling Holders will cooperate with the Parent in the negotiation of the underwriting agreement and will give consideration to the reasonable suggestions of the Parent regarding the form and substance thereof. Each Selling Holder shall be a party to such underwriting agreement. The Selling Holders shall not be required to make any representations or warranties to or agreements with the Parent or the underwriters other than representations, warranties or agreements regarding such Holders, their Shares, their intended method of distribution and any other representations or warranties required by law or customarily given by selling shareholders in an underwritten public offering.

(b) Underwritten Piggyback Offerings. If the Parent proposes to register any Shares under the Securities Act as contemplated by Section 3.2 and such securities are to be distributed by or through one or more underwriters, subject to the provisions of Section 3.1(c)(i) the Parent will, if requested by the Selling Holders, arrange for such underwriters to include all of the Shares to be offered and sold by such Holders among the securities of the Company to be distributed by such underwriters. Each Selling Holder shall each become a party to the underwriting agreement negotiated between the Company and such underwriters. The Holders shall not be required to make any representations or warranties to or agreements with the Parent or the underwriters other than representations, warranties or agreements regarding the Holders, their Shares and their intended method of distribution or any other representations or warranties required by law or customarily given by selling shareholders in an underwritten public offering.

Section 3.6 Holders' Rights to Most Favorable Registration Rights'. If any Company hereafter provides any Person with rights to cause a registration statement to be filed with respect to the public offering of any Company's equity securities owned by such person, on terms more favorable than those provided herein for the registration of offerings of the Holders' Shares, Sections 3.1 through 3.5 hereof shall, upon written notice by the Majority Holders (for purposes of this Section 3.6, "Majority Holders" shall be determined as if the Debentures had previously been paid in full) be deemed to have been amended to provide for registrations with respect to the Holders' Shares on such more favorable terms, and this Agreement shall be deemed to have been amended, as nearly as may be practicable, to provide the Holders with all benefits of such terms.

Section 3.7 "Put" Rights. At any time and from time-to-time beginning six (6) years after the Closing, whenever the number of Shares traded on a national or regional stock exchange or on the NASDAQ National Market System has been less than 100,000 per day for a period of 20 consecutive trading days, any Holder or group of Holders owning 16-2/3% or more of the Warrants and Shares then outstanding, within 30 days after the relevant 20 trading day period, by written notice may require the Parent to repurchase their Warrants or the Shares issued thereunder. If within such 30 day period any Holder or Holders of the requisite Warrants or Shares give notice of their exercise of their Put right according to the terms herein, the other Holders shall have an additional 12 Business Days after receipt of the notice from the Company provided in Section 3.7(f), within which they may exercise their Put rights without regard to any requirement that they own any particular number or amount of Warrants or Shares.

(a) Price.

(i) If the Shares are Publicly Traded at the time of the exercise of the Put rights herein, then the repurchase price payable under this Section 3.7 for each Share (the "Per-Share Value") shall be the higher of (x) the product of the average of the closing bid and ask prices for the Shares in the relevant securities market for the five (5) trading days prior to such notice and (y) the quotient obtained by dividing six (6) times the Company's EBITDA for the most recent twelve (12) month period ending prior to the date of notice of the exercise of this Put right, less the amount of all funded debt and plus the amount of all cash and cash equivalents reflected on the Companies' consolidated balance sheet as of the last business Day of such twelve (12) months period, as dividend, by the number of Shares outstanding on such date on a Fully Diluted Basis,

as divisor; and in the case of an unexercised Warrant, such price shall be the Per-Share Value, multiplied by number of Shares for which the Warrant is exercisable.

(ii) If the Shares are not Publicly Traded, the total repurchase price payable to each Holder for its Warrants and/or Shares shall be the higher of (x) the product of the Appraised Value of the Company determined pursuant to Section 3.7(b) below, multiplied by the Holder's Equity Percentage, and (y) six (6) times the Company's EBITDA for the most recent twelve (12) month period ending prior to the date of notice of the exercise of this Put right, less the amount of all funded debt and plus the amount of all cash and cash equivalents reflected on the Companies' consolidated balance sheet as of the last business day of such twelve (12) months period, multiplied by the Holder's Equity Percentage;

(iii) Whether or not the Shares are Publicly Traded, from the repurchase price payable for unexercised Warrants, the Company shall be entitled to deduct the exercise price of such Warrants from its payments of such prices.

(b) Appraised Value. The Appraised Value of the Company shall be its fair market value on a going concern basis without considering any "take-over" or similar premium, without giving effect to any discount in respect of any minority interest, and with any contractual limitation in respect of the Shares relating to voting rights and any so-called "Poison Pill" or similar rights deemed to have been eliminated or canceled, determined from its earnings, book value and other appropriate information according to the following procedure.

(i) The Company, and the Holders as a group, shall each select an appraiser, each of whom shall determine the value of the Company.

(ii) If the values determined by such two (2) appraisers are the same or within Two Million Dollars ($2,000,000) of each other, then the average of such two (2) values shall be the Appraised Value.

(iii) If the foregoing two (2) values differ by more than Two Million Dollars ($2,000,000), then the appraisers shall together select a third appraiser to determine the value of the Company.

(iv) If the value determined by the third appraiser is greater than the larger of the values determined by the first two (2) appraisers, or less than the smaller of the first two (2) values, then the average of the values determined by the first two appraisers shall be the Appraised Value; or

(v) if the value determined by the third appraiser is between the first two (2) values in amount, then the average of the value determined by the third appraiser and the one of the first two (2) values which is closest to the third value shall be the Appraised Value.

(vi) Each appraiser shall be an investment banking firm of national reputation having experience in the valuation of businesses similar to the Parent in type of entity

and principal activity. The Companies shall provide, with sufficient promptness to allow completion of all appraisals within the periods specified herein, all relevant information to which they have access, as may reasonably be requested by the appraisers. The Parent shall pay all fees and other expenses of all appraisers, and provide any reasonable and customary indemnification undertakings they may request.

(vii) The initial appraisers shall in each case be engaged within twenty-one (21) days of the notices of exercise of the Put right, and the terms of their engagements shall be such as to cause the determinations by all appraisers to be completed within forty-two (42) days after the engagements of the initial appraisers. In any case this procedure shall be completed within sixty-three (63) days after such notice.

(c) Time of Payment. The Companies shall pay the relevant repurchase prices within ten (10) days of notice of exercise of this Put right if the Shares are Publicly Traded, or ten days after the Appraised Value is determined, if the Shares are not Publicly Traded, except as provided in section (d), below.

(d) Financing of Put Price. If upon exercise by a Holder of the Put right above, the Parent is unable after diligent effort to pay the above-referenced re-purchase prices in cash for any reason, the Companies shall in lieu of such cash payments, satisfy the obligation to make such payment by issuing additional subordinated debentures to the relevant Holders in face amounts corresponding to the Put Price and with provisions subordinating their payment to the Group 1 and Group 2 Debentures, but otherwise having terms identical to the Group 1 and Group 2 Debentures; in such case, such additional subordinated debentures shall thereafter be included within the definition of Debentures herein for all purposes, and the Parent shall be allowed an extra fifty (50) days after the relevant ten (10) days' period specified in Section (c) above to seek alternative financing for the repurchase price or to issue such additional Debentures; provided however that the Companies may not issue such additional Debentures if such issuance will, taking into account the interest payable thereunder and other effects of such issuance, occasion an Event of Default hereunder. If at any time prior to making the payment of the Put Price herein, the Companies are able to pay such price in cash, they shall do so.

(e) Holders' Rights to Most Favorable Put Rights. If hereafter any Person obtains any right to cause any Company to purchase or redeem any of the Parent's equity securities owned by such Person at a price or on terms more favorable than those provided in Section 3.7(a), (b) and (c) hereof, this Section shall, upon written notice from the Majority Holders, be deemed to have been amended to provide the Holders, as nearly as may be practicable, all benefits of such terms.

(f) Notice By Parent of Put Exercise. Whenever the Holder or Holders of the requisite Warrants or Shares gives notice of exercise of the Put hereunder during the 30 day period specified above, the Parent shall within 3 Business Days provide notice to all other Holders of such exercise, and identify the relevant Holder or Holders.

(g) Equal Treatment of Holders in Put Exercise; Recission of Exercise. All Holders giving notice of exercise of their Put rights herein in any particular 30 day (or, as the case may be, 45 day) period for such notice, shall receive the same form of payments as between cash payment and

issuance of additional debentures; and if the Companies are, after diligent effort in the strictest good faith, unable to make all of such payments either in cash or by issuance of debentures, none of such Holders will receive any such payment and each of their exercises of their Put rights herein will be deemed to be rescinded.

ARTICLE 4

UNDERTAKINGS BY THE PRINCIPALS

Section 4.1 Commitment. Each of the Principals will devote his full time and attention to the Companies' businesses unless (i) prevented from doing so by his death or disability (ii) the Board of Directors terminates such Principal's employment with the Companies or the Companies materially breach such Principal's employment agreement; or (iii) his employment agreement expires pursuant to its existing provisions contained in Section 3.01 thereof.

Section 4.2 Non-Competition; Non-Disclosure. The non-competition and non-disclosure provisions in the Employment Agreements between the Companies and each of the Principals, in the form of Exhibit 4.02, are in full force and effect.

Section 4.3 Continued Equity Ownership. Except for Exempt Transfers (as defined below), none of the Principals shall sell, assign or transfer any Shares or other equity interest in the Parent which they own, or otherwise divest themselves of any voting rights which they may hold in regard to stock in the Parent. "Exempt Transfer" means any of the following sales, assignments or transfers by either Principal of the capital stock or equity interests of the Parent or any interest therein (each, a "transfer"):

(a) any transfer pursuant to the laws of descent and distribution upon the death of such Principal;

(b) any sale of Shares wherein the proceeds are used solely to pay the exercise price of options to purchase other Shares, issued pursuant to an incentive stock option plan described in Exhibit 4.03(b), and/or income taxes (including alternative minimum taxes) arising from exercise of such options;

(c) any sale of Shares where the proceeds are used solely to remedy a bona fide crisis involving members of the Principal's immediate family;

(d) any transfer to a bona fide trust in which the trust beneficiary is the Principal, his estate, or a member of his immediate family, or any transfer into a similar estate planning vehicle;

(e) any transfer pursuant to the prior written consent of the Majority Holders; and

(f) any sale of Shares by such Principal of up to 80,000 Shares in one calendar year.

Upon any transfer by the Principals, the Parent shall deliver notice to the holders

upon the earlier of (i) five (5) days after such transfer or (ii) the date on which notice of such transfer has been delivered to any public security holders of the Parent.

Section 4.4 Access to Information. Each of the Principals hereby authorizes the Holders or their authorized representatives to obtain credit and other background information on each such Principal in connection herewith.

Section 4.5 Election of Director. Each of the Principals will use his best efforts (provided, that such efforts shall not require expenses to be incurred by the Principals) in good faith to cause the persons whom Group 1 and Group 2 request to be elected as their designees to the Companies' Boards of Directors to be so elected, in each case as and when such election shall be required under Section 7.12 below.

Section 4.6 Termination of Certain Undertakings of the Principals. Sections 4.1 through 4.5 hereof shall remain in full force and effect, as to each Principal, until the earliest of: (i) the Debentures are indefeasibly repaid in full; (ii) all Holders have transferred or disposed of more than ninety (90) percent of the voting or economic interests represented by the Warrants sold to it pursuant to Section 2.1 (for purposes of this clause, the exercise of Warrants in exchange for Shares shall not be deemed a disposition of the voting or economic interests represented by the Warrants, but the disposition of Shares issued as a result of the exercise of the Warrants shall be deemed a disposition of a proportionate interest in the Warrants); or (iii) that Principal's employment is terminated in a manner described in Section 4.1.

ARTICLE 5

REPRESENTATIONS AND WARRANTIES

To induce the Holders to enter the transactions contemplated herein and purchase the Debentures and Warrants, the Companies jointly and severally make the representations and warranties set out below. All representations and warranties in this Article shall refer to facts as they exist at Closing unless made as of a specific date, and shall survive the Closing.

Section 5.1 Organization; Power and Authority. Each Company is a corporation or a limited liability company (as the case may be) duly organized, validly existing and in good standing under the laws of its jurisdiction of organization, and is duly qualified as a foreign entity and is in good standing in each jurisdiction in which such qualification is required by law, other than those jurisdictions as to which the failure to be so qualified or in good standing could not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect. Each Company has the corporate power and authority to own or hold under lease the properties it purports to own or hold under lease, to transact the business it transacts and proposes to transact, to execute and deliver the Loan Documents to which it is a party and to perform the provisions hereof and thereof, and to consummate all portions of the Acquisition to which it is a party. The Inactive Subsidiaries are shell entities which have no Material assets, liabilities (contingent or otherwise) or operations. True and complete copies of the Companies' charters, bylaws, and other organizational documents are attached as Exhibit 5.01 hereto.

Section 5.2 Authorization, Etc. The Loan Documents have been duly authorized by all necessary corporate action on the part of each Company and this Agreement and the Loan Documents executed by each Company constitute, or in the case of the Debentures will upon issuance constitute, the legal, valid and binding obligations of the Companies enforceable against the Companies in accordance with their respective terms, except as such enforceability may be limited by (i) applicable bankruptcy, insolvency, reorganization, moratorium or other similar laws affecting the enforcement of creditors' rights generally and (ii) general principles of equity (regardless of whether such enforceability is considered in a proceeding in equity or at law). True copies of the relevant resolutions for the above are attached as Exhibit 5.02 hereto.

Section 5.3 Disclosure. The Confidential Information Memorandum dated November, 1999 attached as Exhibit 5.03A hereto, (the "Memorandum") fairly describes, in all material respects, the general nature of the business of the Companies. The representations in this Agreement, the Memorandum, the documents, certificates or other writings delivered to the Holders by or on behalf of an Company in connection with the transactions contemplated hereby and the financial statements listed in Exhibit 5.05, taken as a whole, are complete and do not contain any untrue statement of a material fact or omit to state any material fact necessary to make the statements therein not misleading in light of the circumstances under which they were made. The Approved Closing Budget and other pro forma financial information contained in such materials are based upon good faith estimates and assumptions believed by the Companies to be reasonable at the time made and the Companies believe such estimates and assumptions continue to be reasonable, it being recognized by the Holders that such projections as to future events are not to be viewed as facts and that actual results during the period or periods covered by any such projections may differ from the projected results. Except as disclosed in Schedule 5.03B, since December 31, 1998, there has been no change in the financial condition, operations, business, properties or prospects of an Company except changes that individually or in the aggregate could not reasonably be expected to have a Material Adverse Effect. There is no fact known to an Company (other than matters of a general economic nature) that could reasonably be expected to have a Material Adverse Effect that has not been set forth herein or in the other documents, certificates and other writings delivered to the Holders by or on behalf of an Company specifically for use in connection with the transactions contemplated hereby (including, without limitation, any Material reimbursement or indemnification of liabilities to any party under the Acquisition Agreement). All of the Companies' obligations under material leases, accounts payable and Debts are current in all material respects.

Section 5.4 Affiliates. Schedule 5.04 contains complete and correct lists (i) of the Companies' Affiliates, and (ii) of each Company's directors and senior officers, in each case after giving effect to the consummation of the Acquisition.

Section 5.5 Financial Statements.

(a) All of the financial statements included within Exhibit 5.05 (including in each case the related schedules and notes) fairly present in all material respects the consolidated financial position of the Companies and the financial position of P&M as of the respective dates specified in such financial statements and the results of its operations and cash flows for the respective periods so specified, and have been prepared in accordance with GAAP consistently applied throughout the periods involved, except as set forth in the notes thereto, and as set forth in such exhibit, subject (in

the case of any interim financial statements only) to the absence of footnotes and to normal year-end adjustments which, separately and in the aggregate, are not material;

(b) The pro forma balance sheet to be provided according to Section 10.17 hereof will, as of the date of Closing and after giving effect to the consummation of the Acquisition, fairly present in all material respects the financial position of the consolidated Company and will have been prepared in accordance with GAAP (as if GAAP were to be applicable to pro forma financial statements) consistently applied.

Section 5.6 Compliance with Laws, Other Instruments, Etc. The execution, delivery and performance by the Companies of the Loan Documents and the consummation of the Acquisition will not (a) contravene, result in any breach of, or constitute a default under, or result in the creation of any Lien (other than under the Senior Debt Documents) in respect of any property of any Company under, any indenture, mortgage, deed of trust, loan, purchase or credit agreement, lease, corporate charter or by-laws, or any other agreement or instrument to which any Company is a party or by which any Company or any of its properties may be bound or affected, other than the breach of one or more contracts which breaches individually or in the aggregate could not reasonably be expected to have a Material Adverse Effect, (b) conflict with or result in a breach of any of the terms, conditions or provisions of any order, judgment, decree, or ruling of any court, arbitrator or Governmental Authority applicable to any Company or (c) violate any provision of any statute or other rule or regulation of any Governmental Authority. The Companies represent and warrant that Schedule 5.06 contains a true and correct description of all indentures, mortgages, deeds of trust, loan, purchase or credit agreements, leases, corporate charters or bylaws or any other agreement or instrument to which any Company is a party or by which any Company or any of its properties may be bound or affected which, in each case, is Material.

Section 5.7 Governmental Authorizations, Etc. No consent, approval or authorization of, or registration, filing or declaration with, any Governmental Authority is required in connection with the execution, delivery or performance by the Companies of the Loan Documents or the consummation of the Acquisition.

Section 5.8 Litigation; Observance of Agreements, Statutes and Orders

(a) There are no actions, suits or proceedings pending or, to the knowledge of the Companies, threatened against or affecting any Company or any property of any Company in any court or before any arbitrator of any kind or before or by any Governmental Authority that, individually or in the aggregate, could reasonably be expected to have a Material Adverse Effect.

(b) No Company is in default under any term of any agreement or instrument to which it is a party or by which it is bound, or any order, judgment, decree or ruling of any court, arbitrator or Governmental Authority or is in violation of any applicable law, ordinance, rule or regulation (including without limitation Environmental Laws) of any Governmental Authority, which default or violation, individually or in the aggregate, could reasonably be expected to have a Material Adverse Effect.

Section 5.9 Taxes.

(a) Filing of Returns; Payments. Each Company has filed all federal tax returns and all other Material tax returns that are required to have been filed in any jurisdiction, and have paid all taxes shown to be due and payable on such returns and all other taxes and assessments levied upon it or its properties, assets, income or franchises, to the extent such taxes and assessments have become due and payable and before they have become delinquent, except for any taxes and assessments (i) the amount of which is not individually or in the aggregate Material or (ii) the amount, applicability or validity of which is currently being contested in good faith by appropriate proceedings and with respect to which the related Company has established adequate reserves in accordance with GAAP. No Company knows of any basis for any other tax or assessment that could reasonably be expected to have a Material Adverse Effect. The charges, accruals and reserves on the books of the Companies in respect of Federal, state or other taxes for all fiscal periods are adequate in all material respects.

(b) Excess Parachute Payments. The Companies have not made, have not become obligated to make, nor will, as a result of the transactions contemplated by this Agreement, make or become obligated to make, any "excess parachute payment" as defined in Internal Revenue Code Section 280G, except with respect to severance payments under the employment agreements between the Companies and the Principals.

(c) Deferred Intercompany Transactions. The Companies have not engaged in any "deferred intercompany transactions" within the meaning of Section 1.1502-13 of the regulations promulgated under the Internal Revenue Code.

(d) True Copies of Returns. The Companies have delivered to Holders true, correct and complete copies of all Federal, state and local tax returns for the Parent's most recent three (3) full taxable years as of Closing, and all information set forth on such returns is true, complete and accurate.

Section 5.10 Title to Property; Leases

(a) All leases under which any Company is lessee and that individually or in the aggregate are Material are valid and subsisting and are in full force and effect in all material respects; no claim has been asserted against any of the Companies adverse to its leasehold interests;

(b) The Companies will, at Closing after giving effect to the consummation of the Acquisitions, have good and sufficient title to all properties reflected in the balance sheet provided according to Section 10.17 hereof, free and clear of all Liens other than Permitted Liens.

Section 5.11 Licenses, Permits, Etc.

(a) Each Company owns or possesses all licenses, permits, franchises, authorizations, patents, copyrights, service marks, trademarks and trade names, or rights thereto, without conflict with the rights of others, except such licenses, permits, franchises, authorizations, patents, copyrights, service marks, trademarks and trade names, or rights thereto, as the failure to own or possess could not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect.

(b) No items sold or produced by any Company infringes in any respect any license, permit, franchise, authorization, patent, copyright, service mark, trademark, trade name or other right owned by any other Person, except such infringements as could not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect.

(c) There is no violation by any Person of any right of any Company with respect to any patent, copyright, service mark, trademark, trade name or other right owned or used by any of them, except such violations as could not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect.

Section 5.12 Compliance with ERISA.

(a) Neither the Parent nor any ERISA Affiliate maintains or has any obligation to contribute to any Plan or Multiemployer Plan. Each Company and each ERISA Affiliate have operated and administered each Plan (other than any Multiemployer Plan) in all material respects in accordance with its terms and in compliance with all applicable laws and, with respect to any Plan intended to satisfy the requirements of Section 401(a) and related Sections of the Internal Revenue Code, the Internal Revenue Service ("IRS") has issued favorable determination letters to the effect that the forms of Plans satisfy the requirements of Section 401(a) and related Sections of such Code or an application for such a determination has been filed with the IRS, and there are no facts or circumstances that would jeopardize or adversely affect in any material respect the qualification under Internal Revenue Code Section 401(a) of any such Plan. Neither any Company nor any ERISA Affiliate has incurred any liability pursuant to Title I (other than normal operating liabilities under a Plan) or IV of ERISA or the penalty or excise tax provisions of the Internal Revenue Code relating to employee benefit plans (as defined in Section 3 of ERISA), and no event, transaction or condition has occurred or exists that could reasonably be expected to result in the incurrence of any such liability by any Company or any ERISA Affiliate, or in the imposition of any Lien on any of the rights, properties or assets of any Company or any ERISA Affiliate, in either case pursuant to Title I or IV of ERISA or to such penalty or excise tax provisions or to Section 401(a)(29) or 412 of the Internal Revenue Code which liability or Lien, either individually or together with any other liability or Lien could reasonably be expected to have a Material Adverse Effect. No lawsuits or complaints to or by any Person or Governmental Authority have been filed or, to the knowledge of any Company, are contemplated or threatened, with respect to any Plan (other than any Multiemployer Plan) which either individually or in the aggregate could reasonably be expected to have a Material Adverse Effect. To the knowledge of the Companies, all of the foregoing applies to any Multiemployer Plan to which an Company or any ERISA Affiliate has any obligation to contribute.

