

SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549

SCHEDULE 13D

Under the Securities Exchange Act of 1934  
(Amendment No. \_\_\_\_\_) \*

Zimmerman Sign Company

-----  
(Name of Issuer)

Common Stock, \$.01 par value per share

-----  
(Title of Class of Securities)

989580 10 5

-----  
(CUSIP Number)

Robert F. Perille  
Continental Illinois Venture Corporation  
231 S. LaSalle Street  
Chicago, Illinois 60697  
(312) 828-2345

Copy to:  
John A. Weissenbach  
Kirkland & Ellis  
200 E. Randolph Drive  
Chicago, Illinois 60601  
(312) 861-2000

-----  
(Name, Address and Telephone Number of Person  
Authorized to Receive Notices and Communications)

September 30, 1998

-----  
(Date of Event which Requires Filing of this Statement)

If the filing person has previously filed a statement on Schedule 13G to report the acquisition which is the subject of this Schedule 13D, and is filing this schedule because of Rule 13d-1(b) (3) or (4), check the following box .

Note: Six copies of this statement, including all exhibits, should be filed with the Commission. See Rule 13d-1(a) for other parties to whom copies are to be sent.

\*The remainder of this cover page shall be filled out for a reporting person's initial filing on this form with respect to the subject class of securities, and for any subsequent amendment containing information which would alter disclosures provided in a prior cover page.

The information required on the remainder of this cover page shall not be deemed to be "filed" for the purpose of Section 18 of the Securities Exchange Act of 1934 ("Act") or otherwise subject to the liabilities of that section of the Act but shall be subject to all other provisions of the Act (however, see the Notes).

(Continued on following pages)

Page 1 of 25 Pages

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CUSIP No. 989580 10 5

13D

-----  
Page 2 of 25 Pages

-----  
1 NAME OF REPORTING PERSON

Continental Illinois Venture Corporation

-----  
2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP\*

(a)

(b)

-----  
3 SEC USE ONLY

-----  
4 SOURCE OF FUNDS\*

WC

-----  
5 CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO  
ITEMS 2 (D) OR 2 (E)

6 CITIZENSHIP OR PLACE OF ORGANIZATION

Delaware

-----

NUMBER OF 7 SOLE VOTING POWER

SHARES 0

-----

BENEFICIALLY 8 SHARED VOTING POWER

OWNED BY 1,024,137 shares of Common Stock (See Item 5)

-----

EACH 9 SOLE DISPOSITIVE POWER

REPORTING 0

-----

PERSON 10 SHARED DISPOSITIVE POWER

WITH 1,024,137 shares of Common Stock (See Item 5)

-----

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

1,024,137 shares of Common Stock (See Item 5)

12 CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES\* [ ]

13 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)

35.6% (See Item 5)

14 TYPE OF REPORTING PERSON\*

CO

13D

-----  
CUSIP NO. 708094206  
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PAGE 3 OF 25 PAGES  
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-----  
NAME OF REPORTING PERSON

1 Bank of America National Trust and Savings Association

-----  
CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP\*

2 (a) [ ]  
(b) [ ]

-----  
SEC USE ONLY

3

-----  
SOURCE OF FUNDS\*

4 Not Applicable

-----  
CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT  
TO ITEMS 2(d) or 2(e) [ ]

5

-----  
CITIZENSHIP OR PLACE OF ORGANIZATION

6 United States

-----

NUMBER OF 7 SOLE VOTING POWER

SHARES 0

-----

BENEFICIALLY 8 SHARED VOTING POWER

OWNED BY 1,024,137 shares of Common Stock (See Item 5)

-----

EACH 9 SOLE DISPOSITIVE POWER

REPORTING 0

-----

PERSON 10 SHARED DISPOSITIVE POWER

WITH 1,024,137 shares of Common Stock (See Item 5)

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-----  
11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON  
1,024,137 shares of Common Stock (See Item 5)  
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12 CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES\*  
[\_]  
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13 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)  
35.6% (See Item 5)  
-----  
14 TYPE OF REPORTING PERSON\*  
BK  
-----

\*SEE INSTRUCTIONS BEFORE FILLING OUT!

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PAGE 4 OF 25 PAGES  
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-----  
1 NAME OF REPORTING PERSON  
BankAmerica Corporation  
-----

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP\*  
(a) [\_]  
(b) [\_]  
-----

3 SEC USE ONLY  
-----

4 SOURCE OF FUNDS\*  
Not Applicable  
-----

5 CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT  
TO ITEMS 2(d) or 2(e) [\_]  
-----

6 CITIZENSHIP OR PLACE OF ORGANIZATION  
Delaware  
-----

7 SOLE VOTING POWER  
NUMBER OF 0  
SHARES  
-----  
8 SHARED VOTING POWER  
BENEFICIALLY OWNED BY 1,024,137 shares of Common Stock (See Item 5)  
EACH  
-----  
9 SOLE DISPOSITIVE POWER  
REPORTING PERSON  
-----  
10 SHARED DISPOSITIVE POWER  
WITH 1,024,137 shares of Common Stock (See Item 5)  
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11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON  
1.024,137 shares of Common Stock (See Item 5)  
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12 CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES\*  
[\_]  
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13 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)  
35.6%  
-----  
14 TYPE OF REPORTING PERSON\*  
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\*SEE INSTRUCTIONS BEFORE FILLING OUT!

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NAME OF REPORTING PERSON

1

MIG Partners VIII

CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP\*

2

(a)

(b)

SEC USE ONLY

3

SOURCE OF FUNDS\*

4

WC

CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEMS 2(d) or 2(e)

5

CITIZENSHIP OR PLACE OF ORGANIZATION

6

Delaware

SOLE VOTING POWER

7

NUMBER OF

0

SHARES

SHARED VOTING POWER

BENEFICIALLY

8

OWNED BY

1,024,137 of Common Stock (See Item 5)

EACH

SOLE DISPOSITIVE POWER

REPORTING

9

PERSON

0

SHARED DISPOSITIVE POWER

WITH

10

1,024,137 of Common Stock (See Item 5)

AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

11

1,024,137 of Common Stock (See Item 5)

CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES\*

12

PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)

13

35.6%

TYPE OF REPORTING PERSON\*

14

PN

\*SEE INSTRUCTIONS BEFORE FILLING OUT!