(b) With respect to each Plan (other than a Multiemployer Plan) that is an employee pension benefit plan as defined in Section 3 of ERISA: (i) full payment has been made to each such Plan of all contributions that are required by any Company or any ERISA Affiliate under the terms thereof and under ERISA or the Internal Revenue Code to be made on or prior to the date hereof, (ii) no "accumulated funding deficiency" (as defined in ERISA Section 302 or Internal Revenue Code Section 412), whether or not waived, exists with respect to any Plan (other than Multiemployer Plans), (iii) to the knowledge of the Companies, no "accumulated funding deficiency" (as defined in ERISA Section 302 or Internal Revenue Code Section 412), whether or not waived, exists with respect to any Multiemployer Plan, (iv) the present value of the aggregate benefit liabilities under each of the Plans (other than Multiemployer Plans), determined as of the end of such Plan's most

recently ended plan year on the basis of the actuarial assumptions specified for funding purposes in such Plan's most recent actuarial valuation report, did not exceed the aggregate current value of the assets of such Plan allocable to such benefit liabilities and (v) such actuarial assumptions have not been materially altered since the date of the most recent actuarial valuation report; except to the extent that any non-compliance with any such event or events described in clauses (i) through (iv) above, either individually or in the aggregate could not reasonably be expected to have a Material Adverse Effect. The term "benefit liabilities" has the meaning specified in section 4001 of ERISA and the terms "current value" and "present value" have the meaning specified in Section 3 of ERISA.

(c) Neither any Company nor any ERISA Affiliates have received notice of or incurred withdrawal liabilities under section 4201 or 4204 of ERISA in respect of Multiemployer Plans that individually or in the aggregate could have a Material Adverse Effect.

(d) Except for continuation coverage mandated by Section 4980B of the Internal Revenue Code, no Company has any post-retirement benefit obligations which are subject to Financial Accounting Standards Board Statement No. 106 and which individually or in the aggregate could reasonably be expected to have a Material Adverse Effect.

(e) Neither any Company nor any ERISA Affiliate has been notified by the sponsor of a Multiemployer Plan that such Multiemployer Plan is in reorganization or has been terminated, within the meaning of Title IV of ERISA, and no such Multiemployer Plan is reasonably expected to be in reorganization or to be terminated, within the meaning of Title IV of ERISA.

(f) The execution and delivery of the Loan Documents and the making of the Loan and of the Senior Debt, and the consummation of the Acquisitions will not involve any non-exempt transaction that is subject to the prohibitions of Section 406(a) of ERISA or in connection with which a tax could be imposed pursuant to Section 4975(c)(1)(A)-(D) of the Internal Revenue Code. The representation by the Companies in the first sentence of this Section 5.12(f) is made in reliance upon and subject to the accuracy of each Holder's representation in Article 17 as to the sources of the funds used by the Holders to make the Loan. For purposes of determining whether the representation in the first sentence in this Section 5.12(f) is correct on any date after the Closing, such representation in Article 17 shall be considered made by each Holder on the date of Closing and shall be considered accurate on such date.

Section 5.13 Private Offering by the Company. Neither a Company nor anyone acting on its behalf has offered the Debenture or Warrants, or any similar securities, for sale to, or solicited any offer to buy any of the same from, or otherwise approached or negotiated in respect thereof with, any person other than the Holders and not more than 50 other Institutional Investors, each of which has been offered the Debentures and Warrants at a private sale for investment. Neither an Company nor anyone acting on its behalf has taken, or will take, any action that would subject the issuance or sale of the Debentures or Warrants to the registration requirements of Section 5 of the Securities Act.

Section 5.14 Use of Proceeds; Margin Regulations. The sources and uses of Loan funds, proceeds of any Senior Debt, and funds being used to consummate the Acquisition, are correctly described in Schedule 5.14. After giving effect to the consummation of the Acquisition, margin stock will not on the date of Closing constitute more than 1% of the value of the consolidated assets of the Companies

and the Companies do not have any present intention that margin stock will constitute more than 1% of the value of such assets. As used in this Section 5.14, the term "margin stock" shall have the meaning assigned to it in said Regulation U.

Section 5.15 Existing Debt; Future Liens; Subordination of Seller Notes

(a) Schedule 5.15 sets forth a complete and correct list of all outstanding Debt of the Companies as of January 31, 2000, since which date there has been no Material change in the amounts, interest rates, sinking funds, installment payments or maturities of the Debt of the Companies. As of the date of Closing, no Company will be in default in the payment of any principal or interest on any Debt of any Company and no event or condition exists with respect to any Debt of any Company that would permit (or that with notice or the lapse of time, or both, would permit) one or more Persons to cause such Debt to become due and payable before its stated maturity or before its regularly scheduled dates of payment.

(b) No Company has agreed or consented to cause or permit in the future (upon the happening of a contingency or otherwise) any of its Property, whether now owned or hereafter acquired, to be subject to a Lien not permitted by Section 8.9.

(c) All balances outstanding on the date of Closing under promissory notes and other indebtedness owed by the Companies to sellers of previously-acquired businesses have been either (i) repaid from proceeds of the Loan and the Senior Debt, or (ii) exchanged for common stock pursuant to certain letter agreements with the Parent;

Section 5.16 Foreign Assets Control Regulations, Etc. Neither the making of the Loan contemplated by this Agreement, the performance hereunder by any Company, the use of the proceeds of the Loan, or the consummation of the Acquisition, will violate the Trading with the Enemy Act, as amended, or any of the foreign assets control regulations of the United States Treasury Department (31 CFR, Subtitle B, Chapter V, as amended) or any enabling legislation or executive order relating thereto.

Section 5.17 Certain Statutory Matters.

(a) Investment Company Act. None of the Companies is an "investment company" registered or required to be registered under the Investment Company Act of 1940, as amended, or intends to become an investment company; none of the Companies or any of their officers, directors, partners or controlling persons is an Affiliated Person of any Holder;

(b) Small Business Act. The statements set forth in the Size Status Declaration (SBA Form 480), Assurance of Compliance for Non-Discrimination (SBA Form 652-D) and Portfolio Financing Report (SBA Form 1031), as previously provided and set forth as Exhibits 5.17A, 5.17B and 5.17C, respectively, are complete and accurate in all material respects; none of the Companies or any of their officers, directors, partners or controlling persons is an Associated Person (as defined in 13 CFR 120.10) of any Holder; and

(c) No Company is subject to regulation under the Public Utility Holding Company Act of 1935, as amended, the ICC Termination Act of 1995, as amended, or the Federal Power Act, as amended.

Section 5.18 Environmental Matters.

(a) No claim or proceeding instituted or, to the knowledge of the Companies, threatened has been raising any claim against any Company or any of its real properties now or formerly owned, leased or operated by it or other assets, alleging any damage to the environment or violation of any Environmental Laws, except, in each case, such as could not reasonably be expected to result in a Material Adverse Effect.

(b) There are no facts which would give rise to any claim, public or private, of violation of Environmental Laws or damage to the environment emanating from, occurring on or in any way related to real properties now or formerly owned, leased or operated by any Company or to other assets or their use, except, in each case, such as could not reasonably be expected to result in a Material Adverse Effect;

(c) No Company has stored any Hazardous Materials on real properties now or formerly owned, leased or operated by it and has not disposed of any Hazardous Materials in a manner contrary to any Environmental Laws in each case in any manner that could reasonably be expected to result in a Material Adverse Effect;

(d) All buildings on all real properties now owned, leased or operated by any Company are in compliance with applicable Environmental Laws, except where failure to comply could not reasonably be expected to result in a Material Adverse Effect; and

(e) There are no Liens, nor has any Company received notice of any potential Liens, arising under any Environmental Laws against any of the real properties owned, leased or operated by it.

Section 5.19 [Intentionally Omitted].

Section 5.20 Insurance. The insurance required by the provisions of Section 7.2 is, or on the date of Closing will be, in force and all premiums due and payable in respect thereof have or will have been paid. The Companies represent and warrant that they are the owner and beneficiary of the life insurance policy referred to in Section 7.2(e) with respect to Messieurs Policano and Manzo and that it has given written notice to the insurer that the beneficiary cannot be changed without the prior written consent of the Majority Holders.

Section 5.21 Patents, Trademarks and Copyrights. Schedule 5.21 hereto lists, as of the date of this Agreement, all patents, patent applications, trademark and service mark registrations and applications therefor and copyright registrations and applications therefor owned or licensed by each Company, and all license agreements for the same entered into by the Companies. Each Company as of Closing, after giving effect to the consummation of the Acquisition, will own, possess or, with

respect to any license agreement, will have the valid right to use all such patents, patent applications, trademark and service registrations and applications therefor and copyright registrations and applications therefor necessary for the present and, as now contemplated, future conduct of its business, after giving effect to the consummation of the Acquisition, without any Material conflict with the rights of others.

Section 5.22 Solvency. As of Closing, before and after giving effect to the transactions contemplated by the Loan Documents and to the consummation of the Acquisition, (i) the fair saleable value of the assets of the Companies on a going concern basis will be in excess of the total amount of its liabilities (including for purposes of this definition all liabilities, whether or not reflected on a balance sheet prepared in accordance with GAAP, and whether direct or indirect, fixed or contingent, secured or unsecured, disputed or undisputed); (ii) the Companies will be able to pay their respective debts and obligations as they mature in the ordinary course of its business as proposed to be conducted and the Companies will be able to make all scheduled payments on their respective Debt; (iii) the Companies will not have unreasonably small capital to carry out their respective businesses as proposed to be conducted; and (iv) the Companies have not taken any actions with respect to the transactions contemplated by the Loan Documents and to the consummation of the Acquisition with actual intent to hinder, delay or defraud either present or future creditors.

Section 5.23 Material Contracts. Except as set forth in Schedule 5.06, there are no contracts individually Material to the business of the Companies.

Section 5.24 Year 2000 Compliance. Each Company has conducted a comprehensive review and assessment of the computer applications of such Company and has made inquiry of its material suppliers, vendors (including data processors) and customers, with respect to any defect in computer software, data bases, hardware, controls and peripherals related to the occurrence of the year 2000 or the use at any time of any date which is before, on, and after December 31, 1999, in connection therewith. Based on the foregoing review, assessment and inquiry, the Companies represent and warrant that no such defect, individually or in the aggregate, could reasonably be expected to have a Material Adverse Effect.

Section 5.25 Additional Representations and Warranties. Each Company represents and warrants that the representations and warranties contained in Sections 3 and 4 of the Acquisition Agreement and in Article 5 of the Credit Agreement are true and correct in all material respects as of the date given.

Section 5.26 Management History. During the past ten (10) years neither of the Principals, nor any other officer or director of any of the Companies, has been arrested for or convicted of any criminal offense, petitioned or been granted any relief in bankruptcy, or (except in the capacity as a trustee in bankruptcy) served as an officer or director of any company or other entity which has petitioned or been granted such relief (except in a professional capacity).

Section 5.27 No Side Agreements. Except as set out in Schedule 5.27 hereof, none of the Companies or any of their officers or directors or any shareholders owning five percent (5%) or more of the equity securities in the Parent are party to any agreement with either Holder except for the

Loan Documents and the other documents mentioned herein or listed as exhibits hereto; except for the Loan Documents and agreements with respect to their acquisition of other consulting businesses, the Companies are not party to any agreement calling for any action by any of the Companies outside the ordinary course of their businesses; there exists no agreement or understanding calling for any payment or consideration from a customer or supplier of any of the Companies to an officer or director of any of the Companies or shareholder owning more than five percent (5%) of the equity securities of the Parent in respect of any transaction between any such Company and such supplier or customer; no affiliate of any of the Companies, directly or through any business concern affiliated with such affiliate, transacts any business with any of the Companies other than employment complying with the terms of Section 8.29 below.

Section 5.28 Capital Structure. The authorized capital stock of each of the Companies is as set forth on Schedule 5.28, and all such stock has been duly issued in accordance with applicable laws including federal and state securities laws and is fully paid and nonassessable; except as set forth on Schedule 5.28, there are no options, warrants or other securities which are convertible or exchangeable for capital stock of any of the Companies, and there are no preemptive rights in respect to capital stock of any of the Companies.

Section 5.29 Collective Bargaining. Except as disclosed on Schedule 5.29 hereto, none of the Companies is a party to or subject to any collective bargaining agreements or union contracts. There are no labor disputes pending or, to any of the Companies' knowledge, threatened against any of the Companies, which could, materially and adversely, affect the business or the condition of any of the Companies.

Section 5.30 Employee Matters. Each of the Companies has delivered to the Holders copies of all employment and compensation contracts, including all individual retirement benefit agreements and any labor contracts not disclosed on Schedule 5.29, between any of the Companies and officers and directors of any of the Companies, and all such contracts are listed on Schedule 5.30; except as set forth on Schedule 5.30: (a) no officer or key employee of any of the Companies is currently on short-term or long-term disability, (b) no officer or key employee of any of the Companies has terminated his or her employment since January 1, 1999, (c) no officer or key employee of any of the Companies has advised any such Company (orally or in writing) that he or she intends to terminate employment with such Company and (d) no written notice of termination has been given to any officer or key employee.

Section 5.31 No Competing Business Interests. Neither the Principals nor, to the knowledge of the Companies, any of the Companies' other officers, directors, or principal employees has any direct or indirect interest, including, but not limited to, the ownership of stock in any corporation, in any business, that competes with any of the Companies, except with respect to the ownership of less than 5% of the equity securities of any entity whose securities are Publicly Traded.

Section 5.32 No Conflicting Non-Competition Agreements. Except pursuant to employment or non-competition agreements with the Parent or another Company, neither any of the Companies nor any of the Principals is subject to any contract or agreement purporting to limit their rights to compete in any market in which any of the Companies presently provides, or proposes to provide, goods or services; or purporting to restrict their rights to disclose information in respect to such competition.

Section 5.33 Acquisition Agreement. Attached as Exhibit 5.33 hereto is a true copy of the Acquisition Agreement, which is unmodified, in full force and effect, and neither the Parent nor, to the Parent's knowledge, any other party thereto, is in material breach thereunder.

Section 5.34 Senior Debt Documents. Attached as Exhibit 5.34 hereto are true copies of all material Senior Debt Documents; such documents are unmodified, in full force and effect, and neither the Companies nor, to their knowledge any other party is in material breach thereunder.

ARTICLE 6

REPORTING COVENANTS

Subject to the expiration provisions in Article 18 hereof, each of the Companies shall comply with the following covenants.

Section 6.1 Financial and Business Information. The Companies shall deliver to each Holder:

(a) Quarterly Statements -- promptly, and in any event, within 45 days after the end of each quarterly fiscal period in each fiscal year of the Parent (excluding the last quarterly fiscal period of each such fiscal year), a copy of:

(i) an unaudited consolidated balance sheet of the Parent as at the end of such quarter, and

(ii) unaudited consolidated statements of income, changes in shareholders' equity and cash flows of the Parent for such quarter and (in the case of the second and third quarters) for the portion of the fiscal year ending with such quarter, setting forth in each case in comparative form the figures for the corresponding periods in the previous fiscal year all in reasonable detail, prepared in accordance with GAAP, and certified by the Chief Financial Officer of the Parent as fairly presenting, in all material respects, the financial position of the Companies and their results of operations and cash flows, subject to changes resulting from year-end adjustments together with a written management discussion and analysis of the operations and financial condition of the Companies (it being agreed that delivery within the time period specified above of copies of the Parent's Quarterly Report on Form 10-Q prepared in compliance with the requirements therefor and filed with the Securities and Exchange Commission shall be deemed to satisfy the foregoing requirements of this Section 7.1(a) to the extent the information contained in said Form 10-Q is duplicative of the requirements hereinabove);

(b) Annual Statements -- promptly, and in any event, within 90 days after the end of each fiscal year of the Parent, a copy of, (i)consolidated and consolidating balance sheet of the Parent, as at the end of such year, and (ii) consolidated and consolidating statements of income, changes in shareholders' equity and cash flows of the Parent, for such year, setting forth in each case in comparative form the figures for the previous fiscal year, all in reasonable detail, prepared in accordance with GAAP, and accompanied by

(A) an opinion thereon of independent certified public accountants of recognized national standing, which opinion shall state that the consolidated financial statements referred to above present fairly, in all material respects, the financial position of the Companies and their results of operations and cash flows and have been prepared in conformity with GAAP, and that the examination of such accountants in connection with such financial statements has been made in accordance with generally accepted auditing standards, and that such audit provides a reasonable basis for such opinion in the circumstances, and

(B) a certificate of such accountants stating that they have reviewed the financial covenants contained in Sections 8.1 through 8.5, inclusive, and stating further whether, in making their audit, they have become aware of any condition or event that then constitutes a Default or an Event of Default under such Sections, and, if they are aware that any such condition or event then exists, specifying the nature and period of the existence thereof (it being understood that such accountants shall not be liable, directly or indirectly, for any failure to obtain knowledge of any Default or Event of Default); and

(C) a written management discussion and analysis of the operations and financial condition of the Companies;

It is agreed that the delivery within the time period specified above of the Parent's Annual Report on Form 10-K for such fiscal year, together with the Parent's annual report to shareholders, if any, prepared pursuant to Rule 14a-3 under the Exchange Act, which annual report to shareholders prepared pursuant to said Rule 14a-3 (is) delivered to the Holders within 120 days (and not 90 days) after the end of the related fiscal year and which is prepared in accordance with the requirements therefor and filed with the Securities and Exchange Commission, together with the accountant certificate described in clause (B) above, shall be deemed to satisfy the requirements of this Section 6.1(b) to the extent the information contained therein is duplicative of the requirements hereinabove;

(c) SEC and Other Reports -- promptly upon their becoming available, one copy of (i) each financial statement, report, notice or proxy statement sent by the Parent to its stockholders generally, and (ii) each report, each registration statement, and each prospectus and all amendments thereto filed by the Parent with the Securities and Exchange Commission and of all press releases and other written statements made available generally by an Company to the public concerning developments that are Material;

(d) Notice of Default or Event of Default -- promptly, and in any event within one Business Day after a Responsible Officer becomes aware of the existence of any Default or Event of Default or that any Person has given any notice or taken any action with respect to a claimed default hereunder or that any Person has given any notice or taken any action with respect to a claimed default of the type referred to in Section 9(f), a written notice specifying the nature and period of existence thereof and within 5 Business Days after such Responsible Officer becomes so aware, a written description of what action the relevant Company is taking or proposes to take with respect thereto;

(e) ERISA Matters -- promptly, and in any event within two Business Days after a Responsible Officer becoming aware of any of the following, a written notice setting forth the nature thereof and the action, if any, that each Company or an ERISA Affiliate proposes to take with respect thereto:

(i) with respect to any Plan (other than any Multiemployer Plan), any reportable event, as defined in section 4043(c) of ERISA and the regulations thereunder, for which notice thereof has not been waived pursuant to such regulations as in effect on the date hereof; or

(ii) the taking by the PBGC of steps to institute, or the threatening by the PBGC of the institution of, proceedings under section 4042 of ERISA for the termination of, or the appointment of a trustee to administer, any Plan (other than any Multiemployer Plan), or the receipt by any Company or any ERISA Affiliate of a notice from a Multiemployer Plan that such action has been taken by the PBGC with respect to such Multiemployer Plan; or

(iii) any event, transaction or condition that could result in the incurrence of any liability by any Company or any ERISA Affiliate pursuant to Title I (other than normal operating liabilities under a Plan) or IV of ERISA or the penalty or excise tax provisions of the Internal Revenue Code relating to employee benefit plans, or in the imposition of any Lien on any of the rights, properties or assets of any Company or any ERISA Affiliate pursuant to Title I or IV of ERISA or such penalty or excise tax provisions.

(f) Notices from Governmental Authority -- promptly, and in any event within 5 days of receipt thereof, copies of any notice to any Company from any Governmental Authority relating to any order, ruling, statute or other law or regulation that could reasonably be expected to have a Material Adverse Effect;

(g) Audit Reports -- promptly upon receipt thereof, one copy of each interim or special audit made by independent accountants of the books of an Company and any management letter received from such accountants;

(h) Material Litigation -- promptly (and in any event within five (5) Business Days) after any Company becomes aware of (i) the institution of, or written (or otherwise overt) threat of, any action, suit, proceeding, governmental investigation or arbitration against or affecting a Company or any of its property, or (ii) any Material development in any such action, suit, proceeding, governmental investigation or arbitration, which, in either case, if adversely determined, could have a Material Adverse Effect, a certificate of a Responsible Officer of the relevant Company describing the nature and status of such matter in reasonable detail (unless such disclosure would, in the reasonable opinion of counsel to the Parent, cause a waiver of attorney-client privilege);

(i) Waivers and Consents -- as soon as possible and in any event within two Business Days of entering into any waiver or consent to the any Senior Debt Document, the Companies shall provide written notice (together with copies of all executed instruments relevant thereto) to the Holders of any such waiver or consent along with such other information as may be necessary to explain the reason for such waiver or consent, provided that, nothing in this clause (i) shall in any way affect the agreement of the Companies contained in Section 8.24, in addition, the

Companies shall send copies of any proposed or requested waivers or consents or modifications to any Senior Debt Document as promptly as practicable and in no event less than five Business Days prior to the effectiveness thereof;

(j) Notices -- as soon as possible, copies of any notices given by or delivered to an Company under or pursuant to the Senior Debt Documents, the Acquisition Agreement or the Companies' agreements with Messieurs Policano and Manzo, including without limitation, any notices of default thereunder or any claims for indemnities.

(k) Budgets; Long Term Plans -- (i) as soon as available, but in any event not later than 15 days prior to the first day of each fiscal year commencing with the fiscal year 2001 of the Parent, a copy of the initial budget of the Companies for such fiscal year, prepared on a monthly basis and including appropriate balance sheet, income statement, cash flow and working capital projections for such period, (ii) promptly after the same are produced, copies of any material adjustments to the budget of the Companies referred to in clause (i) above, and (iii) promptly after the same is presented to the Board of Directors of the Companies, a copy of any long-range business plans of the Companies that may be prepared from time to time for or at the direction of the Board of Directors of the Companies, and all material amendments thereto which may be in effect from time to time;

(l) Variation from Budget -- as soon as available, but in any event within 30 days following the end of each quarterly period beginning March 31, 2000, a written statement of a Responsible Officer of the Company setting forth an explanation for any Material variance from the budget for such quarterly reporting period;

(m) Borrowing Base Certificate -- a Borrowing Base Certificate as and when provided under the Credit Agreement;

(n) Other Reports -- as soon as available, and in any event within twenty (20) days after the close of each monthly accounting period of the Company, an accounts receivable and summary accounts payable aging, and an accounts receivable reconciliation report, each as of the close of such period and in reasonable detail prepared by the Company and certified to by a Senior Financial Officer; and

(o) Requested Information -- with reasonable promptness, such other data and information relating to the business, operations, affairs, financial condition, assets or properties of any Company or relating to the ability of any Company to perform its obligations hereunder and under the Debentures and the other Loan Documents (including, without limitation, any data or information furnished to any other holder of Debt of any Company) as from time to time may be reasonably requested by any Holder.