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NAME OF REPORTING PERSON

1

Sheryl E. Bartol

CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP\*

2 (a)   
(b)

SEC USE ONLY

3

SOURCE OF FUNDS\*

4

Not Applicable

CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEMS 2(d) or 2(e)

5

CITIZENSHIP OR PLACE OF ORGANIZATION

6

Illinois

SOLE VOTING POWER

7

NUMBER OF

0

SHARES

SHARED VOTING POWER

BENEFICIALLY

8

OWNED BY

1,024,137 of Common Stock (See Item 5)

EACH

SOLE DISPOSITIVE POWER

REPORTING

9

0

PERSON

SHARED DISPOSITIVE POWER

WITH

10

1,024,137 of Common Stock (See Item 5)

AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

11

1,024,137 of Common Stock (See Item 5)

CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES\*

12

PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)

13

35.6%

TYPE OF REPORTING PERSON\*

14

IN

\*SEE INSTRUCTIONS BEFORE FILLING OUT!

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NAME OF REPORTING PERSON

1

Matthew W. Clary

CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP\*

2 (a)   
(b)

SEC USE ONLY

3

SOURCE OF FUNDS\*

4

Not Applicable

CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEMS 2(d) or 2(e)

5

CITIZENSHIP OR PLACE OF ORGANIZATION

6

Illinois

SOLE VOTING POWER

7

NUMBER OF

0

SHARES

SHARED VOTING POWER

BENEFICIALLY

8

OWNED BY

1,024,137 of Common Stock (See Item 5)

EACH

SOLE DISPOSITIVE POWER

REPORTING

9

PERSON

0

SHARED DISPOSITIVE POWER

WITH

10

1,024,137 of Common Stock (See Item 5)

AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

11

1,024,137 of Common Stock (See Item 5)

CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES\*

12

PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)

13

35.6%

TYPE OF REPORTING PERSON\*

14

IN

\*SEE INSTRUCTIONS BEFORE FILLING OUT!

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NAME OF REPORTING PERSON

1

Andrea P. Joselit

CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP\*

2

(a)

(b)

SEC USE ONLY

3

SOURCE OF FUNDS\*

4

Not Applicable

CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEMS 2(d) or 2(e)

5

CITIZENSHIP OR PLACE OF ORGANIZATION

6

Illinois

SOLE VOTING POWER

7

NUMBER OF

0

SHARES

SHARED VOTING POWER

BENEFICIALLY

8

OWNED BY 1,024,137 of Common Stock (See Item 5)  
-----  
EACH 9 SOLE DISPOSITIVE POWER  
REPORTING 0  
PERSON -----  
WITH 10 SHARED DISPOSITIVE POWER  
1,024,137 of Common Stock (See Item 5)  
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11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON  
1,024,137 of Common Stock (See Item 5)  
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12 CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES\*  
[ ]  
-----

13 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)  
35.6%  
-----

14 TYPE OF REPORTING PERSON\*  
IN  
-----

\*SEE INSTRUCTIONS BEFORE FILLING OUT!

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-----  
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-----

1 NAME OF REPORTING PERSON  
Jeffrey M. Mann  
-----

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP\*  
(a) [ ]  
(b) [ ]  
-----

3 SEC USE ONLY  
-----

4 SOURCE OF FUNDS\*  
Not Applicable  
-----

5 CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT  
TO ITEMS 2(D) or 2(E) [ ]  
-----

6 CITIZENSHIP OR PLACE OF ORGANIZATION  
Illinois  
-----

7 SOLE VOTING POWER  
NUMBER OF 7 0  
SHARES -----  
8 SHARED VOTING POWER  
BENEFICIALLY 8 1,024,137 of Common Stock (See Item 5)  
OWNED BY -----  
EACH 9 SOLE DISPOSITIVE POWER  
REPORTING 0  
PERSON -----  
WITH 10 SHARED DISPOSITIVE POWER  
1,024,137 of Common Stock (See Item 5)  
-----

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON  
1,024,137 of Common Stock (See Item 5)

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12 CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES\*  
[ ]  
-----  
13 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)  
35.6%  
-----  
14 TYPE OF REPORTING PERSON\*  
IN  
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\*SEE INSTRUCTIONS BEFORE FILLING OUT!

13D

-----  
CUSIP NO. 708094206  
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-----  
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-----  
1 NAME OF REPORTING PERSON  
Dennis P. McCrary  
-----

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP\*  
(a) [ ]  
(b) [ ]  
-----

3 SEC USE ONLY  
-----

4 SOURCE OF FUNDS\*  
Not Applicable  
-----

5 CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT  
TO ITEMS 2(D) or 2(E) [ ]  
-----

6 CITIZENSHIP OR PLACE OF ORGANIZATION  
Illinois  
-----

	7	SOLE VOTING POWER
NUMBER OF	0	
SHARES		-----
	8	SHARED VOTING POWER
BENEFICIALLY		1,024,137 of Common Stock (See Item 5)
OWNED BY		-----
EACH	9	SOLE DISPOSITIVE POWER
REPORTING	0	
PERSON		-----
	10	SHARED DISPOSITIVE POWER
WITH		1,024,137 of Common Stock (See Item 5)

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[ ]  
-----  
13 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)  
35.6%  
-----  
14 TYPE OF REPORTING PERSON\*  
IN  
-----  
\*SEE INSTRUCTIONS BEFORE FILLING OUT!



NAME OF REPORTING PERSON

1

Jason A. Mehring

CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP\*

2

(a) [ ]  
(b) [ ]

SEC USE ONLY

3

SOURCE OF FUNDS\*

4

Not Applicable

CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEMS 2(D) or 2(E) [ ]

5

CITIZENSHIP OR PLACE OF ORGANIZATION

6

Illinois

SOLE VOTING POWER

7

NUMBER OF SHARES

0

SHARED VOTING POWER

8

BENEFICIALLY OWNED BY EACH REPORTING PERSON

1,024,137 of Common Stock (See Item 5)

SOLE DISPOSITIVE POWER

9

REPORTING PERSON

0

SHARED DISPOSITIVE POWER

10

WITH 1,024,137 of Common Stock (See Item 5)

AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

11

1,024,137 of Common Stock (See Item 5)

CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES\*

12

[ ]

PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)

13

35.6%

TYPE OF REPORTING PERSON\*

14

IN

\*SEE INSTRUCTIONS BEFORE FILLING OUT!