(p) Notices under Subordination Agreement with Senior Lender -- within five (5) days of receipt, a copy of any notices or other communications provided to any Company by any holders of any Senior Debt pursuant to the terms of Schedule 1.03 hereto.

Section 6.2 Officer's Certificate'. Each set of financial statements delivered to a Holder pursuant to Section 6.1(a) or 6.1(b) hereof shall be accompanied by a certificate of a Senior Financial Officer setting forth:

(a) Covenant Compliance -- the information (including detailed calculations) required in order to establish whether the Companies were in compliance with the requirements of Section 7.2 and Section 8.1 through Section 8.5, inclusive, during the quarterly or annual period covered by the statements then being furnished (including with respect to each such Section, where applicable, the calculations of the maximum or minimum amount, ratio or percentage, as the case may be, permissible under the terms of such Sections, and the calculation of the amount, ratio or percentage then in existence); and

(b) Event of Default -- a statement that such officer has reviewed the relevant terms hereof and has made, or caused to be made, under his or her supervision, a review of the transactions and conditions of each Company from the beginning of the quarterly or annual period covered by the statements then being furnished to the date of the certificate and that such review shall not have disclosed the existence during such period of any condition or event that constitutes a Default or an Event of Default or, if any such condition or event existed or exists, specifying the nature and period of existence thereof and what action any Company shall have taken or proposes to take with respect thereto.

Section 6.3 Inspection. Each Company shall permit the representatives of each Holder, upon reasonable prior notice to the Company, to visit and inspect any of the offices or properties of such Company, to examine all its books of account, records, reports and other papers, to make copies and extracts therefrom and to discuss the affairs, finances and accounts of such Company with such Company's officers and accountants (and by this provision each Company authorizes said accountants to discuss the affairs, finances and accounts of such Company), all at such reasonable times during normal business hours and as often as may be reasonably requested. Any such visit or inspection shall, during the continuance of a Default or an Event of Default, be at the relevant Company's expense.

ARTICLE 7

AFFIRMATIVE COVENANTS

Subject to the expiration provisions in Article 18 hereof, each of the Companies shall comply with the following covenants, unless such compliance is waived in writing by the Majority Holders.

Section 7.1 Compliance with Law. The Companies will comply with all laws, ordinances or governmental rules or regulations to which it is subject, including, without limitation, ERISA and Environmental Laws, and will obtain and maintain in effect all licenses, certificates, permits, franchises and other governmental authorizations necessary to the ownership of its properties or to the conduct of its business, in each case to the extent necessary to ensure that non-compliance with such laws, ordinances or governmental rules or regulations or failures to obtain or maintain in effect such licenses, certificates, permits, franchises and other governmental authorizations could not,

individually or in the aggregate, reasonably be expected to have a Material Adverse Effect.

Section 7.2 Insurance. The Companies shall maintain at their own expense, with insurers acceptable to the Majority Holders and comply with all terms and conditions of the following insurance coverages:

(a) the Companies shall maintain all risk property insurance against direct physical loss or damage on an all risks basis, including flood and earthquake coverage, subject to a maximum deductible of $50,000. The property shall be insured for the full replacement cost and such policy shall contain an agreed amount endorsement waiving any coinsurance penalty;

(b) as an extension of the coverage required under Section 7.2(a), the Companies shall maintain business income insurance on a profits form including extra expense in an agreed amount not less than $2,000,000 with a minimum period of indemnity of six (6) months, subject to a maximum five-day waiting period or $50,000 deductible and shall contain an agreed amount endorsement waiving any coinsurance penalty;

(c) the Companies shall maintain commercial general liability insurance written on an occurrence basis with a limit of not less than $1,000,000 each occurrence and $2,000,000 in the aggregate. Such coverage shall include, but not be limited to, premises/operations, blanket contractual liability, independent contractors, broad form products and completed operations, personal injury, fire legal liability and employee benefits liability. Such insurance shall not exclude coverage for punitive or exemplary damages where insurable by law;

(d) the Companies shall maintain workers' compensation insurance in accordance with statutory provisions covering accidental injury, illness or death of an employee of the Companies while at work or in the scope of his or her employment with the Companies and employer's liability insurance in an amount not less than $500,000. Such coverage shall not contain any occupational disease exclusions;

(e) the Companies shall maintain automobile liability insurance covering owned, non-owned, leased, hired or borrowed vehicles against bodily injury or property damage. Such coverage shall have a limit of not less than $1,000,000;

(f) the Companies shall maintain excess or umbrella liability insurance in an aggregate amount not less than $10,000,000, written on an occurrence basis providing limits in excess of the insurance limits required under Section 7.2(c), (d) (employers liability only), (e), (i), (j), and (k). Such insurance shall follow form the primary insurances and drop down in case of exhaustion of underlying limits and /or aggregates. Such insurance shall not exclude coverage for punitive or exemplary damages where insurable by law;

(g) the Companies shall maintain employee dishonesty insurance in an amount not less than $1,000,000 including loss Inside/Outside coverage, Depositors Forgery, and

computer theft and funds transfer fraud, in an amount not less than $1,000,000 each insuring agreement;

(h) the Companies shall maintain employment practices liability insurance written on a claims-made basis with a limit of not less than $1,000,000 each loss and in the aggregate with a deductible not to exceed $25,000;

(i) the Companies shall maintain professional liability insurance written on a claims-made basis (with coverage for prior acts including, without limitation, prior acts of P&M provided, that such coverage with respect to P&M shall not be required to be in force prior to 30 days after the date of Closing)) with a limit of not less than $5,000,000 each claim and in the aggregate with a deductible not to exceed $50,000;

(j) the Companies shall maintain directors and officers liability insurance in an amount not less than $5,000,000 with coverage to be provided for the new board of directors with an effective date as of Closing; and

(k) if the Senior Debt is retired prior to the repayment of the Loan, the Parent shall within ten (10) Business days of such retirement provide to the Holders as collateral security for the Loan a collateral assignment of the key man life insurance policies in the amount of $10,000,000 each on the lives of Messieurs. Policano and Manzo which are required by Section 9.2 (b) (xi) of the Credit Agreement With respect to each such life insurance policy, the Parent shall be irrevocably designated as the owner and beneficiary thereunder, and shall not change the beneficiary or owner thereof without the prior written consent of the Majority Holders; and shall keep both such policies in full force and effect while the Loan is outstanding.

Upon the request of the Majority Holders, the Companies will provide Holders with copies of their insurance policies.

Section 7.3 Maintenance of Properties, Environmental Matters, Etc.. The Companies will maintain and keep, or cause to be maintained and kept, its properties in good repair, working order and condition (other than ordinary wear and tear), so that the business carried on in connection therewith may be properly conducted at all times, provided that this Section 7.3 shall not prevent an Company from discontinuing the operation and the maintenance of any of its properties if such discontinuance is desirable in the conduct of its business and such Company has concluded that such discontinuance could not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect. Without limiting the generality of this Section 7.3, each Company: (i) shall maintain its properties in compliance in all Material respects with any applicable Environmental Laws; (ii) shall obtain and maintain in full force and effect all governmental approvals required for its operations at or on its properties by any applicable Environmental Laws; (iii) shall cure as soon as practicable any material violation of applicable Environmental Laws with respect to any of its properties; (iv) shall not, and shall not permit any other Person to, own or operate on any of its properties any landfill or dump or hazardous waste treatment, storage or disposal facility as defined pursuant to the Resource Conservation and Recovery Act of 1980, as amended, or any comparable state law; (v) shall not use, generate, treat, store, release or dispose of Hazardous Materials at or on any of its properties (including without limitation, any underground storage tanks) except in the ordinary course of its business and in Material compliance with all Environmental Laws; and (vi)

shall notify each Holder in writing, and within a reasonable period of time, and provide any reasonably requested documents, upon learning of any Material environmental claim or Material violation of any Environmental Laws, or any release of a reportable quantity (as determined under any Environmental Law) of a Hazardous Material, or any claim arising out of or in connection with a release of a Hazardous Material, which arises in connection with any of its properties, and any other environmental or health and safety condition which would reasonably be expected to result in any material interference with the use or operation of any of its properties or could reasonably be expected to have a Material Adverse Effect. With respect to any release of Hazardous Materials, the Companies shall conduct any necessary or required investigation, study, sampling and testing, and undertake any cleanup, removal, remedial or other response action necessary to remove, clean up or abate any material quantity of Hazardous Materials released or disposed at or on any of its properties as required by any applicable Environmental Law.

Section 7.4 Payment of Taxes and Claims. The Companies will file all tax returns required to be filed in any jurisdiction and to pay and discharge all taxes shown to be due and payable on such returns and all other taxes, assessments, governmental charges, or levies imposed on it or any of its Properties, assets, income or franchises, to the extent such taxes and assessments have become due and payable and before they have become delinquent and all claims for which sums have become due and payable that have or might become a Lien on properties or assets of any Company, provided that no Company need pay any such tax or assessment or claims if (i) the amount, applicability or validity thereof is contested by such Company on a timely basis in good faith and in appropriate proceedings, and such Company has established reserves reasonably deemed by it to be adequate on its books with respect thereto and (ii) the nonpayment of all such taxes and assessments in the aggregate could not reasonably be expected to have a Material Adverse Effect and any Lien resulting from such nonpayment of any such tax or assessment or claim is and remains a Permitted Lien.

Section 7.5 Corporate Existence, Etc. Each Company will at all times preserve and keep in full force and effect its legal existence, provided, however, that (a) any Subsidiary may merge of consolidate with or into any other Subsidiary if, at the time thereof and after giving effect thereto, (i) no Default or Event of Default exists hereunder and (ii) in the case of any such transaction involving an Inactive Subsidiary, such transaction shall satisfy the requirements of Section 8.13 and (b) the foregoing shall not prohibit the transactions required under Section 8.13. Each Company will at all times preserve and keep in full force and effect all rights and franchises of such Company unless, in the good faith judgment of such Company, the termination of or failure to preserve and keep in full force and effect such right or franchise could not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect.

Section 7.6 Subsidiaries.__The Parent will at all times own 100% of the capital stock or membership interest (as applicable) of each Subsidiary, provided, however, that any Subsidiary may merge into any other Subsidiary so long as no Default exists hereunder. If any Company acquires any Subsidiary after the Closing, such Company shall, concurrently with such acquisition, cause such Subsidiary to join this Agreement as a co-borrower hereunder pursuant to an instrument of joinder satisfactory in form and substance to the Majority Holder.

Section 7.7 Taxes.

(a) Payments Free and Clear of Taxes. Any and all payments by any Company

hereunder, under the Debentures or under any other Loan Document shall be made free and clear of and without deduction for any and all present or future taxes (including any excise taxes), levies, imposts, deductions, charges, penalties, assessments, or withholdings, and all liabilities with respect thereto, excluding, in the case of each Holder, taxes imposed on its income, capital, profits or gains and franchise taxes imposed on it, in each case by (i) the United States (including, without limitation, withholding taxes imposed by the United States) including any authority, agency or instrumentality thereof, (ii) the jurisdiction in which such Holder's office is located or (iii) the jurisdiction in which such Person is organized, managed, controlled or doing business, in each case including all political subdivisions thereof (all such taxes, levies, imposts, deductions, charges, withholdings and liabilities not excluded by the foregoing clauses (i), (ii) or (iii) being hereinafter referred to as "Taxes"). If any Company shall be required by law to withhold or deduct any Taxes from or in respect of any sum payable hereunder, under the Debentures or under any other Loan Document to such Holder or the Majority Holders, (x) such sum payable shall be increased as may be necessary so that after making all required withholdings or deductions (including withholdings or deductions applicable to additional sums payable under this Section 7.7) such Holder or the Majority Holders (as the case may be) receives an amount equal to the sum it would have received had no such withholdings or deductions been made, (y) such Company shall make such withholdings or deductions, and (z) such Company shall pay the full amount withheld or deducted to the relevant taxation authority or other authority in accordance with applicable law. In no event shall any Holder receive actual payments hereunder which are duplicative of other actual payments made to such Holder hereunder.

(b) Other Taxes. In addition, the Companies agree to pay any present or future stamp, value-added or documentary taxes or any other excise or property taxes, charges or similar levies which arise from and which relate directly to (i) any payment made under any Loan Document or (ii) the execution, delivery or registration of, or otherwise with respect to, this Agreement, the Debentures or any other Loan Document (hereinafter referred to as "Other Taxes").

(c) Indemnification. The Companies will indemnify all Holders against, and reimburse each on demand for, the full amount of all Taxes and Other Taxes (including, without limitation, any Taxes or Other Taxes imposed by any Governmental Authority on amounts payable under this Section 7.7 and any additional income or franchise taxes resulting therefrom) incurred or paid by such Holder or the Majority Holders (as the case may be) or any affiliate of such Holder and any liability (including penalties, interest, and out-of-pocket expenses paid to third parties) arising therefrom or with respect thereto, whether or not such Taxes or Other Taxes were correctly or lawfully payable; provided that the Companies shall not be obligated to indemnify any Holder, Agent or any affiliate of such Holder or Agent for liability resulting from such person's gross negligence or willful misconduct or its failure to give notice thereof to the Company within a reasonable period after it becomes aware of such Taxes or Other Taxes. A certificate as to any amount payable to any person under this Section 7.7 submitted by such person to the Company shall, absent manifest error, be final, conclusive and binding upon all parties hereto. This indemnification shall be made within thirty (30) days from the date such person makes written demand therefor and within thirty (30) days after the receipt of any refund of the Taxes or Other Taxes following final determination that the Taxes or Other Taxes which gave rise to the indemnification were not required to be paid, such person shall repay the amount of such paid indemnity to the Company. Such person agrees to take reasonable efforts to pursue any right such person has to any rebate, refund or credit of such paid indemnity.

(d) Receipts. Within thirty (30) days after the date of any payment of Taxes or Other Taxes by an Company, such Company will furnish to the Holder or Holders affected thereby, the original or a certified copy of a receipt or other documentation reasonably satisfactory to such Holder evidencing payment thereof. The Parent will furnish to any Holder upon such Holder's request from time to time an Officer's Certificate stating that all Taxes and Other Taxes of which it is aware that are due have been paid and that no additional Taxes or Other Taxes of which it is aware are due.

(e) Withholding Forms. Each Holder which is not created or organized under the laws of the United States or a political subdivision thereof shall deliver to the Parent on or before the date of the Closing or upon becoming, and from time to time thereafter upon the Parent's request, a true and accurate certificate executed in duplicate by a duly authorized officer of such Holder to the effect that such Holder is eligible to receive payments hereunder and under the Debentures without deduction or withholding of United States federal income tax (I) under the provisions of an applicable tax treaty concluded by the United States (in which case the certificate shall be accompanied by two duly completed copies of IRS Form 1001 (or any successor or substitute form or forms)) or (II) under Sections 1441(c) (1) and 1442(a) of the Internal Revenue Code (in which case the certificate shall be accompanied by two duly completed copies of IRS Form 4224 (or any successor or substitute form or forms)) or (III) in the case of any Holder claiming exemption from United States withholding tax with respect to "portfolio interest," a properly completed and executed Internal Revenue Service Form W-8 (or any successor or substitute form or forms) and a certificate representing that such holder is not a "bank" for purposes of Section 881(c) of the Internal Revenue Code, is not a "10% shareholder" of the Parent within the meaning of Section 871(h)(3)(B) of the Internal Revenue Code, and is not a "controlled foreign corporation" with respect to the Parent within the meaning of Section 864(d)(4) of the Internal Revenue Code.

Section 7.8 [Intentionally Omitted].

Section 7.9 Post Closing Balance Sheets. (a) Within 30 days after Closing, the Parent will deliver to each Holder a consolidated balance sheet of the Parent, prepared by the Parent reflecting the assets, liabilities and stockholders' equity of the Parent as of the date of Closing, adjusted to reflect the effect of the Loan and the use of the proceeds thereof and the consummation of the Acquisition, including the payment of related costs and expenses; (b) within 60 days after Closing the Parent will deliver to each Holder a copy of all information described in Section 6.1(k) hereof, but with respect to fiscal year 2000 instead of 2001.

Section 7.10 Use of Proceeds. All proceeds of the Loan shall be used as provided in Schedule 5.14; each Company shall allow Holders to conduct a review of such Company's books and records to confirm such use; and within ten (10) days of such use the Parent shall provide a written certification of such use to the Holders.

Section 7.11 Year 2000 Problem. The Companies shall take all actions necessary and commit adequate resources to assure that its computer-based and other systems are able to effectively process data, including dates before, on and after January 1, 2000, without experiencing any Year 2000 Problem that could cause a Material Adverse Effect. At the request of any Holder or Agent, the Parent will provide such Holder and Agent with assurances and substantiations (including, but not limited to, the results of internal and external audit reports prepared in the ordinary course of business) reasonably acceptable to such Holder or Agent as to the capability of the Companies to

conduct their businesses and operations before, on and after January 1, 2000 without experiencing a Year 2000 Problem causing a Material Adverse Effect.

Section 7.12 Board Meetings and Representation. Each Company shall hold meetings of its Board of Directors at least quarterly; allow two designees of the Holders, (one designated by Group 1 and one by Newcourt), to attend such meetings and all meetings of committees of such Board at the Parent's expense (such expenses not to include hourly rates of the person attending such meetings); provide the Holders the same prior notice of such meetings and written materials as given to the directors (notice to the Holders by facsimile or voice mail shall be sufficient); notwithstanding the foregoing, if any of the Companies' Boards desires to act by unanimous written consent in lieu of a meeting, it may do so provided that the Holders receive, prior to their adoption, a copy of the resolutions to be adopted in the same manner and at the same time as provided to the directors; each of the Companies shall use its best efforts to cause the designee of Group 1, upon written request of Group 1, to be elected to its Board of Directors, and to cause a designee of Group 2, upon the written request of the holders of Debentures (or Warrants, in the event that no Debentures are outstanding) representing a majority of the outstanding Debentures held by Group 2 whenever an uncured Event of Default shall be outstanding, to be elected to such board, but only in cases where one or more of the entities within the definition of "Group 1" or "Group 2" (as the case may be), or their affiliates, owns a Debenture, a Warrant, or Shares obtained directly or indirectly pursuant to a Warrant;

Section 7.13 First Refusal for Future Financings. Each Company shall offer to issue to the Holders all subordinated debt, equity, or convertible securities proposed to be issued by any of the Companies, on the most favorable terms to be offered to any other party; such offer may be accepted in whole but not in part by the Holders who must respond to such offer within ten (10) days of receipt thereof; failure to respond within such time shall be construed as a decline of the offer by the relevant Holder; this Section shall not be construed to limit or qualify any covenant against such issuance; each Holder shall be entitled to purchase that portion of any such issuance corresponding to their respective percentage of the Loan at the time of the issuance, and to their ratable share of any portion thereof declined by any other Holder;

Section 7.14 Payments and Other Debts. Each Company shall make all payments of principal, interest and expenses as and when due under the Debentures, without setoff and regardless of any claim any of the Companies may have against the Holders; and comply in all respects with all terms, conditions and covenants relating to other Debt obligations of the Companies;

Section 7.15 Information Requests. Each Company shall furnish from time to time to any Holder at the Parent's expense all information a Holder may reasonably request to enable such Holder to prepare and file any report or form required of such Holder by the Securities and Exchange Commission or any other regulatory authority;

Section 7.16 Further Assurance. Each Company shall from time to time promptly execute and deliver to the Holders such additional documents, and take such other reasonable steps, as the Holders may reasonably require to carry out the purposes hereof and of the other Loan Documents, or to protect the Holders' rights hereunder or thereunder.

Section 7.17 Payments Under Special Indemnity of P&M. Each Company shall pay to the Holders, within 5 days of receipt, as a prepayment against the principal balance under the Loan, all sums received pursuant to Section 8.1A of the Acquisition Agreement, except (a) to the extent such sums are paid to the holders of the Senior Debt, and (b) sums expended to recruit replacements for Messieurs Policano or Manzo (as the case may be), up to $2,000,000 for each of them.

ARTICLE 8

NEGATIVE COVENANTS

Subject to the expiration provisions in Article 18 hereof, each of the Companies shall comply with the following covenants, unless such compliance is waived in writing by the Majority Holders.

Section 8.1 Coverage Ratios.

(a) The Companies will not permit the Total Interest Charges Coverage Ratio at the end of each calendar quarter to be less than the ratio specified below set forth opposite such quarter end:

Calendar Quarter Ending	Ratio
March 31, 2000	2.00 to 1.00
June 30, 2000	2.00 to 1.00
September 30, 2000	2.10 to 1.00
December 31, 2000	2.10 to 1.00
March 31, 2001	2.25 to 1.00
June 30, 2001	2.25 to 1.00
September 30, 2001	2.75 to 1.00
December 31, 2001	2.75 to 1.00
March 31, 2002	3.00 to 1.00
June 30, 2002	3.00 to 1.00
September 30, 2002	3.00 to 1.00
December 31, 2002	3.00 to 1.00
March 31, 2003	3.50 to 1.00
June 30, 2003	3.50 to 1.00
September 30, 2003	3.50 to 1.00
December 31, 2003	3.50 to 1.00
March 31, 2004	3.50 to 1.00
June 30, 2004	3.50 to 1.00
September 30, 2004	3.50 to 1.00
December 31, 2004	3.50 to 1.00
March 31, 2002 and each calendar quarter end thereafter	3.50 to 1.00

(b) The Companies will not permit the Total Debt Service Coverage Ratio at the end of each calendar quarter to be less than the ratio specified below set forth opposite such quarter end:

Calendar Quarter Ending	Ratio
March 31, 2000	1.05 to 1.00
June 30, 2000	1.05 to 1.00
September 30, 2000	1.05 to 1.00
December 31, 2000	1.05 to 1.00
March 31, 2001	1.15 to 1.00
June 30, 2001	1.15 to 1.00
September 30, 2001	1.15 to 1.00
December 31, 2001	1.15 to 1.00
March 31, 2002 and each calendar quarter end thereafter	1.25 to 1.00

Section 8.2 Current Ratio.