NAME OF REPORTING PERSON

1

Robert F. Perille

CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP\*

2

(a) [ ]  
(b) [ ]

SEC USE ONLY

3

-----  
 4 SOURCE OF FUNDS\*  
 Not Applicable  
 -----  
 5 CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT  
 TO ITEMS 2(D) or 2(E)   
 -----  
 6 CITIZENSHIP OR PLACE OF ORGANIZATION  
 Illinois  
 -----  
 7 SOLE VOTING POWER  
 NUMBER OF 7 0  
 SHARES -----  
 8 SHARED VOTING POWER  
 BENEFICIALLY 8 1,024,137 of Common Stock (See Item 5)  
 OWNED BY -----  
 9 SOLE DISPOSITIVE POWER  
 EACH 9 0  
 REPORTING -----  
 10 SHARED DISPOSITIVE POWER  
 WITH 10 1,024,137 of Common Stock (See Item 5)  
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 11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON  
 1,024,137 of Common Stock (See Item 5)  
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 12 CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES\*  
  
 -----  
 13 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)  
 35.6%  
 -----  
 14 TYPE OF REPORTING PERSON\*  
 IN  
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\*SEE INSTRUCTIONS BEFORE FILLING OUT!

ITEM 1. SECURITY AND ISSUER.

This Schedule 13D Statement (this "Statement") relates to the Common Stock \$.01 par value (the "Common Stock") of Zimmerman Sign Company, a Texas corporation (the "Issuer"). The principal executive offices of the Issuer are located at 9846 Highway 31 East, Tyler, Texas, 75705.

ITEM 2. IDENTITY AND BACKGROUND.

This Statement is being filed jointly by each of the following persons pursuant to Rule 13d-1(f) promulgated by the Securities and Exchange Commission (the "Commission") pursuant to Section 13 of the Securities Exchange Act of 1934, as amended (the "Exchange Act"): (i) Continental Illinois Venture Corporation, a Delaware corporation ("CIVC"), by virtue of its direct beneficial ownership of warrants currently exercisable into shares of Common Stock covered by this Statement; (ii) Bank of America National Trust and Savings Association, a national trust and savings association, ("BA Bank"), by virtue of its ownership of all of the outstanding common stock of CIVC; (iii) BankAmerica Corporation, a Delaware corporation ("BAC"), by virtue of its ownership of all of the outstanding common stock of BA Bank; (iv) MIG Partners VIII, a Delaware general partnership ("MIG"), by virtue of its direct beneficial ownership of warrants currently exercisable into shares of Common Stock covered by this Statement; (v) Sheryl E. Bartol, an individual residing in the state of Illinois ("Bartol"), by virtue of her being a general partner of MIG; (vi) Matthew W. Clary, an individual residing in the state of Illinois ("Clary"), by virtue of his being a general partner of MIG; (vii) Andrea P. Joselit, an individual residing in the state of Illinois ("Joselit"), by virtue of her being a general partner of MIG; (viii) Jeffrey M. Mann, an individual residing in the state of Illinois ("Mann"), by virtue of his being a general partner of MIG; (ix) Dennis P. McCrary, an individual residing in the state of Illinois ("McCrary"), by virtue of his being a general partner of MIG; (x) Jason A. Mehring, an

individual residing in the state of Illinois ("Mehring"), by virtue of his being a general partner of MIG; and (xi) Robert F. Perille, an individual residing in the state of Illinois ("Perille"), by virtue of his being a general partner of MIG. Bartol, Clary, Joselit, Mann, McCrary, Mehring and Perille are sometimes referred to herein individually as a "General Partner" and collectively as the "General Partners." CIVC, BA Bank, BAC, MIG and each General Partner are sometimes referred to herein individually as a "Reporting Person" and collectively as the "Reporting Persons."

Information with respect to each of the Reporting Persons is given solely by such Reporting Person, and no Reporting Person assumes responsibility for the accuracy or completeness of information given by another Reporting Person. By their signature on this Statement, each of the Reporting Persons agrees that this Statement is filed on behalf of such Reporting Person.

CIVC and MIG may be deemed to constitute a "group" for purposes of Section 13(d)(3) of the Exchange Act. This filing shall not be deemed an admission that CIVC, on the one hand, or MIG, on the other, is, for purposes of Section 13(d) or 13(g) of the Exchange Act, the beneficial owner of any securities covered in this Statement as held by the other.

Certain information required by this Item 2 concerning the directors and executive officers of CIVC, BA Bank and BAC is set forth on Schedule A attached hereto, which is incorporated herein by reference. Each of the persons listed on Schedule A is a citizen of the United States.

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CIVC and MIG's principal business is providing debt and equity financing to businesses in the United States. The address of the principal business and principal office of CIVC and MIG is 231 S. LaSalle St., Chicago, Illinois 60697.

BA Bank is a national banking association engaged in the banking business, with a variety of subsidiaries engaged in various activities, including consumer banking, corporate banking, commercial real estate lending and other financial services, middle-market banking, and private banking and investment services. The address of the principal business and principal office of BA Bank is 555 California Street, San Francisco, California 94104.

BAC is a holding company whose subsidiaries provide diverse financial products and services to individuals, businesses, government agencies and financial institutions throughout the world. The address of the principal business and principal office of BAC is NationsBank Corporate Center, 100 N. Tryon, Charlotte, NC 28255.

During the past five years, none of the Reporting Persons nor, to the best knowledge of the Reporting Persons, any of the persons listed on Schedule A

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attached hereto, has been convicted in a criminal proceeding (excluding traffic violations or similar misdemeanors). During the past five years, none of the Reporting Persons nor, to the best knowledge of the Reporting Persons, any of the persons listed on Schedule A attached hereto, was a party to a civil

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proceeding of a judicial or administrative body of competent jurisdiction as a result of which such person was or is subject to a judgment, decree or final order enjoining future violations of, or prohibiting or mandating activity subject to, federal or state securities laws or finding any violation with respect to such laws.