The Companies will not permit the Current Ratio at the end of each calendar quarter to be less than 1.25 to 1.00:

Section 8.3 Minimum EBITDA. The Companies will not permit EBITDA for any 12 month period to be less than the amount specified below opposite the last day of such period.

12-month period ending	Minimum EBITDA
March 31, 2000	$22,000,000
June 30, 2000	$22,500,000
September 30, 2000	$22,500,000
December 31, 2000	$23,500,000
March 31, 2001	$24,500,000
June 30, 2001	$25,000,000
September 30, 2001	$26,000,000
December 31, 2001	$28,000,000
March 31, 2002 and each calendar quarter end thereafter	$31,000,000

Section 8.4 Debt to Cash Flow Ratio.

The Companies will not permit the Debt to Cash Flow Ratio at the end of each calendar quarter to be greater than the ratio specified below set forth opposite such quarter end:

Calendar Quarter Ending	Ratio
March 31, 2000	4.25 to 1.00
June 30, 2000	4.25 to 1.00
September 30, 2000	4.25 to 1.00
December 31, 2000	4.25 to 1.00
March 31, 2001	3.75 to 1.00
June 30, 2001	3.75 to 1.00
September 30, 2001	3.50 to 1.00
December 31, 2001	3.50 to 1.00
March 31, 2002	3.00 to 1.00
June 30, 2002	3.00 to 1.00
September 30, 2002	3.00 to 1.00

Calendar Quarter Ending	Ratio
December 31, 2002	3.00 to 1.00
March 31, 2003 and each calendar quarter end thereafter	2.50 to 1.00

Section 8.5 Lease Rentals. The Companies will not, at any time, permit aggregate Lease Rentals at the end of each calendar year for the immediately preceding period of 12 consecutive calendar months ending at the end of such year to exceed the amount specified below opposite such year end and set forth below:

Calendar Year Ending	Amount
December 31, 2000	$ 6,000,000
December 31, 2001	$ 8,000,000
December 31, 2002	$10,000,000
December 31, 2003	$12,000,000
December 31, 2004	$14,000,000
December 31, 2005 and thereafter	$16,000,000

Section 8.6 Maximum Executive Compensation. The Companies will not pay salaries or other compensation, or make advances or loans including, without limitation loans or advances which are anticipated to be forgiven or not timely repaid in cash, to any employee in excess of seven hundred fifty thousand dollars ($750,000) per annum except pursuant to Performance Bonus plans listed in

Schedule 8.6. For purposes hereof, the term "Compensation" shall not include severence payments or loans for stock purchase. No employee shall have an employment contract or be subject to a compensation plan with a term of more than four (4) years.

Section 8.7 Limitation on Capital Expenditures. The Companies will not permit the aggregate amount of Capital Expenditures for any year to exceed the amount specified below for such year.

Year	Maximum Capital Expenditure
2000	$3,090,000
2001	$3,180,000
2002	$3,280,000
2003	$3,380,000
2004	$3,480,000
2005	$3,580,000
2006	$3,690,000

Section 8.8 Limitations on Debt. No Company will create, assume, guarantee or otherwise incur or in any manner be or become liable in respect of any Debt, except:

(a) The Loan and the Debentures;

(b) Senior Debt (i) in the amount outstanding at the Closing, as such Debt may be amended, refinanced or refunded and (ii) any additional amount of Senior Debt to the extent the incurrence of such portion of Senior Debt does not violate any other covenant or provision of this Agreement or exceed principal amount specified in the definition of Senior Debt in the Subordination Agreement between the Holders and the Agent (as such definition may from time to time be amended);

(c) Any Swap entered into by any Company which is required according to the terms of any Senior Debt Document;

(d) Other Debt set out in Schedule 5.15;

(e) Unsecured debt or secured Debt permitted pursuant to Section 8.9(g), for the purpose of making Capital Expenditures, in an aggregate principal amount not to exceed $1,500,000 per year; and

(f) Other secured debt permitted pursuant to Section 8.9(g) in an aggregate principal amount not to exceed $500,000.

Section 8.9 Limitation on Liens. No Company will create or incur, or suffer to be incurred or to exist, any Lien on its property or assets, whether now owned or hereafter acquired, or upon any income or profits therefrom, or transfer any property for the purpose of subjecting the same to the payment of obligations in priority to the payment of its general creditors, or acquire or agree to acquire any property or assets upon conditional sales agreements or other title retention devices, except for Liens as follows (collectively, "Permitted Liens"):

(a) Liens for property taxes and assessments or governmental charges or levies and Liens securing claims or demands of mechanics and materialmen, provided payment thereof is not at the time required by Section 7.4; provided further in each case, the obligation secured is not overdue

or, if overdue, is bonded or the execution of which is stayed by appropriate judicial action; and provided finally that any such Lien is subject and subordinate to the Lien of the Senior Debt Documents unless otherwise provided by operation of law;

(b) Liens of or resulting from any judgment or award, the time for the appeal or petition for rehearing of which shall not have expired, or in respect of which such Company shall at any time in good faith be prosecuting an appeal or proceeding for a review and in respect of which the obligation secured by such Lien is bonded or a stay of execution pending such appeal or proceeding for review shall have been secured; provided that any such Lien is subject and subordinate to the Lien of the Senior Debt Documents;

(c) Liens incidental to the conduct of business or the ownership of properties and assets (including Liens in connection with worker's compensation, unemployment insurance and other like laws, warehousemen's and attorneys' liens and statutory landlords' liens) and Liens to secure the performance of bids, tenders or trade contracts, or to secure statutory obligations, surety or appeal bonds or other Liens of like general nature incurred in the ordinary course of business and not in connection with the borrowing of money; provided in each case, the obligation secured is not overdue or, if overdue, is being contested in good faith by appropriate actions or proceedings and is bonded or the execution of which is stayed by appropriate judicial action; and provided further that any such Lien is subject and subordinate to the Lien of the Senior Debt Documents unless otherwise provided by operation of law;

(d) Minor survey exceptions or minor encumbrances, easements or reservations, or rights of others for rights-of-way, utilities and other similar purposes, or zoning or other restrictions as to the use of real properties, which do not in any event materially impair the value of such real property or the use thereof in the operation of the business of such Company;

(e) Liens existing as of the date of Closing and reflected in Schedule 5.15;

(f) Liens of the Senior Debt Documents, Liens expressly permitted pursuant thereto and Liens securing Swaps described in Section 8.8(c) hereof; and

(g) Liens incurred after the date of Closing given to secure the payment of the purchase price incurred in connection with the acquisition of fixed assets useful and intended to be used in carrying on the business of an Company, including Liens existing on such fixed assets at the time of acquisition thereof, whether or not such existing Liens were given to secure the payment of the purchase price of the fixed assets to which they attach so long as they were not incurred, extended or renewed in contemplation of such acquisition, provided that (i) the Lien shall attach solely to the fixed assets acquired or purchased, (ii) at the time of acquisition of such fixed assets, the aggregate amount remaining unpaid on all Debt secured by Liens on such fixed assets whether or not assumed by such Company shall not exceed 100% of the lesser of the total purchase price or Fair Market Value at the time of acquisition of such fixed assets (as determined in good faith by the Board of Directors of the Company), and (iii) all such Debt shall have been incurred within the limitations provided in Section 8.8(e);

Section 8.10 Distributions. No Company will at any time declare or make, or incur any liability to declare or make, any Distribution, provided, however, that the foregoing provisions of this Section 8.10 shall not prohibit the payment by the Companies of (i) earn-out payments contained in agreements described on Schedule 8.10 and (ii) repurchases by a Company in the event of any "Involuntary Transfer" as defined in and as contemplated by Section 3(b) of the Restricted Stock Agreement, provided, further, however, that in the case of any such payment pursuant to clause (i) or (ii) above (excluding earn-out arrangementsdescribed on Schedule 8.10), at the time of such payment and after giving effect thereto no Default or Event of Default exists hereunder.

Section 8.11 Restricted Investment. No Company will make or authorize any Restricted Investments.

Section 8.12 Merger, Consolidation, Etc. No Company shall consolidate with or merge with any other corporation or convey, transfer or lease substantially all of its assets in a single transaction or series of transactions to any Person, provided, however, that (a) the foregoing shall not prohibit any Subsidiary from consolidating or merging with or into any other Subsidiary or conveying, transferring or leasing all or substantially all of its assets to another Subsidiary if, at the time thereof and after giving effect thereto, (i) no Default or Event of Default exists hereunder and (ii) in the case of any transaction involving an Inactive Subsidiary, such transaction shall satisfy the requirements of Section 8.13, and (b) the foregoing shall not prohibit the transaction required under said Section 8.13.

Section 8.13 Sale of Assets. No Company shall make any Asset Disposition. Notwithstanding the foregoing, as promptly as practicable and in any even within 90 days after the date of Closing, the Companies shall furnish to the Holders a detailed plan whereunder (a) substantially all of the operating assets of the Parent are transferred to either an existing Subsidiary or a wholly-owned Subsidiary to be formed in connection with such transfer, and (b) the Inactive Subsidiaries are dissolved or merged into a Subsidiary which is a Company with such Company as the surviving or continuing corporation. The aforementioned plan shall be satisfactory to the Majority Holders in form, scope and substance. In addition, as promptly as practicable and within 180 days after the date of Closing, the transactions contemplated by and described in the aforementioned plan shall be fully consummated upon terms and provisions satisfactory in form, scope and substance to the Majority Holders.

Section 8.14 Issuance of Certain Stock. (a) No Company shall issue after the Closing any shares of capital stock of any class or other equity interests, or any options, warrants, convertible securities or rights with respect thereto, other than (i) pursuant to the exercise of the Warrants or other stock purchase warrants of the Parent outstanding as of Closing, (ii) capital stock of the Company of an existing class issued as a stock split or stock dividend, or (iii) capital stock issued by the Parent pursuant to its 1992 Stock Option Plan or its 1997 Stock Option Plan; (iv) capital stock issued by the Parent for cash consideration equal to the fair market value thereof (net of customary discount and commissions) provided that the net cash proceeds thereof are concurrently with the receipt thereof applied to the prepayment of the Senior Debt or the Loan; and (v) capital stock issued by the Company for fair consideration in connection with a Permitted Acquisition.

Section 8.15 Sale-and-Leasebacks. No Company shall enter into any Sale-and-Leaseback Transaction.

Section 8.16 Prohibition of Change in Fiscal Year. No Company will change its fiscal year-end for accounting purposes from December 31 of any year.

Section 8.17 Sale or Discount of Receivables. No Company will discount or sell its notes receivable or accounts receivable.

Section 8.18 [Intentionally Omitted.]

Section 8.19 Partnerships, Joint Ventures and LLC's'. No Company will act or participate as a general or limited partner in any partnership or as a joint venturer in any joint venture or as a member of any LLC, other than the Parent as a member of P&M.

Section 8.20 Margin Securities. No Company will own, purchase or acquire (or enter into any contract to purchase or acquire) any "margin security" as defined by any regulation of the Board of Governors of the Federal Reserve System as now in effect or as the same may hereafter be in effect other than Securities received by a Company from an account debtor which is the subject of any proceedings under the Bankruptcy Code or any other comparable bankruptcy or insolvency law applicable under the law of any other country or political subdivision thereof.

Section 8.21 Payments of Debt. No Company shall, directly or indirectly or through any Affiliate, purchase, redeem, retire, acquire, advance or pay any Debt of a Company or deposit with any trustee in defeasance of any indenture under which such Debt may be outstanding, except: (a) the payment of the Debentures; (b) the payment of Senior Debt; (c) Debt permitted by this Agreement incurred within the limitations of Section 8.8(c) or (e).

Section 8.22 No Amendment of Organization Documents. The Companies covenant that each will not permit any amendment to or modification of its Articles of Incorporation or Bylaws or comparable constituent documents if such amendment or modification could adversely affect the rights of the Holders.

Section 8.23 Guaranties. No Company will become or be liable in respect of any Guaranty, except for a Debt of another Company permitted by Section 8.8 hereof;

Section 8.24 Amendments to Other Documents. No Company will cause or permit, directly or indirectly, any amendment, waiver, consent or modification

(a) to the Senior Debt Documents which is inconsistent with Section 4.1.2 of Exhibit 1.03 hereto; or

(b) to the Companies agreements with Messieurs Policano or Manzo set out as Exhibit 10.15, or

(c) to the Restricted Stock Agreements dated as of the date of Closing between the Company and Policano and, separately, Manzo; or

(d) to the compensation plans set out in Schedule 8.06 hereof; provided, however,

that the foregoing shall not preclude (i) routine ministerial modifications to any employment or compensation agreement, (ii) amendments to compensations plans (which shall not, in any event, include the Restricted Stock Agreement) and Performance Bonuses provided, that such amendments are not otherwise prohibited by this Agreement, including, without limitation, Section 8.6 hereof, and any Performance Bonus so amended continues to constitute a Performance Bonus hereunder and (iii) any holder of Senior Debt from waiving any default by a Company under the Senior Debt Documents or from waiving compliance by the Companies with any such provisions of the Senior Debt Documents, unless, as a condition of obtaining such waiver, the Companies are required to comply with additional terms or conditions which are inconsistent with Section 4.1.2 of Exhibit 1.03 hereto.

Section 8.25 Transactions with Affiliates. No Company will enter into, directly or indirectly, (a) any Material transaction or Material group of related transactions (including without limitation the purchase, lease, sale or exchange of properties of any kind or the rendering of any service and including the employment as an officer of any immediate family member of an Affiliate), or (b) any employment, management, consulting or advisory or similar arrangements, in each case, with any Affiliate of such Company, provided that such transactions shall be permitted if (x) pursuant to the reasonable requirements of such Company's business and upon fair and reasonable terms no less favorable to such Company than would be obtainable in a comparable arm's-length transaction with a Person not an Affiliate of such Company, and (y) any Material transactions or Material employment management, consulting, advisory or similar arrangements, are specifically approved by the Board of Directors of the Parent. Prior to the consummation of the transactions required pursuant to the provisions of Section 8.13, (i) no Company will enter into, directly or indirectly, any transaction or arrangement with any Inactive Subsidiary or (ii) permit any Inactive Subsidiary to engage in any transaction other than pursuant to Section 10.13.

Section 8.26 Line of Business. No Company will enter into any line or area of business other than scientific, litigation, financial or claims management consulting services.

Section 8.27 Termination of Pension Plans. No Company will withdraw from any Multiemployer Plan or permit any employee benefit plan maintained by an Company to be terminated if such withdrawal or termination would result in withdrawal liability (as described in Part 1 of Subtitle E of Title IV of ERISA) or the imposition of a Lien on any Property of the Company pursuant to Section 4068 of ERISA. No Company will, or will permit any ERISA Affiliate to, (i) maintain, contribute to, or have any liability with respect to, any defined benefit plan under ERISA or (ii) be subject to, or obligated under, any Multi-Employer Plan.

Section 8.28 Intentionally Omitted.

Section 8.29 Certain Compensation. No Company shall enter into any phantom stock or similar compensation program with any Person unless such program prohibits any rights of exercise, required repurchase or other direct or indirect compensation if and so long as any of the Loan hereunder remain outstanding.

ARTICLE 9

DEFAULT

Section 9.1 Events of Default. Any of the following events shall be an "Event of Default" as that term is used herein:

(a) Principal and Interest Payments. The Companies fail to make payment when due of any principal or interest installment on the Debentures within three (3) business days of the date when due;

(b) Representations and Warranties. Any representation or warranty made by the Companies herein proves to have been incorrect in any material respect with reference to facts as they exist at the time the representation or warranty was made or deemed made; or any representation, statement (including financial statements), certificate or data furnished or made by any of the Companies (or any officer, accountant or attorney of any of the Companies) under this Agreement, or any representation by Messieurs Policano or Manzo to the Parent in connection with the Acquisition, proves to have been untrue in any material respect, as of the date as of which the facts therein set forth were stated or certified;

(c) Covenants. Any of the Companies, or Principals defaults in the observance or performance of any of the covenants or agreements contained in this Agreement other than Section 4.1, and, in the case of covenants and agreements of the Companies, other than those in Sections 6.1(h), (i), (j), (l), and (p), 7.6, 8.1, 8.2, 8.3, 8.4 and 8.5 hereof, such default continues unremedied for a period of 30 days after the earlier of (i) notice thereof being given by any Holder to the Parent and, if applicable, the Principals, or (ii) such default otherwise actually becoming known to the officers or a Responsible Officer of the Parent;

(d) Loan Documents. The Companies default in the observance or performance of any of the covenants or agreements contained in any Loan Document to which it is a party other than this Agreement, which continues beyond the expiration of any notice and cure period pertaining thereto;

(e) Other Debt to Holders. The Companies default in the payment of any amounts due to Holders, or Holders declares a default by any of the Companies (which has not been cured within any applicable cure periods), in connection with the observance or performance of any of the covenants or agreements contained in any credit agreements, notes, collateral or other documents relating to any indebtedness of the Companies to Holders, other than the Debentures;

(f) Cross Acceleration to Senior Debt. Any holder or holders of any portion of the Senior Debt shall accelerate the maturity of all or any material portion of such Debt;

(g) Cross Default to Other Obligations. Without implying that such other indebtedness is permitted, the Companies default in the payment of any amounts due (other than the Senior Debt) to any person other than Holders, or in the observance or performance of any of the covenants or agreements contained in any Material credit agreements, notes, leases, collateral or

other documents relating to any Material obligation (other than the Senior Debt) of any Company to any person other than Holders, and any grace period applicable to such default shall lapse; for purposes hereof, a Debt shall be deemed material if the unpaid principal balance thereof is $1,000,000 or more, a lease shall be material if the aggregate rentals payable in the remaining term are $1,000,000 or more, and any other agreement shall be material if the aggregate consideration payable thereunder to or by any Company is $1,000,000 or more.

(h) Involuntary Bankruptcy or Receivership Proceedings. A receiver, conservator, liquidator or trustee of the Companies or of their property is appointed by order or decree of any court or agency or supervisory authority having jurisdiction; or an order for relief is entered against the Companies or any Principal under the U.S. Bankruptcy Code; or the Companies are adjudicated bankrupt or insolvent; or any material portion of the properties of the Companies or any Principal is sequestered by court order and such order remains in effect for more than fifty (50) days after the Companies obtain knowledge thereof; or a petition is filed against the Companies under any state, reorganization, arrangement, insolvency, readjustment of debt, dissolution, liquidation or receivership law of any jurisdiction, whether now or hereafter in effect, and such petition is not dismissed within sixty (60) days;

(i) Voluntary Petitions. The Companies file a petition under the U.S. Bankruptcy Code or seeks relief under any provision of any bankruptcy, reorganization, arrangement, insolvency, readjustment of debt, dissolution or liquidation law of any jurisdiction, whether now or hereafter in effect, or consents to the filing of any case or petition against it under any such law;

(j) Assignments for Benefit of Creditors. The Companies make a general assignment for the benefit of creditors, or admit in writing theirs inability to pay its debts generally as they become due, or consents to the appointment of a receiver, trustee or liquidator of all or any part of its property;

(k) Change of Control. A Change of Control of the Companies shall occur.

(l) Loss of Key Employees. For any reason except his death or disability, either Principal fails to renew his Employment Agreement with the Company, is otherwise no longer employed by the Companies and engaged in their operations and management in substantially his present capacity, or fails to give his full time and attention to the Companies business; unless the Board of Directors of the Parent engages, within 90 days of such event, a replacement for the relevant individual approved in writing by the Majority Holders, which approval shall not unreasonably be withheld;

(m) a final judgment or judgments for the payment of money aggregating in excess of $1,000,000 are rendered against any Company and which judgments are not, within 30 days after entry thereof, bonded, discharged or stayed pending appeal, or are not discharged within 30 days after the expiration of such stay; or

(n) the relevant Company shall have terminated the employment of Mr. Policano or Mr. Manzo "Without Cause" as contemplated in the Policano or Manzo Employment Agreement, as the case may be, or either of Messieurs Policano or Manzo shall have terminated

his employment with the Company for "Good Reason" as contemplated in such Agreements, unless the Board of Directors of P&M engages, within 90 days of any such event, a replacement for the relevant individual approved by the Majority Holders, which approval shall not be unreasonably withheld, it being understood that nothing herein shall create any right by any such party to make any claim of any type against Mr. Policano or Mr. Manzo in any way related to the Event of Default described in this paragraph.

Section 9.2 Remedies. Upon the occurrence of any Event of Default

(a) the Majority Holders may by written notice to the Parent, declare the entire principal amount of the Loan then outstanding, including interest accrued thereon, together with all other fees and charges payable in connection with the Loan, to be immediately due and payable without presentment, demand, protest, notice of protest or dishonor or other notice of default of any kind, all of which are hereby expressly waived by each of the Companies; and

(b) any Holder may set-off any funds of the Companies in the possession of such Holder (in its capacity hereunder), against any amounts then due by the Companies to Holders pursuant to this Agreement.

Nothing in this Section 9.2 or this Agreement shall impair the right of the lawful holder of any Debenture to accelerate the maturity thereof according to the terms therein.

ARTICLE 10

CONDITIONS TO CLOSING

The obligations of the Holders to fund the Loan and purchase the Warrants at Closing shall be subject to the satisfaction, prior to or at Closing, of the following conditions:

Section 10.1 Issuance of Debentures and Warrants. The Companies shall have issued to each Holder the respective Debenture and the Parent shall have issued and sold the Warrants to such Holder hereunder.

Section 10.2 Transaction Documents. The Holders shall have received, in form and substance satisfactory to them and its counsel, this Agreement, the other Loan Documents and the Warrants, duly executed, and each such document shall be in full force and effect.

Section 10.3 Certified Documents. The Companies shall have delivered or caused to be delivered to the Holders copies of the following documents, duly certified, or the following certificates, as applicable:

(a) Resolutions of the Board of Directors of each of the Companies authorizing (i) the execution, delivery, and performance of the Transaction Documents to which it is a party, (ii) the consummation of the transactions contemplated by the Transaction Documents to which it is a party, and (iii) all other actions to be taken by each such Company in connection with the Transaction Documents or the Agreement

(b) Certificates, signed by the Secretary or an Assistant Secretary of each of the Companies, dated as of the Closing Date, as to (i) the incumbency, and containing the specimen signatures of the Persons authorized to execute on behalf of each of the Companies the Loan Documents, together with evidence of the incumbency of such Secretary or Assistant Secretary, and (ii) the authenticity of the Company's Certificate of Incorporation and Bylaws; and

(c) A certificate of good standing of each of the Companies, from the Secretary of State of each respective jurisdiction of organization, and of each state in which the Company is qualified to do business, in each case, dated within 15 days of the Closing Date.