ITEM 3. SOURCE AND AMOUNT OF FUNDS OR OTHER CONSIDERATION.  
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The Issuer, CIVC, MIG and certain other investors are parties to a Senior Subordinated Note, Preferred Stock and Warrant Purchase Agreement, dated September 30, 1998 (the "Purchase Agreement"). Pursuant to the Purchase

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Agreement, CIVC acquired stock purchase warrants (the "Warrants") exercisable

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into 819,310 shares of Common Stock for an aggregate purchase price of \$68,394.71. CIVC utilized internal funds to consummate the acquisition of the Warrants. In addition, MIG acquired Warrants exercisable into 204,827 shares of Common Stock for an aggregate purchase price of \$17,098.68. MIG utilized internal funds and loans from BankAmerica Investment Corporation, an affiliated corporation, to consummate the acquisition of the Warrants.

A copy of the Purchase Agreement is attached hereto as Exhibit A and is incorporated herein by reference.

ITEM 4. PURPOSE OF TRANSACTION.  
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CIVC and MIG acquired the Warrants for investment purposes. Depending on market conditions and other factors (including evaluation of the Issuer's businesses and prospects, availability of funds, alternative uses of funds and

may from time to time purchase additional securities of the Issuer or dispose of all or a portion of their investment in the Issuer.

Pursuant to the Purchase Agreement, CIVC and MIG each acquired shares of the Issuer's Series A Preferred Stock, par value \$.01 per share (the "Series A Preferred"). Under the terms of the Series A Preferred, as defined in the Certificate of Designation, Series A Preferred (the "Certificate of Designation"), CIVC has the right to designate two members on the Issuer's board of directors (the "Board"), and if an Event of Noncompliance (as defined in the Certificate of Designation) has occurred and is continuing, each of the directors designated by CIVC shall be entitled to cast two votes with respect to any vote taken by the Issuer's Board. In connection therewith, the Issuer, CIVC, MIG and certain other stockholders of the Issuer are parties to a Stockholders Agreement, dated as of September 30, 1998 (the "Stockholders Agreement") pursuant to which each party has agreed to (i) vote all of their shares in favor of those members of the Board designated by CIVC and (ii) vote all of their shares in favor of removing an existing director on the Board and filling the vacancy with a member designated by CIVC in the event that the directors designated by CIVC are not entitled to cast two votes after the occurrence and during the continuance of an Event of Noncompliance. In addition, pursuant to the terms of the Stockholders Agreement, each party thereto has agreed to vote all of its shares in favor of a Sale of the Company (as defined in the Shareholders Agreement) proposed by CIVC. As of the date of this statement, stockholders holding an aggregate of 1,132,825 shares of Common Stock were parties to the Stockholders Agreement. CIVC expressly disclaims beneficial ownership of all of the shares of Common Stock owned by the other parties to the Shareholders Agreement. A copy of the Certificate of Designation is attached hereto as Exhibit B and is incorporated herein by reference, and a copy of the Stockholders Agreement is attached hereto as Exhibit C and is incorporated herein by reference.

Pursuant to a Registration Agreement, dated as of September 30, 1998 (the "Registration Agreement"), by and among the Issuer, CIVC, MIG and certain other stockholders of the Issuer, CIVC, MIG and such other stockholders were granted certain registration rights with respect to their Warrants and the underlying Common Stock. A copy of the Registration Agreement is attached hereto as Exhibit D and is incorporated herein by reference.

The summaries of the agreements referred to in this Item 4 and elsewhere in this Statement are not intended to be complete and are qualified in their entirety by reference to the detailed provisions of such agreements attached as exhibits hereto.

#### ITEM 5. INTEREST IN SECURITIES OF THE ISSUER.

CIVC is the direct beneficial owner of Warrants currently exercisable into 819,310 shares of Common Stock and MIG is the direct beneficial owner of Warrants currently exercisable into 204,827 shares of Common Stock. CIVC and MIG may be deemed to constitute a "group" for purposes of Section 13(d)(3) of the Exchange Act, and therefore each may be deemed to own beneficially warrants currently exercisable into 1,024,137 shares of Common Stock, which, when exercised would result in ownership of approximately 35.6% of the Issuer's Common Stock as computed under Rule 13d-3.

This filing shall not be deemed an admission that CIVC, on the one hand, or MIG, on the other, is, for purposes of Section 13(d) and 13(g) of the Exchange Act, the beneficial owner of any securities covered in this Statement as held by the other. By virtue of the relationship between BA Bank and CIVC described in Item 2, BA Bank may be deemed to possess indirect beneficial ownership of the shares of Common Stock beneficially owned by CIVC, and by virtue of the relationship between BAC and BA Bank described in Item 2, BAC may be deemed to possess indirect beneficial ownership of the shares of Common Stock beneficially owned by CIVC. By virtue of their relationship as general partners of MIG, each General Partner may be deemed to possess indirect beneficial ownership of the Common Stock beneficially owned by MIG. The filing of this Statement by BA Bank, BAC and the General Partners shall not be deemed an admission that any of BA Bank, BAC or the General Partners is, for purposes of Section 13(d) or 13(g) of the Exchange Act, the beneficial owner of any of the securities covered by this Statement.

The percentages of Common Stock calculated in this Item 5 are based upon 1,854,692 shares of Common Stock issued and outstanding as of July 31, 1998, as disclosed in the Issuer's Form 10-Q filed with the Commission on July 31, 1998 for the fiscal quarter ended June 30, 1998.

Within the last 60 days, none of the Reporting Persons has been involved in any transactions involving the Common Stock other than as described above.

No person other than the Reporting Persons has the right to receive or the power to direct the receipt of dividends from the proceeds from the sale of the Shares.

ITEM 6. CONTRACTS, ARRANGEMENTS, UNDERSTANDINGS OR RELATIONSHIPS WITH RESPECT  
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TO SECURITIES OF THE ISSUER.  
-----

Except as set forth in Item 4, to the best knowledge of the Reporting Persons, no contracts, arrangements, understandings or relationships (legal or otherwise) exist among the persons named in Item 2 or between such persons and any other person with respect to any securities of the Issuer, including but not limited to transfer or voting of any such securities, finder's fees, joint venture, loan or option arrangements, puts or calls, guarantees of profits, divisions of profits or losses, or giving or withholding of proxies.

ITEM 7. MATERIALS TO BE FILED AS EXHIBITS.  
-----

Exhibit A: The Senior Subordinated Note, Preferred Stock and Warrant Purchase Agreement, dated as of September 30, 1998, by and among the Issuer, CIVC, MIG, and certain other investors.

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Exhibit B: The Certificate of Designation, Series A

Exhibit C: The Stockholders Agreement, dated September 30, 1998, by and among the Issuer, CIVC, MIG and certain other stockholders.

Exhibit D: The Registration Agreement, dated September 30, 1998, by and among the Issuer, CIVC, MIG and certain other stockholders.

Exhibit E: Agreement of Joint Filing, dated as of October 9, 1998, among Buyer and BA Bank.

Exhibit F: Designation of Authority to Venrice R. Palmer.

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SIGNATURE

After reasonable inquiry and to the best of my knowledge and belief, I certify that the information set forth in this statement is true, complete and correct.

As to BA Bank, signing resolutions are incorporated by reference to Schedule 13G Amendment #2 relating to Anaren Microwave, Inc. filed by BA Bank. As to BAC, signature authority is included as Exhibit F.

Date: October 9, 1998

CONTINENTAL ILLINOIS VENTURE CORPORATION

By: /s/ Robert F. Perille  
-----  
Print Name: Robert F. Perille  
Its: Managing Director

BANK OF AMERICA NATIONAL TRUST AND SAVINGS  
ASSOCIATION

By: /s/ Venrice R. Palmer  
-----  
Print Name: Venrice R. Palmer  
Its: Counsel

BANKAMERICA CORPORATION

By: /s/ Venrice R. Palmer  
-----  
Print Name: Venrice R. Palmer  
Its: Counsel

MIG PARTNERS VIII  
 By: /s/ Robert F. Perille  
 -----  
 Print Name: Robert F. Perille  
 Its: General Partner  
  
 /s/ Sheryl E. Bartol  
 -----  
 Sheryl E. Bartol

/s/ Matthew W. Clary  
 -----  
 Matthew W. Clary

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/s/ Andrea P. Joselit  
 -----  
 Andrea P. Joselit

/s/ Jeffrey M. Mann  
 -----  
 Jeffrey M. Mann

/s/ Jason A. Mehring  
 -----  
 Jason A. Mehring

/s/ Dennis P. McCrary  
 -----  
 Dennis P. McCrary

/s/ Robert F. Perille  
 -----  
 Robert F. Perille

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SCHEDULE A  
 -----

The following table sets forth the names, addresses and principal occupations of the directors and executive officers of Continental Illinois Venture Corporation ("CIVC"). Each such person is a citizen of the United States.

DIRECTORS AND OFFICERS  
 -----

<TABLE>  
 <CAPTION>

NAME	ADDRESS	PRINCIPAL OCCUPATION
<S> Jeremy G. Fair	<C> 231 South LaSalle Street 9th Floor Chicago, IL 60697	<C> Managing Director, Bank of America National Trust and Savings Association
William M. Goodyear	231 South LaSalle Street 13th Floor Chicago, IL	Group Executive Vice President, Bank of America National Trust and Savings Association
Michael J. Murray	BankAmerica Corporation 555 California Street San Francisco, CA 94104	President, Global Corporate and Investment Banking, BankAmerica Corporation
Michael E. O'Neill	BankAmerica Corporation 555 California Street San Francisco, CA 94104	President, Principal Investing and Wealth Management, BankAmerica Corporation
Christopher J. Perry	231 South LaSalle Street 7th Floor Chicago, IL 60697	President and Managing Director, Continental Illinois Venture Corporation
Terry E. Perucca	231 South LaSalle Street 12th Floor Chicago, IL 60697	Group Executive Vice-President, Bank of America National Trust and Savings Association

</TABLE>

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SCHEDULE A (continued)

The following table sets forth the names, addresses and principal occupations of the directors and executive officers of Bank of America National Trust and Savings Association ("BA Bank"). Each such person is a citizen of the United States.

DIRECTORS

<TABLE>  
<CAPTION>

NAME	ADDRESS	PRINCIPAL OCCUPATION
<S> Hugh L. McColl, Jr.	<C> BankAmerica Corporation NationsBank Corporate Center 100 N. Tryon Charlotte, NC 28255	<C> Chairman and Chief Executive Officer
David A. Coulter	BankAmerica Corporation 555 California Street San Francisco, CA 94104	President
James H. Hance, Jr.	BankAmerica Corporation NationsBank Corporate Center 100 N. Tryon Charlotte, NC 28255	Vice Chairman and Chief Financial Officer
Kenneth D. Lewis	BankAmerica Corporation NationsBank Corporate Center 100 N. Tryon Charlotte, NC 28255	President, Consumer and Commercial Banking
Michael J. Murray	BankAmerica Corporation 555 California Street San Francisco, CA 94104	President, Global Corporate and Investment Banking
Michael E. O'Neill	BankAmerica Corporation 555 California Street San Francisco, CA 94104	President, Principal Investing and Wealth Management

</TABLE>

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<TABLE>

<S> F. William Vandiver, Jr.	<C> BankAmerica Corporation NationsBank Corporate Center 100 N. Tryon Charlotte, NC 28255	<C> Risk Management Executive
---------------------------------	--	----------------------------------

</TABLE>

EXECUTIVE OFFICERS

<TABLE>  
<CAPTION>

NAME	ADDRESS	PRINCIPAL OCCUPATION
<S> Hugh L. McColl, Jr.	<C> BankAmerica Corporation NationsBank Corporate Center	<C> Chairman and Chief Executive Officer

100 N. Tryon  
Charlotte, NC 28255

David A. Coulter	BankAmerica Corporation 555 California Street San Francisco, CA 94104	President
James H. Hance, Jr.	BankAmerica Corporation NationsBank Corporate Center 100 N. Tryon Charlotte, NC 28255	Vice Chairman and Chief Financial Officer
Kenneth D. Lewis	BankAmerica Corporation NationsBank Corporate Center 100 N. Tryon Charlotte, NC 28255	President, Consumer and Commercial Banking
Michael J. Murray	BankAmerica Corporation 555 California Street San Francisco, CA 94104	President, Global Corporate and Investment Banking
Michael E. O'Neill	BankAmerica Corporation 555 California Street San Francisco, CA 94104	President, Principal Investing and Wealth Management

</TABLE>

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SCHEDULE A (continued)

The following table sets forth the names, addresses and principal occupations of the directors and executive officers of BankAmerica Corporation ("BAC"). Each such person is a citizen of the United States.