Section 10.4 Representations and Warranties; No Default; No Adverse Change. The representations and warranties of the Companies contained in this Agreement shall be true in all material respects on the Closing Date except as affected by the consummation of the subject transactions, and there shall exist on such date and after giving effect to such transactions, no Event of Default or breach of any Loan Document. The Companies shall have delivered to the Holders an Officer's Certificate, dated the Closing Date, to all such effects.

Section 10.5 Solvency Opinions. Holders shall have received a solvency opinion with respect to the Companies, in form and substance satisfactory to Holders from Research Valuation Corporation, and Holders shall be satisfied that (i) the facts assumed in such opinion shall be accurate, and (ii) the information given to Research Valuation Corporation for such opinion shall be complete and shall not contain any untrue statement of a material fact or omit to state a material fact necessary to make such information not misleading, and (iii) there shall have been no Material change in the facts and circumstances thereof or to the assumptions made therein.

Section 10.6 Solvency Certificate. The Holders shall have received a certificate from the Financial Officer of the Parent, on behalf of the Companies', dated as of the Closing Date, certifying each the Company is solvent prior to and after giving effect to the consummation of the transactions contemplated hereby, such certificate to be in form and substance satisfactory to the Holders.

Section 10.7 Opinions of Counsel. The Holders shall have received the opinion or opinions of counsel to the Companies addressed to the Holders and dated the Closing Date satisfactory in form and substance to Holders and their counsel.

Section 10.8 Transaction Permitted by Applicable Laws; No Injunction. The entry into the Loan and the sale and purchase of the Warrants hereunder shall not be prohibited by any applicable law or governmental regulation. No preliminary, temporary or permanent injunction or restraining order or other binding order, decree or ruling issued by a court or governmental agency, shall be in effect or be pending which shall or would have the effect of preventing the consummation of the transactions contemplated by this Agreement.

Section 10.9 Compliance with Securities Laws. The offering, issuance, and sale by the Company of the Debentures or of the Warrants by the Parent shall have complied with all applicable requirements of Federal and state securities laws, and the Holders shall have received evidence of such compliance in form and substance satisfactory to them.

Section 10.10 Approvals and Consents. The Holders shall have received evidence satisfactory to them that the Companies have received all authorizations, consents, approvals, licenses, franchises, permits, and certificates by or of all governmental bodies in each case, necessary for the issuance of the Debentures and Warrants, and the execution and delivery of the Transaction Documents, and all of the foregoing shall be in full force and effect on the Closing Date. The Holders also shall have received evidence satisfactory to them indicating that all material consents and approvals necessary to complete the Acquisition have been obtained by the Companies on or prior to the Closing Date, including all consents and approvals contemplated by the Acquisition Agreement.

Section 10.11 Acquisition Documents. True, correct, and complete copies of each of the Transaction Documents shall have been delivered to the Holders, certified by the Secretary of the Parent.

Section 10.12 Credit Agreement. The Holders shall have received a true and correct copy of the Credit Agreement and the other Credit Documents, each of which shall be reasonably satisfactory in form and substance to the Holders; the Credit Agreement and each of the other Credit Documents shall be in full force and effect, and no material term or condition thereof shall have been amended, modified, or waived except as disclosed to the Holders prior to the Closing; and, as of the Closing date, there shall exist no default or event of default under such Senior Loan Agreement. As of the Closing Date, the aggregate principal amount of the Term Loan and Revolving Commitments included within the Senior Debt shall not exceed $68,500,000.

Section 10.13 Subordination Agreement. The Holders and the Senior Holders shall have entered into a subordination agreement in the form of Exhibit 1.03 hereof.

Section 10.14 Acquisition. The closing conditions set forth in Sections 5 and 6 of the Purchase Agreement other than delivery of funds shall have been satisfied and the Agent shall have received evidence satisfactory to the Agent of the satisfaction of such closing conditions;

Section 10.15 Policano and Manzo Employment Agreements. P&M and/or the Parent (as applicable) shall have entered into employment agreements and incentive compensation agreements with Messieurs Policano and Manzo, in the form of Exhibit 10.15 hereof;

Section 10.16 Seller Note Exchange or Repayment All promissory notes and other obligations for cash payment owed by the Companies to sellers of businesses previously acquired by the Companies shall have been exchanged for Shares or repaid in full prior to or simultaneously with Closing.

Section 10.17 Pro Forma Financial Information. The Holders shall have received (a) a consolidated balance sheet of the Parent, prepared in accordance with GAAP, based upon the Parent's most recently prepared financial statements, and giving pro forma effect to the Acquisition, and (b) the pro forma statement of capitalization of the Parent, after giving effect to the Acquisition and the Closing.

Section 10.18 Use of Proceeds. The Holders shall have received evidence satisfactory to them that the proceeds of the Loan and the Warrants above are being used and applied as set out in Schedule 5.14 hereof.

Section 10.19 Expenses. The Companies shall have paid all of the fees, costs, and expenses of the Holders to the extent provided in the November 10, 1999 letter from Newcourt to the Parent, and all fees and expenses of Holders' counsel Dickstein Shapiro Morin & Oshinsky LLP and Chapman and Cutler.

Section 10.20 Fees. The Holders shall have received payment, in immediately available funds, of fees payable pursuant to Article 11 hereof.

Section 10.21 Insurance. The Companies shall have furnished evidence satisfactory to the Holders that it has the insurance required by Section 7.2.

Section 10.22 Due Diligence. The Holders shall have completed their financial and legal due diligence with the respect to the Companies, their respective management and their respective industries, the results of which shall be satisfactory to the Holders.

ARTICLE 11

FEES AND COSTS

The Companies shall pay:

Section 11.1 All closing costs, brokerage and other commissions, due diligence costs and other fees and expenses incurred by the Companies or the Holders in connection with the transactions contemplated by this Agreement;

Section 11.2 [Intentionally Omitted];

Section 11.3 The hourly fees and expenses of Holders' counsel for their services in connection with the transactions contemplated by this Agreement;

Section 11.4 All of Holders' expenses of any nature which may be reasonably necessary, either before or after a default hereunder, for the enforcement or preservation of Holders' rights under this Agreement, the Debentures, the Warrants, or any other agreement of any Company mentioned herein, including but not limited to reasonable attorneys' fees, appellate costs and fees, and costs incurred by any Holder as a participant in any bankruptcy proceeding, workout, debt restructuring, extension of maturity or document amendment, involving any of the Companies or any other obligor under the Debentures;

Section 11.5 All costs and fees, including attorneys' fees and expenses, incurred by any of Holders or their affiliates in connection with:

(a) any suit, action or claim of Holders to enforce the provisions of this Agreement or any other document related hereto; and

(b) any suit, action, claim or other liability asserted against any of Holders or their affiliates by the Company and/or either of the Principals, in any case in which such parties do not prevail with respect to substantially all of their claims.

ARTICLE 12

INDEMNIFICATION. ENVIRONMENTAL LIABILITY

Each Company will indemnify Holders and their directors, officers, employees, agents and controlling persons (hereinafter collectively, "Indemnitees") against, and hold each such Indemnitee harmless from, any and all losses, claims, damages, liabilities and related expenses (including attorneys' fees and expenses) incurred by or asserted against Holders or any such Indemnitee arising out of, in any way connected with, or resulting from the following:

(a) this Agreement, the other documents contemplated hereby, the performance by the parties hereto and thereto of their respective obligations hereunder and thereunder, or consummation of the transactions contemplated hereby and thereby;

(b) any and all liability and loss with respect to or resulting from any and all claims for or on account of any broker's or finder's fees or commissions with respect to this transaction as may have been created by the Companies or their respective officers, partners, employees or agents, together with any stamp or excise taxes which may become payable in connection with this transaction or the issuance of stock hereunder;

(c) the spilling, leaking, pumping, pouring, unsettling, discharging, leaching or releasing of hazardous substances on property owned by any of the Companies or any violations by any of the Companies of CERCLA, the Federal Clean Water Act or any other Federal, state or local environmental law, regulation or ordinance; and

(d) any claim, litigation investigation or proceeding relating to any of the foregoing, whether or not Holders or any such person is a party thereto;

PROVIDED, HOWEVER, that any such indemnity shall not apply to any such losses, claims, damages, liabilities or related expenses arising from Holders' gross negligence or willful misconduct.

The provisions of this Section shall remain operative and in full force and effect regardless of the expiration of the term of this Agreement, the consummation of the transactions contemplated hereby, the repayment of the Debentures, the invalidity or unenforceability of any term or provision of this Agreement, the Debentures, or any investigation made by or on behalf of Holders. All amounts due under this Article shall be payable on written demand therefor.

ARTICLE 13

REMEDIES

Section 13.1 Cumulation. Receivership. None of the rights or remedies of the Holders provided herein shall be exclusive, but each shall be cumulative with and in addition to every other right or remedy of Holders, now or hereafter existing, at law or in equity, by statute, agreement or otherwise. In any action under this Agreement, the Debentures or the Warrants, the Holders shall be entitled to appointment of a receiver to administer the Companies, or all or any portion of its assets as may be subject to Holders' claims.

Section 13.2 No Implied Waiver. No course of dealing between a Holder and any other party hereto, or any failure or delay on the part of a Holder in exercising any rights or remedies hereunder, shall operate as a waiver of any rights or remedies of any Holder under this or any other applicable agreement. No single or partial exercise of any rights or remedies hereunder shall operate as a waiver or preclude the exercise of any other rights or remedies hereunder.

Section 13.3 Limitation on Remedies Against Principals. The Holders' sole remedy against any of the Principals for a violation of their agreements contained in Article 4 hereof shall be to apply to a court of competent jurisdiction for an injunction restraining such principal from committing or continuing any violation of the Sections, and a Principal shall not object to such application except to litigate whether, in fact, such Principal has violated the relevant Sections, provided, however, that this Section 13.3 will not in any case limit the Holders' remedies against the Companies for any violation of such Article. It is expressly acknowledged by each Holder that the purpose and intent of this Section 13.3 is to preclude any Holder from seeking monetary damages from any Principal for any breach of any of their undertakings herein. Each Holder expressly covenants and agrees with each Principal that such Holder will not seek monetary damages from any Principal on account of any covenant or other agreement made by any Principal in this Agreement and that such Holder will not direct or request that the Parent or any of the Companies seek such monetary damages from any Principal for any breach of any of their undertakings in this Agreement. Each of the Companies expressly covenants and agrees with each Principal that such Company will not seek monetary damages from any Principal on account of any covenant or agreement made by any Principal in this Agreement, or any cause of action arising from their being parties to this Agreement. Nothing herein, however, will be construed to prohibit any Company from seeking monetary damages or any other remedy against any Principal for a breach of any other agreement or undertaking of such Principal to such Company, or any duty otherwise owed to such company, whether or not such breach may involve the same subject matter as a breach hereof, so long as the Companies do not seek consequential or other damages from either Principal arising from or related to an event of default under this Agreement or the Senior Debt Documents resulting from, or alleged to have resulted from, either Principal's being no longer employed by one of the Companies.

ARTICLE 14

PARTIES; TRANSFERS OF DEBENTURES AND WARRANTS; RIGHTS OF MAJORITY HOLDERS

Section 14.1 Parties. This Agreement will bind and accrue to the benefit of each of the Companies, the Holders, any holders of the Warrants or the Debentures, and their successors and assigns.

Section 14.2 Transfers of Debentures and Warrants; Debenture Registry. The Debentures, Warrants and Shares shall be freely transferable, in whole or in part, to Affiliated Persons of the Holders, and to institutional lenders and investors, subject only to compliance with applicable securities laws and to the limitation that no transferee shall receive any portion of any Debenture of less than $1,000,000, or of any Warrant corresponding to less than 15,000 Shares (as adjusted for stock splits, reverse splits, stock dividends and similar capital events). Each such transfer shall be effective only to the extent reflected in a register of Debentures and Holders, which the Parent shall maintain. Promptly upon surrender of the transferred instruments, written instructions as to the amounts being transferred to each such transferee, and execution by the transferees of appropriate documents of joinder hereto, the Companies shall at their expense issue replacement Warrants, Debentures or Share certificates (as applicable) from time to time to such transferees in appropriate denominations to reflect such transfers and register such transfer in the relevant registry or ledger. Upon any such transfer the transferee shall be included within the definition of Holder herein for all purposes.. Any purchaser, assignee, transferee or pledgee of the Warrants or Debentures, or any document arising in connection with the transaction subject to this Agreement (or any of them), sold, assigned, transferred, pledged or repledged by a Holder in compliance with this Section shall forthwith become vested with and entitled to exercise all rights and remedies provided herein to Holders, as if said purchaser, assignee, transferee or pledgee were originally named in this Agreement in place of the Holders.

Section 14.3 Rights of Majority Holders. Except for amendments, modifications and waivers which reduce the principal or interest amount payable to any Holder, or extend the maturity of any Indebtedness owed to any Holder, which in each case shall require the written consent of the subject Holder, and as otherwise specifically provided herein, all actions or consents required or permitted to be made by the Holders hereunder may be effected upon the agreement of any Holder or group of Holders which (in either case) constitutes the Majority Holders. Any Holder may initiate a request for such an assent by written request therefor to all Holders, specifying the action or consent in reasonable detail.

ARTICLE 15

NOTICE

All notices or communications under this Agreement or the Warrants or Debentures shall be in writing and mailed, postage prepaid, or delivered as follows:

To Holders: Allied Capital Corporation
1919 Pennsylvania Avenue, N.W., 3rd Floor

Washington, D.C. 20006
Attn: Scott S. Binder, Principal

and

Newcourt Commercial Finance Group
C/o The CIT Group, Inc.
Two Gatehall Drive, First Floor
Parsippany, New Jersey 07054
Attn: Director-Merchant Banking

with a copy to:

Newcourt Commercial Finance Group
C/o The CIT Group, Inc.
Two Gatehall Drive, First Floor
Parsippany, New Jersey 07054
Attn: Vice President-Legal -
Merchant Banking Group

And

Newcourt Commercial Finance Group
c/o The CIT Group, Inc.
Two Gatehall Drive, First Floor
Parsippany, New Jersey 07054
Attn: Vice President-Credit -
Merchant Banking Group

and to

Dickstein Shapiro Morin & Oshinsky LLP
2101 L Street, N.W.
Washington, D.C. 20037
Attn: David P. Parker, Esquire

and to

SunTrust Bank N.A.
303 Peachtree Street,
25th Floor Mail Code 644
Atlanta, GA 30308
Attn: Jeffrey McNeill, Vice-President

and to

ReliaStar Financial Corporation
C/o Reliastar Investment Research, Inc.
100 Washington Avenue South, Suite 800

Minneapolis, MN 55401-2121
Attn: Frank Pintens, Senior Vice-President
and Portfolio Manager

To the Companies: FTI Consulting, Inc.
2021 Research Drive
Annapolis, MD 21401
Attn: Jack B. Dunn IV
and to

Mr. Stewart J. Kahn
152 West 57th Street, Suite 4500
New York, NY 10019

and to

Piper Marbury Rudnick & Wolfe
6225 Smith Avenue
Baltimore, MD 21209-3600
Attn: Richard C. Tilghman, Esquire

or, to such subsequent addresses as may hereafter be specified by the parties. Rejection or other refusal to accept, or the inability to deliver because of a changed address of which no notice was given, shall not affect the date of such notice sent in accordance with the foregoing provisions. Each such notice, request or other communication shall be deemed sufficiently given, served, sent and received for all purposes at such time as it is delivered to the addressee (with the return receipt, the delivery receipt, the affidavit of the messenger or the answer back being deemed conclusive [but not exclusive] evidence of such delivery), or at such time as delivery is refused by addressee upon presentation.

ARTICLE 16

RELATIONSHIP OF THE PARTIES

This Agreement provides, among other things, for the making, of loans by Holders, in their capacity as lenders, to the Companies, in their capacity as a borrower, and for the payment of interest and repayment of principal by the Companies to Holders. The provisions herein for compliance with financial covenants and delivery of financial statements are intended solely for the benefit of Holders to protect their interests as lenders in assuring, payments of interest and repayment of principal, and as warrant or stock holders in preserving their equity stake in the Parent. Nothing contained in this Agreement shall be construed as permitting or obligating Holders to act as financial or business advisors or consultants to the Companies, as permitting or obligating Holders to control any of the Companies or to conduct the Companies' operations, as creating any fiduciary obligation on the part of Holders to the Companies, or as creating any joint venture, agency or other relationship between the parties, other than as explicitly and specifically stated in this Agreement. A Holder is

not, and shall not be construed as, a partner, joint venturer, alter-ego, manager, controlling person, operator or other business participant of any kind of the Companies; neither Holders nor any Company intend Holders to assume such status, and, accordingly, Holders shall not be deemed responsible for or a participant in any acts or omissions of any Company. Each Company represents that it has had the advice of experienced counsel of its own choosing in connection with the negotiation and execution of this Agreement and with respect to all matters contained herein.

ARTICLE 17

REPRESENTATION OF EACH HOLDER

Each Holder represents for itself that the sources of funds to be used by it to make the portion of the Loan it is funding hereunder do not include assets of any employee benefit plan. As used in this Article 17, the term "employee benefit plan" shall have the meaning assigned to such term in Section 3 of ERISA.

ARTICLE 18

EXPIRATION OR SUSPENSION OF COVENANTS

The covenants in Article 6, Sections 7.2, 7.3, 7.4, 7.7, 7.9, 7.10, 7.11, 7.14, 7.17, and all Sections of Article 8 except 8.22 and 8.25, shall be in effect only when one or more Debentures are outstanding (which Debentures may include any Allied Debentures, Newcourt Debentures, or Debentures issued pursuant to Section 3.7(d) hereof, or any replacements, reissues, modifications or renewals thereof or therefor). The remaining covenants in Articles 7 and 8 shall be in effect while any Debentures are outstanding and until all Holders have transferred or disposed of more than 90% of the voting or economic interests represented by the Warrants. For purposes of this article, the exercise of Warrants in exchange for Shares shall not be deemed a disposition of the voting or economic interests represented by the Warrants, but the disposition of Shares issued as a result of the exercise of the Warrants shall be deemed a disposition of a proportionate interest in the Warrants.

ARTICLE 19

CONTROLLING LAW; NON-EXCLUSIVE VENUE AND JURISDICTION; SERVICE OF PROCESS

This Agreement shall be interpreted, and the rights and liabilities of the parties hereto determined, in accordance with the laws of the District of Columbia, without regard to its principles of conflicts of law. Non-exclusive venue for any adjudication hereof may be in the courts of the District of Columbia or the Federal courts in such District, to the jurisdiction of which courts all undersigned parties hereby submit as the agreement of such parties, as not inconvenient, and as not subject to review by any court other than such courts in the District of Columbia. All parties intend and agree that the courts of jurisdictions in which the Companies are incorporated and conduct their businesses shall afford full faith and credit to any judgment rendered by a court of the District of Columbia against the Companies or other obligees hereunder, and that such District of Columbia and

federal courts shall have non-exclusive in personam jurisdiction to enter a valid judgment against the Companies or other obligees hereunder. Service of any summons and/or complaint and any other process which may be served on the Companies in any action in respect hereto, may be made by mailing via registered mail, or delivering a copy of such process to the Companies at its address specified above. The parties hereto agree that this submission to jurisdiction and consent to service of process are reasonable and made for the express benefit of Holders.

ARTICLE 20

WAIVER OF TRIAL BY JURY

EACH PARTY TO THIS AGREEMENT WAIVES ALL RIGHT TO TRIAL BY JURY OF ALL CLAIMS, DEFENSES, COUNTERCLAIMS AND SUITS OF ANY KIND DIRECTLY OR INDIRECTLY ARISING FROM OR RELATING TO THIS AGREEMENT, THE LOAN, THE LOAN DOCUMENTS OR THE DEALINGS OF THE PARTIES IN RESPECT THERETO. THE PARTIES HERETO ACKNOWLEDGE AND AGREE THAT THIS ARTICLE IS A MATERIAL TERM OF THIS AGREEMENT AND THAT THE HOLDERS WOULD NOT EXTEND ANY FUNDS HEREUNDER IF THIS WAIVER OF JURY TRIAL WERE NOT A PART OF THIS AGREEMENT. EACH PARTY HERETO ACKNOWLEDGES THAT THIS IS A WAIVER OF A LEGAL RIGHT AND THAT IT MAKES THIS WAIVER VOLUNTARILY AND KNOWINGLY AFTER CONSULTATION WITH, OR THE OPPORTUNITY TO CONSULT WITH, COUNSEL OF ITS CHOICE. EACH PARTY HERETO AGREES THAT ALL SUCH CLAIMS, DEFENSES, COUNTERCLAIMS AND SUITS SHALL BE TRIED BEFORE A JUDGE OF COMPETENT JURISDICTION, WITHOUT A JURY.

ARTICLE 21

CAPTIONS; SEVERANCE

The captions in this Agreement and the Warrants and Debentures are inserted for convenience of reference only and shall be construed neither to limit nor amplify the meaning of the other text of such documents. To the extent any provision herein violates any applicable law, such provision shall be void and the balance of this Agreement shall remain unchanged.

ARTICLE 22

COUNTERPARTS; ENTIRE AGREEMENT

This Agreement may be executed in as many counterpart copies and with as many counterpart signature pages as may be convenient. It shall not be necessary that the signature of, or on behalf of, each party appear on each counterpart, but it shall be sufficient that the signature of, or on behalf of, each party appear on one or more of the counterparts. All counterparts shall collectively constitute a single agreement; it shall not be necessary in any proof of this Agreement to produce or account for more than a number of counterparts containing the respective signatures of, or on behalf of, all of the parties. This Agreement, the Warrants, the Debentures, the exhibits hereto and the documents mentioned herein set forth the entire agreements and understandings of the parties hereto in respect of this transaction. Any verbal agreements in respect of this transaction are hereby

terminated. The terms herein may not be changed verbally but only by a writing signed by the party against which enforcement of the change is sought.

ARTICLE 23

DEFINITIONS AND RULES OF CONSTRUCTION

Section 23.1 Definitions. As used in this Agreement, and unless the context requires a different meaning, the following terms shall have the meanings as follow:

(a) "Accumulated Funding Deficiency" shall have the definition for such term in Section 302 of the Employee Retirement Income Security Act of 1974;

(b) "Acquisition Agreement" shall have the definition set out in Recital A hereof;

(c) "Adjusted EBITDA" means, in respect of any period, EBITDA plus, in the event that any Company has acquired any Person during the period with respect to which EBITDA was calculated, the EBITDA of such Person (including pro-forma overhead and expenses) for the entire 12-month period ending on the last day of the month immediately preceding the date of such acquisition, provided, that (i) the Holders shall have received audited financial statements of such Person accompanied by a report satisfactory to the Holders by a nationally recognized accounting firm acceptable to the Holders and (ii) any adjustments to EBITDA to give effect to the acquisition of such Person shall be acceptable to the Holders in their reasonable opinion. The foregoing is in no way intended to permit any transaction otherwise prohibited by this Agreement including, without limitation, any transaction prohibited by Section 8.11.

(d) "Affiliate" and "Affiliated Person" shall have the definition for affiliated person set out in section 2(a)(3) of the Investment Company Act of 1940, as amended;

(e) "Agreement" is defined as this Investment and Loan Agreement and the exhibits and schedules hereto, as the same may be amended, supplemented, extended, modified or replaced in accordance with the terms hereof;

(f) "Appraised Value" shall have the meaning set forth in Section 3.3(b) hereof;

(g) "Asset Disposition" is defined as any Transfer except a Transfer (so long as such Transfer is not prohibited by any Loan Document) which is either (i) made in the ordinary course of business and involving (x) only property that is inventory held for sale and (y) de minimus Transfers in the ordinary course of business of damaged or obsolete property of a Company, or (ii) made by a Subsidiary to another Subsidiary if at the time thereof and after giving effect thereto, no Default or Event of Default exists hereunder;

(h) "Associate" shall have the definition for such term set out in section 107.50 of the amended Regulations promulgated under the SBA Act;

(i) "Business Day" is defined as any day other than a Saturday, a Sunday or a day on which commercial banks in Washington, D.C. or New York, New York, are required or authorized to be closed;

(j) "Closing" is defined as the consummation of this Agreement;

(k) "Capital Expenditures" for any period of determination hereof shall mean (a) all expenses incurred during such period by the Companies in connection with capital replacements, additions, renewals or improvements to any of the capital assets of the Companies which are required to be capitalized on the books and accounts of the Companies in accordance with GAAP and (b) the amount of Capital Lease Obligations relating to all Capital Leases entered into during such period by the Companies;

(l) "Capital Lease" means, with respect to any Person, any lease by that Person which requires such Person to concurrently recognize the acquisition of an asset and the incurrence of a liability in accordance with GAAP;

(m) "Capital Lease Obligation" means, with respect to any Person and a Capital Lease, the amount of the obligations of such Person as the lessee under such Capital Lease which would, in accordance with GAAP, appear as a liability on a balance sheet of such Person;

(n) "Cash Interest Charges" means, with respect to any period, the sum (without duplication) of the following: all cash interest (paid or accrued and payable in cash) in respect of Debt of the Companies (including imputed interest on Capital Leases of the Companies) deducted in determining Net Income for such period;

(o) "Change of Control" is defined as any of the following events or circumstances:

(i) the failure for any reason of the Parent to own and hold not less than 100% of the outstanding shares of all voting stock or equity interests of the all Subsidiaries free and clear of any Liens other than the Liens securing the Senior Debt;

(ii) any sale of all or substantially all of the capital stock or assets of any of the Companies or other obligors of the Loan, regardless of whether or not in connection with the merger or consolidation thereof, provided, however, that the foregoing shall not include any transaction among Subsidiaries permitted by Section 8.12;

(iii) a "change in control" of the Parent occurs of a nature which would be required to be reported in response to Item 1 of Form 8-K promulgated under the Exchange Act;

(iv) any "person" (as such term is used in Section 13(d) and 14(d)(2) of the Exchange Act) is or becomes the beneficial owner, directly or indirectly, of securities of the Parent representing more than fifty percent (50%) of the combined voting power of the Parent's then outstanding voting securities; or

(v) or during any period of two (2) consecutive years, individuals who at the beginning of such period constitute the Board of Directors of the Parent cease for any reason to constitute at least a majority thereof unless the election, or the nomination for election by the Parent's shareholders, of each new director was approved by a vote of at least two-thirds of the directors then still in office who were directors at the beginning of such two (2) year period.

(p) "Changes in Working Capital" for any Fiscal Year shall mean the Working Capital as at the end of such Fiscal Year, minus Working Capital as at the beginning of such Fiscal Year;

(q) "Company" and "Companies" shall have the definition set out in the preamble hereof;

(r) "Consolidated Net Worth" means, as of the date of any determination, consolidated stockholders' equity of the Parent, determined in accordance with GAAP;

(s) "Current Assets" means current assets of the Companies determined in accordance with GAAP excluding, however, cash and cash equivalents;

(t) "Current Liabilities" means current liabilities of the Companies determined in accordance with GAAP excluding, Current Maturities of Funded Debt;

(u) "Current Maturities of Funded Debt" means, at any time and with respect to any item of Funded Debt, the portion of such Funded Debt outstanding at such time which by the terms of such Funded Debt or the terms of any instrument or agreement relating thereto is due on

demand or within one year from such time (whether by sinking fund, other required prepayment or final payment at maturity) and is not directly or indirectly renewable, extendible or refundable at the option of the obligor under an agreement or firm commitment in effect at such time to a date one year or more from such time.

(v) "Current Ratio" means, as of the date of any determination, the ratio, of Current Assets to Current Liabilities;

(w) "Debentures" shall have the definition set out in Section 1.1 hereof, as it may be supplemented by the terms of Section 3.7(d) hereof;

(x) "Debt" means, with respect to any Person, all obligations of such Person which in accordance with GAAP shall be classified upon a balance sheet of such Person as liabilities of such Person, and in any event shall include without duplication:

(i) its liabilities for borrowed money including principal and all accrued interest (whether such interest is due and payable or capitalized and compounded);

(ii) its liabilities for the deferred purchase price of property acquired by such Person (excluding accounts payable and accrued liabilities arising in the ordinary course of business but including, without limitation, all liabilities created or arising under any conditional sale or other title retention agreement with respect to such property);

(iii) its Capital Lease Obligations;

(iv) all liabilities for borrowed money secured by any Lien with respect to any property owned by such Person (whether or not it has assumed or otherwise become liable for such liabilities, provided if such Person shall not have assumed or otherwise become liable for such liability, the amount of such liability shall be the then Fair Market Value of such property);

(v) all its liabilities in respect of letters of credit or instruments serving a similar function issued or accepted for its account by banks and other financial institutions (whether or not representing obligations for borrowed money);

(vi) Swaps of such Person; and

(vii) any Guaranty of such Person with respect to liabilities of a type described in any of clauses (i) through (v) hereof.

Debt of any Person shall include all obligations of such Person of the character described in clauses (i) through (vii) to the extent such Person remains legally liable in respect thereof notwithstanding that any such obligation is deemed to be extinguished under GAAP.

(y) "Debt to Cash Flow Ratio" means, at the date of determination, the ratio of (a) all Debt of the Companies at such date to (b) Adjusted EBITDA for the 12-month period ending on such date;

(z) "Debt Service" means, at the date of determination the sum of the following: (a) Cash Interest Charges for the 12-month period ending on such date, (b) all installments of principal scheduled to be paid on the Senior Debt and debt hereunder during such period, and (c) the principal component of any payments in respect of Capital Lease Obligations of the Companies (and in the event of any acquisition occurring during such period, the Capital Lease Obligations of the acquired company) scheduled to be paid during such period. In the case of any such date of determination on or prior to the first anniversary of the date of Closing, each of the foregoing calculations shall be determined on an annualized basis;

(aa) "Default" is defined as an Event of Default or an event or circumstance which upon the giving of notice or lapse of time, will constitute an Event of Default;

(bb) "Distribution" means:

(a) dividends or other distributions or payments on capital stock (including so-called phantom stock) of a Company or any ERISA Affiliate (except distributions by a Subsidiary to a Company or another Subsidiary);

(b) the redemption or acquisition of such stock or of warrants, rights or other options to purchase such stock (except when solely in exchange for such stock) unless made, contemporaneously, from the net proceeds of a sale of such stock; and

(c) any payment to any stockholder of a Company or to any Affiliate of any of them whether in respect of services rendered to a Company or otherwise.

(d) any management, consulting, advisory, earn-out or other generally similar payment or fee to any Person.

Notwithstanding the foregoing, "Distribution" shall not mean or include (i) stock splits and other common stock dividends made on a pro-rata basis to all stockholders, (ii) the issuance of preferred stock of the Parent provided, that such preferred stock is not subject to any redemption, re-purchase or acquisition by a Company which is either mandatory or at the option of the holder of such preferred stock or (iii) payments of the type described in clauses (c) or (d) made in the ordinary course of business to employees for actual services rendered, provided that such payments are otherwise permitted by the terms and provisions of this Agreement.

(cc) "EBITDA" means, in respect of any period, the sum of (a) Net Income for such period plus, (without duplication) to the extent deducted in the determination of Net Income for such period, (b) Cash Interest Charges, (c) taxes imposed on or measured by income or excess profits (for such period and without regard to any prior periods) and, (d) the amount of all depreciation and amortization allowances and other non-cash expenses of the Companies during such period, and minus (e) to the extent added in the determination of Net Income for such period, (i) non-cash

income of the Companies and (ii) any cash payments made or required to have been made during such period by any Company in respect of any earn-out arrangement to which such Company is subject;

(dd) "Employer" and "Substantial Employer" shall have the definitions set out therefor in Sections 3(5) and 4001(a)(2) of ERISA, respectively;

(ee) "Environmental Laws" are defined as all Federal, state, local, and foreign statutes, laws, regulations, ordinances, rules, judgments, orders, decrees, permits, concessions, grants, franchises, licenses, agreements or governmental restrictions relating to pollution and the protection of the environment or the release of any materials into the environment, including but not limited to those related to hazardous substances or wastes, air emissions and discharges to waste or public systems;

(ff) "Equity Percentage" is defined, with respect to a Holder, as such Holder's percentage of actual or potential equity ownership of the Parent's capital stock (as the case may be), which percentage shall be calculated on a Fully Diluted Basis, expressed as a decimal fraction calculated to five (5) decimal places, and shall reflect the number of Shares owned by such Holder, and the number of Shares deliverable upon full exercise of any unexercised Warrants owned by the Holder;

(gg) "ERISA" is defined as the Employee Retirement Income Security Act of 1974;

(hh) "ERISA Affiliate" means any trade or business (whether or not incorporated) that is treated as a single employer together with a Company under Section 414 of the Code.

(ii) "Event of Default" shall have the meaning set out in Section 9.1 hereof;

(jj) "Excess Cash Flow" is defined, with respect to a Fiscal Year, as the Companies' consolidated EBITDA for such Fiscal Year, minus (a) the amount of Capital Expenditures for such Fiscal Year (provided such amount is not greater than the amount of Capital Expenditures permitted pursuant to Section 8.7), (b) Current Maturities of Funded Debt for such Fiscal Year including all principal installments required to be paid on the Senior Debt for such Fiscal Year, (c) Changes in Working Capital for such Fiscal Year, (d) Cash Interest Charges for such Fiscal Year, (e) taxes imposed on or measured by income or excess profits which is current tax expense during such Fiscal Year, (f) prepayments on the Senior Debt made by the Companies during such Fiscal Year and (g) the aggregate amount of any payments made without violation of this Agreement in respect of earn-outs during such Fiscal Year. No deductions shall be made in calculating "Excess Cash Flow" for any Fiscal Year a result of any transactions which are not permitted or required by the terms and provisions of the Loan Documents.

(kk) "Exchange Act" is defined as the Securities Exchange Act of 1934, as amended;

(ll) "Exempt Transfer" shall have the definition set out in Section 4.3 hereof;

(mm) "Fair Market Value" means at any time with respect to any Property, the sale value of such Property that would be realized in an arm's length sale at such time between an informed and willing buyer and an informed and willing seller (neither being under a compulsion to buy or sell);

(nn) "Fiscal Quarter" means and includes each fiscal quarter of the Company, which fiscal quarters end on March 31, June 30, September 30 and December 31 of each year;

(oo) "Fiscal Year" means the fiscal year of the Companies which ends on December 31 of each year;

(pp) "Fully Diluted Basis" shall mean, in respect to a corporation or other legal entity, the condition wherein all outstanding options, warrants and other securities of such entity which are exercisable or exchangeable for capital stock or other equity interests in the entity, are, for the purpose of calculating relative ownership rights, presumed to have been exercised or exchanged in full;

(qq) "Funded Debt" means, with respect to any Person, all Debt of such Person including, without limitation, the Loan and all Senior Debt and any other Debt excluding Debt of the type described in clause (vi) of the definition of "Debt;"

(rr) "GAAP" is defined as generally accepted accounting principles as established from time-to-time by the Financial Accounting Standards Board, consistently applied and maintained throughout the period indicated;

(ss) "Governmental Authority" is defined as

(i) the government of the United States of America, any state or other political subdivision thereof, or any jurisdiction in which an obligor of the Loan conducts all or any part of its business, or which asserts jurisdiction over any properties of such an obligor; and

(ii) any entity exercising executive, legislative, judicial, regulatory or administrative functions of, or pertaining to, any such government;

(tt) "Guaranty" means, with respect to any Person, any obligation (except the endorsement in the ordinary course of business of negotiable instruments for deposit or collection) of such Person guaranteeing or in effect guaranteeing any indebtedness, dividend or other obligation of any other Person in any manner, whether directly or indirectly, including (without limitation) obligations incurred through an agreement, contingent or otherwise, by such Person:

(i) to purchase such indebtedness or obligation or any property constituting security therefor;

(ii) to advance or supply funds (i) for the purchase or payment of such

indebtedness or obligation, or (ii) to maintain any working capital or other balance sheet condition or any income statement condition of any other Person or otherwise to advance or make available funds for the purchase or payment of such indebtedness or obligation;

(iii) to lease properties or to purchase properties or services primarily for the purpose of assuring the owner of such indebtedness or obligation of the ability of any other Person to make payment of the indebtedness or obligation; or

(iv) otherwise to assure the owner of such indebtedness or obligation against loss in respect thereof.

In any computation of the indebtedness or other liabilities of the obligor under any Guaranty, the indebtedness or other obligations that are the subject of such Guaranty shall be assumed to be direct obligations of such obligor;

(uu) "Hazardous Material" is defined as any pollutants, toxic or hazardous wastes or any other substances which might pose a hazard to health or safety, the removal of which may be required or the generation, manufacture, refining, production, processing, treatment, storage, handling, transportation, transfer, use, disposal, release, discharge, spillage, seepage, or filtration of which is or shall be restricted, prohibited or penalized by any applicable law (including, without limitation, asbestos, urea formaldehyde foam insulation and polychlorinated biphenyls);

(vv) "Hedging Agreements" means the agreements from time to time entered into by any one or more of the Companies evidencing Hedging Liability or otherwise setting forth the terms and condition applicable thereto.

(ww) "Hedging Liability" means the liability of any one or more of the Companies to any of the Lenders identified in the Senior Debt Documents, or any affiliates of such Lenders, in respect to any interest rate swap agreements, interest rate cap agreements, interest rate collar agreements, interest rate floor agreements, interest rate exchange agreements, or other similar interest rate hedging arrangements as any one or more of the Companies may from time to time enter into with any one or more of such Lenders or their affiliates.

(xx) "Inactive Subsidiary" or "Inactive Subsidiaries" shall mean and include Bodaken Associates, a Nevada corporation and Anamet Laboratories, Inc., a California corporation.

(yy) "Holders" shall have the definition set out in the preamble hereof;

(zz) "Indemnitees" is defined as Holders and their directors, officers, employees, agents and controlling persons;

(aaa) "Independent Third Parties" shall have the meaning set forth in Section 3.2(b) hereof;

(bbb) "Investment Company" shall have the definition for such term set out in the Investment Company Act of 1940, as amended;

(ccc) "Key Employees" shall mean and include Jack B. Dunn, IV, Stewart J. Kahn, Michael Policano, Robert Manzo, Barry Monheit, Pat Brady and Glen Baker and, (without limiting the right of approval by the Majority Holders) of any replacements for Messrs. Dunn, Kahn, Policano and Manzo, any and all replacements for each of the foregoing individuals.

(ddd) "Liens" is defined as any interest in property securing an obligation owed to, or a claim by, a person other than the owner of such property, whether such interest is based on common law, statute or contract, and including, but not limited to, the security interest, security title or lien arising from a security agreement, mortgage, deed of trust, deed to secure debt, encumbrance, pledge, conditional sale or trust receipt or a lease, consignment or bailment for security purposes;

(eee) "Litigation Schedule" shall have the meaning set forth in Section 5.3 hereof;

(fff) "Loan" shall have the definition set out in Recital B hereof;

(ggg) "Loan Documents" shall have the definition set out in Section 1.2 hereof;

(hhh) "Loans for Stock Purchases" shall mean and include full recourse loans by the Parent to individuals who are employees of one or more Companies as of the date of Closing provided, that (i) the proceeds of each such loan are used by such individual, concurrently with the making of such loan, to acquire shares of common stock of the Parent through a program of loans by the Parent to such individual, (ii) each such loan shall be secured by a perfected pledge of the stock acquired by such employee with the proceeds of such loan, and (iii) the proceeds of any sale or transfer of such pledge stock shall be applied to the payment of accrued and unpaid interest and principal on such loan.

(iii) "Majority Holders" is defined as (i) any group of Holders which shall include at least one Holder in Group 1 and at least one Holder in Group 2, and which shall collectively own more than fifty one percent (51%) of the principal balance of the Debentures outstanding at the time of determination, or (ii) if the Debentures have been repaid in full, any group of Holders which shall include at least one Holder in Group 1 and at least one Holder in Group 2 and which shall own collectively more than fifty-one percent (51%) of the Shares issued or issuable pursuant to the Warrants at such time; or (iii) any single Holder own all Debentures outstanding at such time, or (iv) if the Debentures have been repaid in full, any single Holder owning 100% of all Warrants and Warrant Shares outstanding at such time;

(jjj) "Material" is defined as material in relation to the business, operations, affairs, financial condition, assets, properties or business prospects of the Companies taken as a whole;

(kkk) "Material Adverse Effect" is defined as a material adverse effect on (a) the business, operations, affairs, financial condition, assets, properties or business prospects of the

Companies taken as a whole, or (b) the ability of a Company to perform its respective payment or other obligations under any of the Loan Documents, or (c) the validity or enforceability of any of the Loan Documents or the Warrants;

(lll) "Multiemployer Plan" means any Plan that is a "multiemployer plan" (as such term is defined in section 4001(a)(3) of ERISA).

(mmm) "NASDAQ" is defined as the automated quotation system for securities prices maintained by the National Association of Securities Dealers;

(nnn) "Net Income" means, with reference to any period, the consolidated net income (or loss) of the Companies for such period (taken as a cumulative whole), as determined in accordance with GAAP, provided that there shall be excluded:

(a) the income (or loss) of any Person, substantially all of the assets of which have been acquired in any manner, realized by such other Person prior to the date of acquisition,

(b) the income (or loss) of any Person in which any Company has an ownership interest, except to the extent that any such income has been actually received by an Company in the form of cash dividends or similar cash distributions,

(c) any restoration to income of any contingency reserve, except to the extent that provision for such reserve was made out of income accrued during such period,

(d) any aggregate net gain (but not any aggregate net loss) during such period arising from the sale, conversion, exchange or other disposition of capital assets (such term to include, without limitation, (i) all non-current assets and, without duplication, (ii) the following, whether or not current: all fixed assets, whether tangible or intangible, all inventory sold in conjunction with the disposition of fixed assets, and all Securities),

(e) any gains resulting from any write-up of any assets (but not any loss resulting from any write-down of any assets),

(f) any net gain from the collection of the proceeds of life insurance policies,

(g) any gain arising from the acquisition of any Security, or the extinguishment, under GAAP, of any Debt, of any of the Companies,

(h) any net income or gain (but not any net loss) during such period from (i) any change in accounting principles in accordance with GAAP, (ii) any prior period adjustments resulting from any change in accounting principles in accordance with GAAP, (iii) any extraordinary items, or (iv) any discontinued operations or the disposition thereof, and

(i) any portion of such net income that cannot be freely converted into United States Dollars.

(ooo) "Net Worth" is defined as (i) the value of the assets of the Company, less (ii) the aggregate obligations of the Company, both current and long-term, for the payment or re-payment of money, all as determined in accordance with GAAP and as adjusted to include any accretions as a result of exercise of the Warrants;

(ppp) "Offeree" shall have the definition set out in Section 3.2(a) hereof;

(qqq) "Performance Bonus" shall mean and include each bonus or bonus plan which, in each case, relates specifically and directly to ascertainable revenue, profit, cash flow or hourly benchmarks, and, in addition, in the case of not more than three senior executives of the Parent, in the aggregate, for any annual fiscal period, any increase in the equity value of the Parent.

(rrr) "Permitted Acquisitions" shall mean and include any acquisition by the Parent of another Person, provided, that (i) the sole consideration paid by the Parent for such acquisition shall consist of shares of common stock of the Parent, (ii) such acquisition shall be a stock for stock acquisition such that after giving effect thereto, the acquired Person shall be a wholly-owned Subsidiary of the Parent, (iii) at the time of such acquisition and after giving effect thereto, no Default or Event of Default exists under this Agreement, (iv) concurrently with such acquisition, 100% of the shares of capital stock of the acquiree shall be pledged and delivered as collateral for the Senior Debt and such acquiree shall have executed an agreement of joinder hereto assuming all obligations hereunder and under all Debentures, (v) Consolidated Net Worth immediately after giving effect to such acquisition is not less than Consolidated Net Worth immediately preceding such acquisition, (vi) pro forma EBITDA after giving effect to such acquisition for the 12 month period immediately preceding such acquisition is greater than the actual EBITDA of the Parent for said period without giving effect to such acquisition, and (vii) in the event the proposed acquiree has Material contingent liabilities (as determined in the sole discretion of the Majority Holders), the Majority Holders shall have given their prior written consent to such acquisition.

(sss) "Permitted Liens" shall have the definition set out in Section 8.9, hereof;

(ttt) "PIK Amount" shall have the meaning ascribed to such term in the Debentures.