---

DIRECTORS

<TABLE>  
<CAPTION>

NAME	ADDRESS	PRINCIPAL OCCUPATION
<S> Charles W. Coker	<C> Post Office Box 160 Hartsville, SC 29551-0160	<C> Chairman, Sonoco Products Company
David A. Coulter	BankAmerica Corporation 555 California Street San Francisco, CA 94104	President, BankAmerica Corporation
Timm Crull	c/o Hallmark Cards, Inc. 1024 E. Balboa Blvd. Newport Beach, CA 92661	Retired Chairman, Nestle USA, Inc.
Alan T. Dickson	2000 Two First Union Center Charlotte, NC 28282	Chairman of the Board, Ruddick Corporation
Kathleen Feldstein	147 Clifton Street Belmont, MA 02178	President, Economic Studies, Inc.
Paul Fulton	First Stratford Building 101 S. Stratford Road Winston-Salem, NC 27104	Chairman and CEO, Bassett Furniture Industries, Inc.
Donald E. Guinn	Pacific Telesis Center 130 Kearney Street, Room 3704 San Francisco, CA 94108	Chairman Emeritus, Pacific Telesis Group
C. Ray Holman	Post Office Box 5840 St. Louis, MO 63134	Chairman and Chief Executive Officer, Mallinckrodt Inc.
W.W. Johnson	P.O. Box 448 SC3-240-18-17 Columbia, SC 29202	Chairman, Executive Committee, BankAmerica Corporation

</TABLE>

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<TABLE>

<S> Walter Massey	<C> Office of the President 830 Westview Drive Atlanta, GA 30314	<C> President, Morehouse College
Hugh L. McColl, Jr.	BankAmerica Corporation NationsBank Corporate Center 100 N. Tryon Charlotte, NC 28255	Chairman and Chief Executive Officer, BankAmerica Corporation
Richard M. Rosenberg	555 California Street 5th Floor San Francisco, CA 94194	Retired Chairman and Chief Executive Officer, BankAmerica Corporation and Bank of America NT & SA
O. Temple Sloan, Jr.	Post Office Box 26006 Raleigh, NC 27611	Chairman, General Parts Inc.
Meredith R. Spangler	668 Hempstead Place Charlotte, NC 28207-2320	Chairman, C.D. Spangler Foundation
A. Michael Spence	Memorial Way, Room 140 Stanford, CA	Dean of Graduate School of Business, Stanford University
Ronald Townsend	Gannett Television c/o WTLV-TV12 1070 East Adams Street Jacksonville, FL 32202	Communications Consultant
Solomon Trujillo	1801 California Street 52nd Floor Denver, CO 80202	President and Chief Executive Officer, US West Communications Group
Jackie M. Ward	5775 Peachtree-Dunwoody Road Building G, Fourth Floor Atlanta, Georgia 30342	President and CEO, Computer Generation Incorporated
Virgil R. Williams	Post Office Box 105106 Atlanta, Georgia 30087	Chairman and CEO, Williams Group International, Inc.
Shirley Young		Vice President, General Motors Corporation

</TABLE>

OFFICERS  
-----

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<TABLE>

<CAPTION>

NAME	ADDRESS	PRINCIPAL OCCUPATION
<S> Hugh L. McColl, Jr.	<C> BankAmerica Corporation NationsBank Corporate Center 100 N. Tryon Charlotte, NC 28255	<C> Chairman and Chief Executive Officer
David A. Coulter	BankAmerica Corporation 555 California Street San Francisco, CA 94104	President
James H. Hance, Jr.	BankAmerica Corporation NationsBank Corporate Center 100 N. Tryon Charlotte, NC 28255	Vice Chairman and Chief Financial Officer
Kenneth D. Lewis	BankAmerica Corporation NationsBank Corporate Center 100 N. Tryon Charlotte, NC 28255	President, Consumer and Commercial Banking

Michael J. Murray	BankAmerica Corporation 555 California Street San Francisco, CA 94104	President, Global Corporate and Investment Banking
Michael E. O'Neill	BankAmerica Corporation 555 California Street San Francisco, CA 94104	President, Principal Investing and Principal Investment

</TABLE>

SENIOR SUBORDINATED NOTE, PREFERRED STOCK AND  
WARRANT PURCHASE AGREEMENT

DATED AS OF SEPTEMBER 30, 1998

AMONG

ZIMMERMAN SIGN COMPANY

CONTINENTAL ILLINOIS VENTURE CORPORATION,

MIG PARTNERS VIII

AND

THE MANAGEMENT PURCHASERS LISTED HEREIN

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SENIOR SUBORDINATED NOTE, PREFERRED STOCK AND  
WARRANT PURCHASE AGREEMENT  
-----

THIS AGREEMENT (the "Agreement") is made as of September 30, 1998 by  
-----  
and among Continental Illinois Venture Corporation, a Delaware corporation  
("CIVC"), MIG Partners VIII, a Delaware partnership ("MIG"), Zimmerman Sign  
-----  
Company, a Texas corporation (the "Company") and certain members of the  
-----  
Company's management listed on the signature pages hereto as the "Management  
Purchasers" (the "Management Purchasers"). CIVC and MIG are referred to herein  
-----  
collectively as the "BA Purchasers" and each is referred to herein individually  
-----  
as a "BA Purchaser." The BA Purchasers and the Management Purchasers are  
-----  
referred to herein collectively as the "Purchasers" and each is referred to  
-----  
herein individually as a "Purchaser." Except as otherwise indicated herein,  
-----  
capitalized terms used herein are defined in Section 9 hereof.  
-----

The Company is initiating a plan to recapitalize its existing debt and  
equity structure through a series of transactions including, but not limited to,  
refinancing of funded debt, repurchase of stock from certain shareholders,  
issuance of capital stock and restructuring certain rights held by certain  
stockholders of the Company (the "Recapitalization"). The Purchasers are  
-----  
entering into this Agreement to provide financing for the Company's  
Recapitalization.

In connection with the Recapitalization, the Company is entering into  
a Second Amended and Restated Revolving Credit and Term Agreement, dated as of  
the date hereof (the "Loan Agreement"), with Comerica Bank-Texas, a Texas  
-----  
banking association (the "Bank"), pursuant to which the Bank has agreed to make  
-----  
available to the Company a revolving credit facility of \$17,000,000 (the  
"Revolver") and a term loan facility in the amount of \$2,000,000 (the "Term A  
-----  
Loan"), a term loan facility in the amount of \$1,000,000 (the "Term B Loan") and  
-----  
a term loan facility in the amount of \$3,500,000 (the "Term C Loan," and  
-----  
together with the Term A Loan and Term B Loan, the "Term Loans").  
-----

In consideration of the mutual covenants and promises contained herein  
and for the good and valuable consideration, the receipt and adequacy of which  
are hereby acknowledged, the parties hereto agree as follows:

Section 1. Authorization and Closing.

1A. Authorization of Notes, Warrants and Series A Preferred. The  
-----  
Company shall authorize the issuance and sale to the Purchasers of (i) 12.00%  
Senior Subordinated Notes, in the form attached hereto as Exhibit A (any such  
-----  
note, a "Note" and all notes issued hereunder or in respect of any Note,  
-----

collectively, the "Notes"), in the aggregate principal amount of \$4,000,000,  
-----  
(ii) stock purchase warrants, in the form attached hereto as Exhibit B (any such  
-----  
warrant, a "Warrant" and all warrants issued pursuant to this clause (ii), or in  
-----  
respect of any such Warrant, collectively, the "Warrants") initially exercisable  
-----  
to 1,197,194 shares of Common Stock and (iii) 52,500 shares of the Company's  
Series A Preferred Stock, par value \$0.01 per share (the "Series A Preferred"),  
-----  
having the rights and preferences set forth in Exhibit C attached hereto. The  
-----  
Notes, Series A Preferred, the Warrants and Warrant Stock sometimes are referred  
to herein collectively as the "Securities."  
-----

-1-

1B. Purchase and Sale of the Notes, the Warrants and Series A  
-----  
Preferred. At the Closing (as defined in Section 1C below) the Company shall  
-----  
issue to each of the Purchasers and, subject to the terms and conditions set  
forth herein, each of the Purchasers shall severally and independently (and not  
jointly) purchase from the Company, (i) Notes in the aggregate principal amount  
set forth opposite such Purchaser's name on the attached Schedule of Purchasers,  
-----  
in each case, at a purchase price equal to the price set forth opposite such  
Purchaser's name on the attached Schedule of Purchasers, (ii) Warrants initially  
-----  
exercisable to acquire the aggregate number of shares of Common Stock set forth  
opposite such Purchaser's name on the attached Schedule of Purchasers, in each  
-----  
case, at a purchase price equal to the price set forth opposite such Purchaser's  
name on the attached Schedule of Purchasers, and (iii) the number of shares of  
-----  
Series A Preferred set forth opposite such Purchaser's name on the attached  
Schedule of Purchasers, in each case, at a purchase price equal to the price set  
-----  
forth opposite such Purchaser's name on the attached Schedule of Purchasers.  
-----

1C. The Closing. The sale of the Notes, the Series A Preferred and  
-----  
the Warrants to each Purchaser hereunder shall constitute separate sales  
hereunder. The closing of the purchase and sale of the Securities (the  
"Closing") shall take place on September 30, 1998 (the "Closing Date") at the  
-----  
offices of Kirkland & Ellis or at such other place or on such other date as may  
be mutually agreeable to the Company and the Purchasers. At the Closing, the  
Company shall deliver to each of the Purchasers instruments and certificates for  
the Notes, Series A Preferred and the Warrants to be purchased by such  
Purchaser, issued to such Purchaser, registered in such Purchaser's or its  
nominee's name, upon payment of the purchase price therefor by wire transfer of  
immediately available funds, to accounts designated by the Company in the amount  
set forth opposite such Purchaser's name on the attached Schedule of Purchasers.  
-----

1D. Closing Fees. On the Closing Date, the Company shall pay to the  
-----  
BA Purchasers for their own account a closing fee (the "Closing Fee") in an  
-----  
aggregate amount of \$200,000, by wire transfer of immediately available funds to  
accounts specified by the BA Purchasers in the respective amounts set forth  
opposite each BA Purchaser's name on the attached Schedule of Purchasers.  
-----

Section 2. Conditions of the Purchasers' Obligation at the Closing.  
-----

The obligation of each Purchaser to purchase and pay for Securities issued  
hereunder at the Closing is subject to the satisfaction as of the Closing of the  
following conditions to such Purchaser's satisfaction in its sole discretion:

2A. Loan Agreement. The Loan Agreement and all other documents and  
-----  
agreements contemplated thereby shall be in form and substance satisfactory to  
the Purchasers and their counsel, without amendment or modification thereof, and  
shall be in full force and effect, all conditions to the obligations of the  
Banks to make loans thereunder shall have been satisfied, and the Banks shall  
have agreed to advance to the Company immediately following the Closing or  
simultaneously therewith all amounts under the Term Loans and up to \$17,000,000  
under the Revolver (excluding the aggregate amount of unused availability  
thereunder).

2B. Share Purchase Option Transaction. (i) Each of the Company and

-----  
David Anderson shall have entered into a share purchase option agreement in the form of Exhibit D  
-----

-2-

attached hereto (the "Share Purchase Option Agreement") with Geneve Securities Holding Corp. ("GSH"), Southern Investors Corp. ("SIC"), Southern Mortgage

-----  
Holding Corporation ("SMHC"), Geneve Securities Portfolio Corp. ("Geneve") and

-----  
First International Reinsurance Company, Inc. ("FIRC") and such Share Purchase

-----  
Option Agreement shall not have been amended or modified and shall be in full force and effect as of the Closing, (ii) the Company and David Anderson shall have entered in a share purchase agreement in the form of Exhibit E attached

-----  
hereto (the "Anderson Purchase Agreement") and such Anderson Purchase Agreement

-----  
shall not have been amended or modified and shall be in full force and effect as of the Closing, and (iii) the Company and Anderson shall have entered into the side agreement in the form of Exhibit F attached hereto (the "Anderson Side

-----  
Agreement") and such Anderson Side Agreement shall not have been amended or

-----  
modified and shall be in full force and effect as of the Closing.