(uuu) "Principals" shall have the definition set out in the preamble hereof;

(vvv) "Prohibited Transaction" shall have the definition for such term set out in Section 4975 of the Internal Revenue Code of 1986, as amended;

(www) "Publicly Traded" shall mean, with respect to any security, that such security is (i) listed on a domestic securities exchange, (ii) quoted on NASDAQ or (iii) traded in the domestic over-the-counter market, which trades are reported by the National Quotation Bureau, Incorporated;

(xxx) "Responsible Officer" is defined as any chief financial officer, principal accounting officer, treasurer or comptroller of a Company with responsibility for the administration of the Loan or Warrants, and for purposes of Section 9.1(c), the President or Vice President of the Company;

(yyy) "Restricted Investments" means all Investments except the following:

(a) property to be used in the ordinary course of business of a Company;

(b) current assets arising from the sale or lease of goods and services in the ordinary course of business of a Company;

(c) Investments existing on the date of the Closing and disclosed in Schedule 5.15;

(d) Investments in United States Governmental Securities, provided that such obligations mature within 365 days from the date of acquisition thereof;

(e) Investments in certificates of deposit or banker's acceptances issued by an Acceptable Bank, provided that such obligations mature within 365 days from the date of acquisition thereof;

(f) Investments in commercial paper given the highest rating by a credit rating agency of recognized national standing and maturing not more than 270 days from the date of creation thereof;

(g) Investments in Repurchase Agreements;

(h) Investments in tax-exempt obligations of any state of the United States of America, or any municipality of any such state, in each case rated "AA" or better by S&P, "Aa2" or better by Moody's or an equivalent rating by any other credit rating agency of recognized national standing, provided that such obligations mature within 365 days from the date of acquisition thereof;

(i) loans to officers and employees of a Company made in the ordinary course of business, so long as the outstanding amount of all such loans to all officers or employees of all Companies shall not, in the aggregate, exceed at any time $1,000,000, provided the outstanding amount of all loans to any individual officer and employees shall not exceed at any time $250,000 (it being agreed that for the purposes of this clause (i) of this definition of "Restricted Investments," the aforementioned loans shall not include loans or advances which constitute compensation for the purposes of, and which are otherwise permitted by Section 8.6);

(j) Loans for Stock Purchases;

(k) Permitted Acquisitions; and

(l) Investments in Person who are either (i) Subsidiaries as of the date of Closing or (ii) either with the consent of the Majority Holders or pursuant to a Permitted Acquisition, Persons who after giving effect to such investments, will be Subsidiaries.

As used in this definition of "Restricted Investments":

"Acceptable Bank" means any bank or trust company (i) which is organized under the laws of the United States of America or any State thereof, (ii) which has capital, surplus and undivided profits aggregating at least $250,000,000, and (iii) whose long-term unsecured debt obligations (or the long-term unsecured debt obligations of the bank holding company owning all of the capital stock of such bank or trust company) shall have been given a rating of "A" or better by S&P, or "A2" or better by Moody's.

"Acceptable Broker-Dealer" means any Person other than a natural person (i) which is registered as a broker or dealer pursuant to the Securities Exchange Act Exchange Act of 1934, as amended, and (ii) whose long-term unsecured debt obligations shall have been given a rating of "A" or better by S&P, "A2" or better by Moody's.

"Moody's" means Moody's Investors Service, Inc.

"Repurchase Agreement" means any written agreement

(a) that provides for (i) the transfer of one or more United States Governmental Securities in an aggregate principal amount at least equal to the amount of the Transfer Price (defined below) to a Company from an Acceptable Bank or an Acceptable Broker-Dealer against a transfer of funds (the "Transfer Price") by such Company to such Acceptable Bank or Acceptable Broker-Dealer, and (ii) a simultaneous agreement by such Company, in connection with such transfer of funds, to transfer to such Acceptable Bank or Acceptable Broker-Dealer the same or substantially similar United States Governmental Securities for a price not less than the Transfer Price plus a reasonable return thereon at a date certain not later than 365 days after such transfer of funds,

(b) in respect of which a Company shall have the right, whether by contract or pursuant to applicable law, to liquidate such agreement upon the occurrence of any default thereunder, and

(c) in connection with which a Company, or an agent thereof, shall have taken all action required by applicable law or regulations to perfect a Lien in such United States Governmental Securities.

"S&P" means Standard & Poor's Ratings Group, a division of The McGraw-Hill Companies, Inc.

"United States Governmental Security" means any direct obligation of, or obligation guaranteed by, the United States of America, or any agency controlled or supervised by or acting as an instrumentality of the United States of America pursuant to authority granted by the Congress of the United States of America, so long as such obligation or guarantee shall have the benefit of the full faith and credit of the United States of America which shall have been pledged pursuant to authority granted by the Congress of the United States of America.

(zzz) "The Securities Act" is defined as the Securities Act of 1933, as amended;

(aaaa) "Security" has the meaning set forth in Section 2(a)(1) of the Securities Act;

(bbbb) "Seller" shall have the definition set out in Recital A hereof;

(cccc) "Selling Holders" is defined, with respect to a particular offering of securities, as those Holders which have requested their Shares be included in the registration of such offering, according to the terms of Sections 3.1 or 3.2 hereof;

(dddd) "Senior Debt" shall have the definition set out in Section 1.3 hereof;

(eeee) "Senior Debt Documents" are defined as the documents from time to time evidencing the Senior Debt or setting out its material terms, and all amendments, renewals and replacements thereof and therefor;

(ffff) "Senior Debt to Cash Flow Ratio" means, at the date of termination, the ration of (a) all Senior Debt of the Companies at such date to (b) Adjusted EBITDA for the 12-month period ending on such date.

(gggg) "Shares" shall have the meaning set forth in Section 2.1 hereof;

(hhhh) "SBA" is defined as the U.S. Small Business Administration;

(iiii) "The SBA Act" is defined as the Small Business Investment Act of 1958, as amended;

(jjjj) "Subsidiaries"shall have the meaning set forth in the initial sentence of this Agreement;

(kkkk) "Swaps" means, with respect to any Person, payment obligations with respect to interest rate swaps, currency swaps and similar obligations obligating such Person to make payments, whether periodically or upon the happening of a contingency. For the purposes of any Loan Document, the amount of the obligation under the Swap shall be the amount reasonably anticipated to be payable by such Person thereunder, and in making such determination, if any agreement relating to such Swap provides for the netting of amounts payable by and to

such Person thereunder or if any such agreement provides for the simultaneous payment of amounts by and to such Person, then in each such case, the amount of such obligation shall be the net amount so determined.

(llll) "Total Debt Service Coverage Ratio" means, at the date of determination, the ratio of (a) Adjusted EBITDA minus Capital Expenditures for the 12-month period ending on such date minus taxes imposed on or measured by income or excess profits for the 12-month period ending on such date to (b) Debt Service for the 12-month period ending on such date;

(mmmm) "Total Interest Charges Coverage Ratio" means, at the date of determination, the ratio of (a) Adjusted EBITDA for the 12-month period ending on such date to (b) Cash Interest Charges for such 12-month period (or if such date is on or prior to the first anniversary of the date of Closing, the period from the date of Closing to such date, on an annualized basis) ending on such date;

(nnnn) "Transfer" is defined as any transaction in which any Person sells, conveys, leases (as lessor) or otherwise transfers any of its property or any interest therein;

(oooo) "Warrants" are defined as the Series A, Series B and Series C Warrants collectively, and any additional stock purchase warrants issuable pursuant to paragraph 5(b) of the Series A Warrants, and all modifications, renewals, extensions and replacements thereof and therefor; and

(pppp) "Working Capital" shall mean, as of the date of any determination, the difference between (a) Current Assets, minus (b) Current Liabilities.

Section 23.2 Rules of Construction. The rule of ejusdem generis shall not be applicable herein to limit a general statement, which is followed by or referable to an enumeration of specific matters, to matters similar to the matters specifically mentioned. Unless the context otherwise requires:

(a) A term has the meaning assigned to it;

(b) "Or" is not exclusive;

(c) Provisions apply to successive events and transactions;

(d) "Herein", "Hereof", "Hereto", "Hereunder" and other words of similar import refer to this Agreement as a whole and not to any particular Article, Section or other subdivision unless otherwise so provided;

(e) The word "person" shall mean any natural person, partnership, corporation, nation, state, government, union, association, agency, tribunal, board, bureau and any other form of business or legal entity;

(f) All words or terms used in this Agreement, regardless of the number or gender in which they are used, shall be deemed to include any other number and any other gender; and

(g) All financial terms used herein and not capitalized shall have the meaning accorded them under GAAP.

Remainder of page intentionally left blank; signature pages follow

IN WITNESS WHEREOF, the parties hereto have caused this agreement to be duly executed as of the date first above written.

Companies:

[Seal]

Witness: /s/ NANCY B. CURRIE

Name: Nancy B. Currie

FTI Consulting Inc.

By: /s/ JACK B. DUNN IV

Name: Jack B. Dunn IV
Title: CEO

[Seal]

Witness: /s/ NANCY B. CURRIE

Name: Nancy B. Currie

Teklicon, Inc.

By: /s/ JACK B. DUNN IV

Name: Jack B. Dunn IV
Title: CEO

[Seal]

Witness: /s/ NANCY B. CURRIE

Name: Nancy B. Currie

L.W.G., Inc.

By: /s/ JACK B. DUNN IV

Name: Jack B. Dunn IV
Title: CEO

[Seal]

Witness: /s/ NANCY B. CURRIE

Name: Nancy B. Currie

Klick, Kent & Allen, Inc.

By: /s/ JACK B. DUNN IV

Name: Jack B. Dunn IV
Title: CEO

[Seal]

Witness: /s/ NANCY B. CURRIE

Name: Nancy B. Currie

Kahn Consulting, Inc.

By: /s/ JACK B. DUNN IV

Name: Jack B. Dunn IV
Title: CEO

S.E.A., Inc.,

[Seal]
Witness: /s/ NANCY B. CURRIE
Name: Nancy B. Currie

By: /s/ JACK B. DUNN IV
Name: Jack B. Dunn IV
Title: CEO

RestorTek, Inc.

[Seal]
Witness: /s/ NANCY B. CURRIE
Name: Nancy B. Currie

By: /s/ JACK B. DUNN IV
Name: Jack B. Dunn IV
Title: CEO

KCI Management Corp.

[Seal]
Witness: /s/ NANCY B. CURRIE
Name: Nancy B. Currie

By: /s/ JACK B. DUNN IV
Name: Jack B. Dunn IV
Title: CEO

Policano & Manzo, LLC

[Seal]
Witness: /s/ NANCY B. CURRIE
Name: Nancy B. Currie

By: /s/ JACK B. DUNN IV
Name: Jack B. Dunn IV
Title: Manager

Holders:

Allied Capital Corporation

[Seal]

By: /s/ SCOTT S. BINDER
Scott S. Binder
Principal

[Seal]

Newcourt Commercial Finance Corporation

By: /s/ JOHN P. SIRICO, II
Name: John P. Sirico, II
Title: Vice President

[Seal] Reliastar Financial Corporation

By: /s/ MARK S. JORDAHL

Name: Mark S. Jordahl
Title: Senior Vice President

[Seal] SunTrust Banks, Inc.

By: /s/ ROBERT L. DUDIAK

Name: Robert L. Dudiak
Title: Group Vice President

Principals: with respect only to the provisions contained in Articles 4, 13, 15, 16 and 19 through 23 (inclusive), and Sections 14.1 and 14.3.

Witness: /s/ NANCY B. CURRIE

/s/ JACK B. DUNN IV

Jack B. Dunn IV, individually

Witness: /s/ EILEEN CARLSON

/s/ STEWART KAHN

Stewart Kahn, individually

THE SECURITIES REPRESENTED HEREBY HAVE BEEN ACQUIRED IN A TRANSACTION NOT INVOLVING ANY PUBLIC OFFERING AND HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933 OR THE SECURITIES LAWS OF ANY STATE. SUCH SECURITIES MAY NOT BE SOLD OR TRANSFERRED IN THE ABSENCE OF SUCH REGISTRATION OR AN EXEMPTION THEREFROM UNDER SUCH ACT AND LAWS.

FTI Consulting, Inc.

STOCK PURCHASE WARRANT

Series A

February 4, 2000

1. GRANT. FTI Consulting, Inc., a Maryland corporation (hereinafter, the Company), for value received hereby grants to _____, a _____ corporation or its registered assigns (hereinafter, Holder), or its nominee, under the terms herein, the right to purchase _____ of the fully paid and non-assessable shares of the Company's authorized but unissued $.01 par value common stock (the Common Stock). The Common Stock shares issuable under this Warrant are sometimes hereinafter referred to as the Warrant Shares. The number of Warrant Shares stated above is subject to certain anti-dilution and other adjustments as set out below.

2. INVESTMENT AGREEMENT. This Warrant and three (3) other Series A stock purchase warrants dated the date hereof, issued by the Company (the Related Warrants), have been issued under the terms of an Investment and Loan Agreement among the Company, the Holder and certain other parties, dated this date (the Investment Agreement). This Warrant and the Related Warrants evidence the obligation of the Company to issue shares of its Common Stock, in the aggregate, corresponding to 8.5% of all Common Stock, calculated as of the date of Closing and subject to reduction under the circumstances set out herein. The Holder is entitled to the benefits of the Investment Agreement and all of the exhibits thereto, and reference is made thereto for a description of the rights and remedies thereunder. Capitalized terms not otherwise defined herein shall have the meanings set forth in the Investment Agreement.

3. TERM. The right to exercise this Warrant shall expire on the tenth (10th) anniversary of the date of Closing.

4. EXERCISE PRICE. The exercise price of this Warrant shall initially be Four and Seven Sixteenths Dollars ($4.4375) per share, with such price being subject to adjustment from time-to-time as provided herein.

5. DEBENTURE REPAYMENT OR WARRANT EXERCISE PRIOR TO FEBRUARY 3, 2004.

(a) ADJUSTMENTS FOR EARLY REPAYMENT OF THE DEBENTURES. If the Company repays in full all of the Loan prior to February 3, 2004, the number of Warrant Shares then in effect shall, upon such repayment, be reduced to equal the product of the number of Warrant Shares in effect immediately prior to such repayment, multiplied by the Applicable Percentage

(expressed as a decimal fraction), corresponding to the date of such repayment in the table below.

Repayment Date:	Applicable Percentage
Prior to 02/03/02	70.59%
2/03/02 through 02/02/03, inclusive	82.35%
02/03/03 through 02/02/04, inclusive	94.12%
02/03/04 and later	100.00%

(b) WARRANT EXERCISE DURING EARLY REPAYMENT PERIOD. If this Warrant is exercised before the earlier of (i) February 3, 2004, or (ii) the full and indefeasable repayment of the Loan, the number of Warrant Shares issuable hereunder shall equal the product of the number of Warrant Shares in effect immediately prior to such exercise, multiplied by the Applicable Percentage corresponding to the date of such exercise in the table above, and the Company shall issue and deliver to the Holder (in addition to such Warrant Shares) a replacement stock purchase warrant. If such replacement warrant is exercised before the earlier of February 3, 2004 or the full and indefeasible repayment of the Loan, it then will only be exercisable for such additional shares of Common Stock (if any) which the Holder would have been entitled to receive under this Warrant if it had been exercised on the same date as the exercise of such replacement warrant, and the Company shall issue and deliver to the Holder (in addition to such Warrant Shares) another replacement stock purchase warrant; otherwise such replacement warrants shall have the same terms as this Warrant, and shall be included within the definition of Warrant in the Agreement. If such replacement warrant is exercised after February 3, 2004 or the full and indefeasible repayment of the Loan, it then will be exercisable for such additional shares of Common Stock (if any) which the Holder would have been entitled to receive under this Warrant if it had been exercised on the same date as the exercise of such replacement warrant. All shares of Common Stock issuable under such replacement warrant shall be included within the definition of Warrant Shares for all purposes herein.

6. ANTI-DILUTION AND OTHER ADJUSTMENTS.

(a) ISSUANCE OF ADDITIONAL STOCK; DECREASE IN EXERCISE PRICE. Whenever the Company issues or sells any Additional Stock (as hereinafter defined) for a consideration per share less than the Exercise Price in effect immediately prior to such issuance or sale, upon such issuance or sale the Exercise Price shall decline to equal the quotient obtained by dividing the sum of (i) the product of the number of shares of Common Stock issued and outstanding (or deemed to be issued, as hereinafter provided) immediately prior to such issuance or sale, multiplied by the Exercise Price in effect immediately prior to such issuance or sale, plus (ii) the

net consideration received for such issuance or sale, as the dividend, by the number of shares of Common Stock issued and outstanding (or deemed to be issued) immediately after such issuance or sale, as the divisor. The foregoing is represented by the equation as follows:

$$N = (AO+C) / B$$

wherein

N = the Exercise Price to be in effect immediately after the subject issuance or sale;

O = the Exercise Price as in effect immediately prior to such issuance or sale;

A = the number of shares of Common Stock issued and outstanding (or deemed to be issued) immediately before such issuance or sale;

B = the number of shares of Common Stock issued and outstanding (or deemed to be issued) immediately after such issuance or sale;

C = the net consideration received for such issuance or sale.

(b) INCREASE IN NUMBER OF WARRANT SHARES; LIMIT ON INCREASE. Whenever the Exercise Price declines according to the equation set out above, the number of Warrant Shares shall increase to equal the quotient obtained by dividing (i) the product of the initial Exercise Price and the initial number of Warrant Shares by (ii) the reduced Exercise Price as the divisor. Notwithstanding the foregoing, the aggregate number of Warrant Shares issuable at any time hereunder and under each of the Related Warrants shall never be increased above 19.9% of the number of Warrant Shares of the Company's Common Stock actually outstanding at closing, subject in all cases to adjustment for stock splits, reverse splits and stock dividends.

(c) ADDITIONAL STOCK. For purposes hereof, Additional Stock shall mean any Common Stock issued or deemed, according to subparagraphs (d) and (e) hereof, to be issued after the date hereof, or Common Stock issuable upon the exercise of any debt or equity securities convertible into shares of Common Stock, other than (i) Common Stock issued upon the exercise of this Warrant or the Related Warrants, (ii) Common Stock issued by the Company as a stock dividend on, or upon the subdivision or combination of, the outstanding shares of Common Stock for which adjustment is made pursuant to paragraph 6(i) hereof, and (iii) up to 847,850 shares of Common Stock issued after the date hereof to management, directors, consultants or employees of the Company pursuant to the Company's 1997 Stock Option Plan and up to 254,907 shares of Common Stock issued after the date hereof pursuant to the Company's 1997 Stock Purchase Plan(collectively, "Plan Shares"), except for any Plan Shares with respect to which the exercise price shall after the original date of issuance of the relevant option or other right to purchase be reduced.

(d) OPTIONS AND WARRANTS. If the Company shall at any time other than pursuant to this Warrant or the Related Warrants, issue or grant any options or rights to subscribe for or to

purchase Common Stock, all shares of Common Stock which the holders of such options or rights shall be entitled to subscribe for or to purchase thereunder shall be deemed to be issued as of the date of the issuing or granting of such options or rights; and the minimum aggregate consideration specified in such options or rights for the shares covered thereby, plus the cash consideration, if any, received by the Company for the issuance of such options or rights, shall be deemed to be the consideration actually received by the Company for the issuance of such shares; after any adjustment to the number of Warrant Shares, the Exercise Price upon the issuance or grant of any such options or rights, no further such adjustment shall be made upon the actual issuance of Common Stock upon exercise thereof.

(e) CONVERTIBLE SECURITIES. If the Company shall at any time other than pursuant to this Warrant issue any stock or obligations directly or indirectly convertible into or exchangeable for Common Stock, then such issuance shall be deemed to be an issuance (as of the date of issue of such stock or obligations) of the total maximum number of shares of Common Stock necessary to effect the exchange or conversion of all such stock or obligations. The amount received or receivable by the Company in consideration for the issuance of such stock or obligations (deducting therefrom any commissions or expenses paid or incurred by the Company for any underwriting of, or otherwise in connection with, such issuance), plus the minimum aggregate amount of premiums, if any, payable to the Company upon exchange or conversion, shall be deemed to be the consideration actually received by the Company for such Common Stock; after any adjustment to the number of Warrant Shares, the Exercise Price upon the issuance of any such stock or obligation, no further such adjustment shall be made upon the actual issuance of Common Stock upon the conversion or exchange of such stock or obligations.

(f) CALCULATION OF CONSIDERATION. In the case of an issuance of Common Stock for cash, the consideration received by the Company therefor shall be deemed to be the net proceeds received for such shares, deducting therefrom any commissions or expenses paid or incurred by the Company for any underwriting of, or otherwise in connection with, the issue of such shares; provided, however, that in any such case where the shares of Stock so issued are part of a unit or combination of securities of the Company consisting of one or more shares of Common Stock and other securities of the Company, if the amount of the cash consideration received by the Company for the Stock so issued is not determinable at the time of such issuance, such amount shall be deemed to be such portion of the total cash consideration received by the Company for such units or combinations as reasonably determined in good faith by the Company's Board of Directors, regardless of the accounting treatment thereof by the Company.

(g) NON-CASH CONSIDERATION. In the case of an issuance (other than as a dividend of other distribution on any Common Stock or upon conversion or exchange of other securities of the Company) of shares of Additional Stock for a consideration part or all of which shall be other than cash, the amount of such consideration other than cash shall for purposes of this Warrant be the fair market value of such consideration as reasonably determined in good faith by the Company's Board of Directors, regardless of the accounting treatment thereof by the Company.

(h) RESALE OF TREASURY STOCK. The sale or other disposition of any shares of

Common Stock of the Company or other securities held in the treasury of the Company today, or of any securities resulting from any reclassification or reclassifications of such shares or other securities which were effected while they were held in the treasury of the Company, shall be deemed an issuance thereof; provided, however, that if any such share or other security is sold or disposed of and subsequently re-acquired by the Company, no future sale or other disposition thereof shall be deemed an issuance thereof.

(i) STOCK SPLIT OR DIVIDEND. In case the shares of Common Stock at any time outstanding shall be subdivided into a greater or combined into a lesser number of shares of Common Stock, by stock-split, reverse split or otherwise, or in case shares of Common Stock shall be issued as a stock dividend, the number of Warrant Shares, and the Exercise Price and the numbers of Plan Shares excluded from the definition of Additional Stock pursuant to clause (iii) of subparagraph (c) above, shall each be increased or decreased, as applicable, to the amounts which shall bear the same relation to the number of Warrant Shares, the Exercise Price and the number of Plan Shares in effect immediately prior to such subdivision, combination or stock dividend, as the total number of shares of Common Stock issued and outstanding (or deemed issued) immediately prior to such subdivision, combination or stock dividend shall bear to the total number of shares of Common Stock issued and outstanding (or deemed issued) immediately after such subdivision, combination or stock dividend; an adjustment pursuant to this subparagraph shall become effective immediately after the effective date of such subdivision, combination or stock dividend, retroactive to the record date (if any) for such subdivision, combination or stock dividend.

(j) ADJUSTMENT FOR INITIAL ERRORS. The number of Warrant Shares specified in paragraph 1 above, was calculated upon the Company's representation of the amount of outstanding Common Stock on a "Partially Diluted Basis" as of Closing, meaning that the full exercise of this Warrant and all Related Warrants is intended to result in the holders thereof receiving Common Stock constituting a particular percentage of the Company's equity securities, calculated with reference to (i) all shares of capital stock outstanding immediately following the Closing, (ii) all shares issuable upon conversion of convertible debt instruments outstanding immediately following the Closing, (iii) one half of the shares issuable upon the exercise of options issued to Messieurs Policano and Manzo in connection with the Acquisition, (iv) all other options, warrants, other rights to purchase the Company's capital stock, and all other common stock equivalents, outstanding immediately following the Closing, the consideration for the issuance or sale of which is less than $_____. If for any reason it shall hereafter be determined that such representation is incorrect and the actual amount of such Common Stock corresponding to such percentage is greater or less than as specified in paragraph 1, then the Company or the Holder (whichever shall discover such error) shall notify the other of such determination and the Company shall forthwith reissue this Warrant, with an appropriate proportional adjustment in the number of Warrant Shares to be effective from the date hereof.

(k) MERGER. In case of any capital reorganization, or any reclassification of the Common Stock of the Company, or in case of any consolidation of the Company with or the merger of the Company into any other entity (other than a consolidation or merger in which the Company is the surviving entity) or in case of the sale of all or substantially all the properties and assets of the Company to any other entity, this Warrant shall after such reorganization,

reclassification, consolidation, merger or sale be exercisable upon the terms and conditions specified herein, for the number of shares of stock or other securities or property of the Company, or of the other entity resulting from such consolidation or surviving such merger or to which such sale shall be made, as the case may be, which the holder of this Warrant would have been entitled to receive, under the terms of such reorganization, reclassification, consolidation, merger or sale, if this Warrant had been exercised in full prior to such reorganization, reclassification, consolidation, merger or sale. In any such case, if necessary, the provision set forth in this Warrant with respect to the rights and interests thereafter of the Holder shall be appropriately adjusted so as to be applicable, as nearly as may reasonably be, to any shares of stock or other securities or property thereafter deliverable on the exercise of this Warrant. The subdivision or combination of shares of Common Stock at any time outstanding into a greater or lesser number of shares of Common Stock shall not be deemed to be a reclassification of the Common Stock of the Company for the purposes of this subparagraph. The Company shall not effect any such consolidation, merger, or sale, unless prior to or simultaneously with the consummation thereof the surviving entity (if other than the Company) resulting from such consolidation or merger or the entity purchasing such assets, shall assume, by written agreement executed and delivered to the Company, the obligation to deliver to the Holder such shares of stock, securities or assets to which in accordance with the foregoing provisions, such Holder may be entitled, as well as any other obligations arising under this Warrant.

(l) DIVIDENDS IN KIND. If prior to the exercise hereof the Company shall declare a dividend upon Common Stock payable other than from earnings or earned surplus or payable other than in shares of Common Stock or stock or obligations directly or indirectly convertible into or exchangeable for Common Stock, the holder of this Warrant shall, upon exercise hereof in whole or in part, be entitled, in addition to the shares of Common Stock deliverable upon such exercise, to the cash, stock or other securities or property which Holder would have received as dividends if continuously since the date hereof such Holder (i) had been the holder of record of the Common Stock deliverable upon such exercise, and (ii) had retained all dividends in stock or other securities (other than shares of Common Stock or such convertible or exchangeable stock or obligations) paid or payable in respect of such Common Stock or in respect of any such stock or other securities so paid or payable as such dividends. For purposes of this subparagraph, a dividend payable other than in cash shall be considered to be payable from earnings or earned surplus only to the extent that such earnings or earned surplus shall be charged in an amount equal to the fair value of such dividend as reasonably determined in good faith by the Company's Board of Directors.

(m) ADJUSTMENTS TO NUMBERS OF OTHER SECURITIES. If as a result of any provision of this Warrant the Holder shall become entitled to acquire any securities of the Company other than or in addition to Common Stock, the number or amount of such other securities to which the Holder is entitled shall be subject to adjustment from time to time in a manner and on terms as nearly equivalent as practicable to the provisions applicable to the number of Warrant Shares, and the provisions of this paragraph with respect thereto shall apply as nearly as may be practicable to such other securities.

(n) DE MINIMIS. Anything in this paragraph to the contrary notwithstanding, no adjustment shall be made hereunder in any case where the increase in the number of Warrant

Shares would be less than 1 share of Common Stock; but in such case any adjustment that would otherwise be made shall be delayed and the adjustment shall be made only after the next issuance or deemed issuance of Additional Stock which, together with any and all such issuances, shall entitle Holder to receive at least one (1) whole additional share of such stock.

(o) CHANGES TO OPTIONS AND CONVERTIBLE SECURITIES. Upon any change to the consideration specified in any option or right described in subparagraph (d), above for the Common Stock issuable thereunder, or to the rate of conversion or exchange specified in any stock or obligation described in subparagraph (e) above, in any case where the issuance or grant thereof had previously been the basis for an adjustment of the Exercise Price and number of Warrant Shares, the Exercise Price and number of Warrant Shares then in effect shall forthwith be readjusted to the Exercise Price and number of Warrant Shares which would have been in effect if the adjustments made upon the original issuance or grant thereof had been made on the basis of such consideration or rate as so changed.

(p) EXPIRATION OF OPTIONS; RETIREMENT OF CONVERTIBLE SECURITIES. Upon the expiration or lapse of options or rights described in subparagraph (d) above in any case where the issuance or grant thereof had previously been the basis for an adjustment of the Exercise Price and number of Warrant Shares, the Exercise Price and number of Warrant Shares then in effect shall forthwith be readjusted to the Exercise Price and number of Warrant Shares which would have been in effect if the adjustments made upon the original issuance or grant of such options or rights had excluded from the calculation of Common Stock issued and outstanding (or deemed issued) immediately after such issuance or grant, all Common Stock which the holders of such expired or lapsed options or rights had been entitled to acquire thereunder, and had excluded from the calculation of consideration deemed to have been received by the Company, the consideration specified in such options or rights for the Common Stock covered thereby. Upon the retirement without conversion or exchange of obligations described in subparagraph (e) above in any case where the issuance thereof had previously been the basis for an adjustment of the Exercise Price and number of Warrant Shares, the Exercise Price and number of Warrant Shares then in effect shall forthwith be readjusted to the Exercise Price and number of Warrant Shares which would have been in effect if the adjustments made upon the original issuance of such obligations had excluded from the calculation of Common Stock issued and outstanding (or deemed issued) immediately after such issuance, all Common Stock which the holders of such retired obligations had been entitled to acquire thereunder, and had excluded from the calculation of consideration deemed to have been received by the Company, all consideration deemed, by the terms of subparagraph (f), to have been received for such retired obligations.

7. COVENANTS AS TO PAR VALUE, AUTHORITY, PREEMPTIVE RIGHTS AND CHARGES. If at any time the per share exercise price of this Warrant shall be less than the par value of one share of Common Stock, the Company shall take such action as shall be necessary to reduce such par value to an amount less than the per share exercise price of this Warrant. The Company shall take such action as shall be necessary to maintain the authority to issue validly, upon exercise hereof according to the terms herein, the number of shares of Common Stock provided herein, and shall cause such shares, upon payment of the Exercise Price, to be fully paid, free of preemptive rights and free from all taxes, liens, security interests and charges with respect to the issuance thereof.

8. NOTICE OF STOCK SALES AND OTHER ADJUSTMENTS. Whenever there is an issuance or sale of Additional Stock, the Company shall promptly place on file at the Company's principal office a certificate signed by its Chief Financial Officer stating the per-share price applicable to the transaction, a detailed calculation of such price, the number of shares of Common Stock sold or issued, the consideration received, and all fees and expenses incurred, and further describing the transaction in detail and the adjustments (if any) to the Exercise Price and the number of Warrant Shares resulting therefrom; and cause a copy of such certificate to be sent to the Holder. Whenever the number of Warrant Shares or the Exercise Price shall change other than upon the issuance of Additional Stock, the Company shall promptly notify the Holder in writing of such change and deliver to Holder a statement setting forth the number of Warrant Shares and the Exercise Price after such adjustment(s), and a brief statement of the facts requiring such adjustment(s) and the computation by which such adjustment(s) was made.

9. EXERCISE PROCEDURE.

(a) UNCONDITIONAL SUBSCRIPTION. This Warrant may be exercised in whole or from time-to-time in part by presenting it and tendering the aggregate Exercise Price to the Company at its address specified in the Investment Agreement in legal tender or by the U.S. Federal Reserve wire system, by bank's, cashier's or certified check or by the notice described in paragraph 10 below, along with written subscription substantially in the form of Exhibit 9.00 hereof. The date on which this Warrant is thus presented, accompanied by tender or payment as hereinbefore or hereinafter provided, is referred to herein as the Exercise Date. In the case of any partial exercise hereof, each respective date of such presentment and tender or payment shall be the Exercise Date with respect to the relevant number of Warrant Shares. The Company shall on each Exercise Date at its expense (including the payment of issue taxes), issue and deliver the proper number of shares of Common Stock, and such shares shall be deemed validly issued for all purposes as of the opening of business on the relevant Exercise Date regardless of any delay in the actual issuance.

(b) CONDITIONAL EXERCISE. This Warrant may also be exercised in whole or from time-to-time in part conditionally in contemplation of the future consummation of one or more transactions, by presenting it and tendering the aggregate Exercise Price in the manner specified in subparagraph (a) above, along with a notice clearly stating the conditional nature of the exercise, specifying the conditions precedent to the exercise in reasonable detail and the date after which the exercise shall be deemed withdrawn if such conditions remain unsatisfied, and otherwise containing the information called for in Exhibit 9.00. Upon such presentment, tender and notice, if the specified conditions are satisfied within the specified period without prior revocation of the exercise by Holder, the Company shall forthwith issue and deliver the proper number of shares of Common Stock in the manner described above. In such case, the date on which the last remaining condition was met shall be referred to herein as the Exercise Date, and such shares shall be deemed validly issued for all purposes as of the opening of business on such exercise date, regardless of any delay in the actual issuance. If, on the other hand, after any such presentment, tender and notice, any condition is unsatisfied on the specified date, or if the Holder revokes such exercise in writing prior to the satisfaction of all conditions, the Company shall forthwith return this Warrant and the Exercise Price to the Holder and this Warrant shall be deemed not to have been exercised.

10. OTHER METHODS OF PAYMENT OF EXERCISE PRICE.

(a) The Holder at its option may provide the Exercise Price by reducing the number of shares for which the Warrant is otherwise exercisable by the number of shares having fair market value equal to the Exercise Price. In such a case, tender of the Exercise Price shall be effected by Holder's written notice to the Company of such reduction. For purposes hereof, the average of any publicly-reported closing bid and asked prices for the Common Stock on the last ten (10) trading days prior to the Exercise Date, shall be deemed to be the fair market value of the Common Stock.

(b) The Holder may at its option provide the Exercise Price or any portion thereof by reducing the principal balance of its Debenture in a corresponding amount. In such a case, tender of the Exercise Price shall be effected by Holder's written notice to the Company of such reduction and delivery of the relevant Debenture, and the Company shall (without charge to the Holder) reissue to the Holder such Debenture with a principal amount equal to the excess of the previous principal amount over the relevant Exercise Price or portion thereof, but otherwise with the text thereof unchanged.

11. SALE OR EXCHANGE OF COMPANY OR ASSETS. If prior to the exercise in full hereof, the Company sells or exchanges all or substantially all of its assets, or all or substantially all the outstanding Common Stock is sold or exchanged to any party other than the Holder, then the Holder at its option may receive upon exercise hereof, in lieu of the Warrant Shares, such money or property it would have been entitle to receive if this Warrant had been exercised in full prior to such sale or exchange.

12. RESALE OF WARRANT OR SHARES. Neither this Warrant nor any Warrant Shares, have been registered under the Securities Act of 1933 as amended, or under the securities laws of any state. Neither this Warrant nor any shares when issued may be sold, transferred, pledged or hypothecated in the absence of (i) an effective registration statement for this Warrant or the shares, as the case may be, under the Securities Act of 1933 as amended and such registration or qualification as may be necessary under the securities laws of any state, or (ii) an opinion of a counsel reasonably satisfactory to the Company (which shall include, without limitation, staff counsel of any Holder which is a Qualified Institutional Buyer, Dickstein Shapiro Morin & Oshinsky LLP, Piper Marbury Rudnick & Wolfe L.L.P. or Chapman and Cutler) that such registration or qualification is not required. The Company shall cause a certificate or certificates evidencing all or any of the shares issued upon exercise hereof prior to said registration and qualification of such shares to bear, the following legend:

> The shares evidenced by this certificate have not been registered under the Securities Act of 1933 as amended, or under the securities laws of any state. The shares may not be sold, transferred, pledged or hypothecated in the absence of an effective registration statement under the Securities Act of 1933, as amended, and such registration or qualification as may be necessary under the securities laws of any state, or an opinion of counsel

satisfactory to the Company that such registration or qualification is not required.

13. TRANSFER. This Warrant shall be registered on the books of the Company which shall be kept at its principal office for that purpose, and shall be transferable in whole or in part but only on such books by the Holder with written notice substantially in the form of Exhibit 13.00 hereof, and only in compliance with the preceding paragraph. The Company may issue appropriate stop orders to its transfer agent to prevent a transfer in violation of the preceding paragraph.

14. PARTIAL EXERCISE AND PARTIAL ASSIGNMENT.

(a) PARTIAL EXERCISE. If this Warrant is exercised in part only, upon such exercise according to the terms hereof (including the surrender of this Warrant instrument), in addition to other acts required herein in such case, the Company shall (without charge to the Holder) reissue to the Holder this Warrant with the number of Warrant Shares specified as the number in respect of which this Warrant shall not have been exercised, but otherwise with the text hereof unchanged.

(b) PARTIAL ASSIGNMENT. Subject to and in accordance with the transfer restrictions referred to in the legend provided hereon and Section 14.2 of the Investment Agreement, this Warrant may be assigned in whole or in part. Such an assignment shall be made by surrendering this Warrant to the principal office of the Company in Annapolis, MD with the assignment form at the end hereof or another appropriate form of assignment duly executed. If this Warrant is being assigned in whole and Holder hereof previously has not partially exercised this Warrant, the assignee shall receive a new Warrant (registered in the name of such assignee or its nominee) which new Warrant shall cover the number of Warrant Shares assigned. If this Warrant is being assigned in part and the Holder hereof previously has not partially exercised this Warrant, the assignor and assignee shall each receive a new Warrant (which, in this case of the assignee, shall be registered in the name of the assignee or its nominee) which new Warrants shall cover the number of Warrant Shares not so assigned and the number of Warrant Shares assigned, respectively. If this Warrant is being assigned in whole and the holder hereof has previously partially exercised this Warrant, the assignee shall receive a new Warrant (registered in the name of assignee or its nominee), which new Warrant shall cover the number of shares so assigned. If this Warrant is being assigned in part and the Holder hereof previously has partially exercised this Warrant the assignor and assignee shall each receive a new Warrant (which, in the case of the assignee, shall registered in the name of the assignee or its nominee), each of which new Warrants shall cover the number of Warrant Shares not so assigned and in respect of which no such exercise has been made in the case of the assignor, and the number of Warrant Shares so assigned in the case of the assignee.

(c) In the case of any replacement or reissued Warrant provided herein, the relevant instrument shall be included within the definition of Series A Warrants and Warrants under the Agreement for all purposes.

15. CLOSING OF BOOKS. The Company shall not close its transfer books against the transfer of this Warrant or any Common Stock or other securities issuable upon the exercise of this Warrant in any manner which interferes with the exercise of this Warrant.

16. REPLACEMENT OF WARRANT. At the request of the Holder and on production of evidence reasonably satisfactory to the Company of the loss, theft, destruction or mutilation of this Warrant and (in the case of loss, theft, or destruction), in case the Holder is not a Qualified Institutional Buyer pursuant to the Securities Act, if required by the Company), upon delivery of an indemnity agreement with surety in such reasonable amount as the Company may determine thereof, the Company at its expense will issue in lieu thereof a new Warrant of like tenor.

17. SECURITIES COMPLIANCE REPRESENTATION. The Holder by its acceptance hereof acknowledges that this Warrant is not registered under any federal or state securities laws and may not be transferred except pursuant to registration or exemption therefrom, and covenants that the Holder will not distribute the same in violation of any state or federal law or regulation.

18. NOTICE. Any notice or other communication required by this Warrant to be given to the Holder shall be provided according to the notice provisions in the Investment Agreement.

19. CHOICE OF LAW. This Warrant shall be interpreted, and the rights and liabilities of the parties hereto determined, in accordance with the substantive laws of the jurisdiction of the Company's incorporation, without regard to its principles of conflicts of law.

20. Waiver of Jury Trial. THE COMPANY WAIVES ALL RIGHT TO TRIAL BY JURY OF ALL CLAIMS, DEFENSES, COUNTERCLAIMS AND SUITS OF ANY KIND DIRECTLY OR INDIRECTLY ARISING FROM OR RELATING TO THIS WARRANT OR THE DEALINGS OF THE PARTIES IN RESPECT HERETO. THE COMPANY ACKNOWLEDGES AND AGREES THAT THIS PROVISION IS A MATERIAL TERM OF THIS WARRANT AND THAT THE HOLDER WOULD NOT EXTEND ANY FUNDS UNDER THE LOAN DOCUMENTS IF THIS WAIVER OF JURY TRIAL WERE NOT A PART OF THIS WARRANT. THE COMPANY ACKNOWLEDGES THAT THIS IS A WAIVER OF A LEGAL RIGHT AND THAT IT MAKES THIS WAIVER VOLUNTARILY AND KNOWINGLY AFTER CONSULTATION WITH, OR THE OPPORTUNITY TO CONSULT WITH, COUNSEL OF ITS CHOICE. THE COMPANY AGREES THAT ALL SUCH CLAIMS, DEFENSES, COUNTERCLAIMS AND SUITS SHALL BE TRIED BEFORE A JUDGE OF A COURT OF COMPETENT JURISDICTION, WITHOUT A JURY.

Remainder of page intentionally left blank; signature page follows

IN WITNESS WHEREOF, the Company has caused this Warrant to be signed on its behalf by its undersigned officer, and its corporate seal to be hereunto affixed, as of the date first above written.

FTI Consulting, Inc.

Witness: _____ By: _____

Name:

Exhibit 99.4

FTI CONSULTING INC. ANNOUNCING ACQUISITION OF LEADING BANKRUPTCY CONSULTING FIRM

Combination Expected to Accelerate Revenue Growth and Increase Returns on Invested Capital

ANNAPOLIS, MD--February 7, 2000--FTI Consulting, Inc. (AMEX: FCN), the premier national provider of strategic and litigation-related consulting services, today announced that it has acquired Policano & Manzo L.L.C. ("P&M"). P&M is a privately-held consulting firm that is a leader in providing bankruptcy and turnaround consulting services to large corporations, money center banks and secured lenders throughout the U.S. Total consideration for the acquisition was approximately $50 million in cash and shares of the Company's Common Stock.

Commenting on the transaction, FTI's chief executive officer, Jack Dunn, stated, "This is a watershed event for FTI Consulting and an exciting milestone in our continuing efforts to provide America's largest corporate clients and law firms with an array of excellent consulting services. This acquisition creates a number of financial and strategic benefits for FTI, as we substantially increase our revenue base to more than $100 million annually. It is thoroughly consistent with our commitment to team with the best talent having the strongest and most attractive client relationships in the fastest growing areas of our industry. This is another step in our strategy to better serve our clients by providing their first choices for professional services from a single source. We welcome Mike Policano, Bob Manzo, their talented, well respected team of professionals and their clients to FTI."

Stewart Kahn, President of FTI said, "Strategically, this transaction is significant as we are now the number one choice for yet another of our practice areas. For years we have been the first choice for trial graphics, animation and technology. Our Applied Sciences group has been the state of the art in vehicle dynamics and fire analysis-origin and cause. Financially, this acquisition is expected to nearly double FTI's pro forma EBITDA at a time when we continue to see excellent results generally across the company, and especially in our Litigation Services practices. Furthermore, this investment is expected to significantly improve our returns on assets, revenues and invested capital and our earnings per share from current levels. The improvement we expect is due to P&M's higher profit margins, cost efficiencies created by combining our two organizations and increased utilization of our existing professionals in P&M's higher margin businesses."

Barry Monheit, president of FTI's Expert Financial Services Division, where P&M will reside, commented: "Like everyone here, I am very pleased with the financial characteristics of this transaction. Stewart and I have known Bob and Mike, their three other partners and many of the other highly respected and experienced individuals in their firm for up to 15 years. Together we will be the largest independent bankruptcy and restructuring consulting firm in the United States. Despite the record economic expansion, demand for bankruptcy and turnaround consulting continues to grow rapidly. This acquisition will accelerate our plan to become the leading national bankruptcy and turnaround-consulting firm and allow us to meet this demand through attracting additional top talent in targeted markets. With our 88 people in the financial division, we will be able to serve even more clients jointly."

In announcing the transaction to their clients, Messrs. Policano and Manzo emphasized that, "We believe joining FTI provides our firm with the resources and depth necessary to take full advantage of the growth opportunity available in bankruptcy and turnaround consulting. Most importantly, it will allow us to serve our clients across the United States better and more efficiently."

To finance this transaction, the company has entered into a senior credit facility, consisting of a $61 million term loan, a $7.5 million revolving credit facility and a $30 million subordinated debt facility with a group of lenders led by CIT with Allied Capital Corporation, Bank of America, ING Barings, SunTrust Bank and Reliastar. Proceeds of these facilities, together with our internally generated cash will be used for the purchase and to refinance the company's existing debt of approximately $44 million. Additionally, the company will issue approximately 600,000 shares of the company's common stock to retire approximately $2.7 million of notes outstanding to certain members of the senior management team whose businesses were acquired in prior transactions. In connection with the acquisition and financing, the investment-banking firm of Janney Montgomery Scott Inc. acted as financial advisor to the Company.

About FTI Consulting
FTI Consulting is the premier national resource for specialty consulting and litigation related support services to large corporate clients and major law firms in legal proceedings and other adversarial circumstances. In addition to

its turnaround and bankruptcy consulting services, the company also offers high-end litigation support services to Fortune 500 clients, large law firms and insurance companies. Since its founding in 1982, the company has grown organically and through acquisitions and now has a major presence in all key US markets and nearly 500 people in 30 locations throughout the United States.

This press release includes "forward-looking" statements that involve uncertainties and risk. There can be no assurance that actual results will not differ from the company's expectations. Factors that could cause such differences include pace and timing of additional acquisitions, the company's ability to realize cost savings and efficiencies, competitive and general economic conditions, and other risks described in the company's filings with the Securities and Exchange Commission.