2C. Stockholders Agreement and Registration Agreement. The

-----  
Stockholders Agreement in the form of Exhibit G hereto and the Registration

-----  
Agreement in the form of Exhibit H hereto shall have been duly authorized,

-----  
executed and delivered by each other party thereto and shall be in full force and effect as of the Closing.

2D. Representations and Warranties; Covenants. The representations

-----  
and warranties contained in Section 6 hereof shall be true and correct at and as

-----  
of the Closing as though then made, the Company shall have performed prior to the Closing all of the covenants required to be performed by it hereunder and under the other documents, agreements and instruments executed in connection herewith that are to be complied with or performed by the Company prior to the Closing.

2E. Certificate of Designation. The Company shall have duly adopted,

-----  
executed and filed with the Secretary of State of Texas a Certificate of Designation establishing the terms and the relative rights and preferences of each of (i) the Series A Preferred in the form set forth in Exhibit C attached

-----  
hereto (the "Series A Certificate of Designation"), (ii) the Series B Preferred

-----  
in the form set forth on Exhibit I attached hereto (the "Series B Certificate of

-----  
Designation"), and (iii) the Series C Preferred in the form set forth in Exhibit

-----  
J attached hereto (the "Series C Certificate of Designation," and together with

-----  
the Series A Certificate of Designation and the Series B Certificate of Designation, the "Certificates of Designation"), and the Company shall not have

-----  
adopted or filed any other document designating terms, relative rights or preferences of its preferred stock. The Certificates of Designation shall be in full force and effect as of the Closing under the laws of Texas and shall not have been amended or modified.

2F. Delivery of Notes, Warrants and Series A Preferred. The Company

-----  
shall have simultaneously sold to each Purchaser the Notes, Series A Preferred and the Warrants to be purchased by such Purchaser hereunder at the Closing and shall have received payment therefor in full.

2G. Resignation of Directors. The Company shall have received

-----  
resignations effective as of the Closing of Steve Lapin and Roy T.K. Thung as members of the Company's board of directors (the "Board"), and Robert F. Perille

-----  
and Andrea P. Joselit shall have been elected to the Board.

-3-

2H. Termination of Registration Rights Agreement. The Registration  
-----  
Rights Agreement, dated as of December 1, 1996 (the "Rights Agreement"), among  
-----  
the Company, GSH, SIC, SMHC, Geneve, and FIRC shall have been terminated without  
any liability to the Company.

2I. Securities Law. The Company shall have made all filings under  
-----  
any applicable Securities Laws necessary to consummate, in compliance with such  
Laws, all issuances of the Notes, Series A Preferred, and the Warrants and other  
securities pursuant to this Agreement, the Share Purchase Option Agreements, or  
as contemplated hereby or thereby and the issuance of the Common Stock upon  
exercise of the Warrants.

2J. No Pending Action. No action, suit, proceeding or governmental  
-----  
investigation shall be pending or, to the knowledge of the Company, threatened  
against or affecting the Company or any of its stockholders which (a) if  
adversely determined could have a Materially Adverse Effect or (b) seeks to or  
could restrain, prevent or, in the judgment of the Purchasers, impose any  
adverse condition upon the financing contemplated herein.

2K. No Materially Adverse Effect. Since December 31, 1997, there  
-----  
shall not have occurred a Materially Adverse Effect.

2L. Indebtedness; No Default. The Company shall be free from all  
-----  
Indebtedness, except for the Senior Indebtedness and the Notes issued hereby.  
The consummation of the transactions contemplated by this Agreement will not  
result in, nor shall there exist any Event of Default or event which, with the  
giving of notice or lapse of time or both, would be an Event of Default or  
breach under or with respect to any Indebtedness of the Company, after giving  
effect to the transactions contemplated by this Agreement, the Share Purchase  
Option Agreements or the Loan Agreement, and there shall not exist any failure  
by the Company to observe or perform in any material respect any covenant,  
condition or agreement to be observed or performed pursuant to the terms of any  
of the foregoing.

2M. Environmental Reports. The environmental reviews and audits  
-----  
delivered by the Company to the Purchasers shall be in form, scope and substance  
satisfactory to the Purchasers with respect to all of the real estate and  
businesses of the Company.

2N. Liquidity. After giving effect to the Recapitalization, the  
-----  
receipt by the Company of proceeds of the issuance of the Securities hereunder  
and payment of all estimated legal, investment banking, accounting and other  
fees related to the financing contemplated herein, the Company shall have  
unused availability under the Loan Agreement of at least \$1,500,000.

2O. Opinion of Counsel. The Purchasers shall have received from  
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Jackson Walker L.L.P., counsel for the Company, opinions with respect to the  
matters set forth in Exhibit K attached hereto, which shall be addressed to the  
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Purchasers, dated the date of the Closing and in form and substance reasonably  
satisfactory to the Purchasers and their counsel.

2P. Closing Documents. The Company shall have delivered to the  
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Purchasers all of the following documents:

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(a) an Officer's Certificate of the Company, dated the date of  
the Closing, stating that (i) the conditions specified in Section 2 have  
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been fully satisfied; (ii) since December 31, 1997 there has been no  
Materially Adverse Effect or event, development, circumstance or other  
matter which may impose any materially adverse condition upon the  
consummation of the financing contemplated hereby and (iii) such Person has  
delivered to the Purchasers at least one day prior to the Closing all  
environmental reviews and audits with respect to all of the real estate and  
businesses of such entity;

(b) copies of the resolutions duly adopted by the board of  
directors of the Company authorizing the execution, delivery and  
performance of this Agreement, the issuance of the Securities, the Share  
Purchase Option Agreement, the Anderson Purchase Agreement, the Anderson  
Side Letter, the Stockholders Agreement, the Registration Agreement and  
each of the other agreements contemplated hereby or thereby to which the  
Company is a party, the reservation of 1,197,194 shares of Common Stock for



issuance upon exercise of the Warrants, and the filing of the Certificates of Designation contemplated by Section 2E above accompanied by an Officer's

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Certificate of the Company certifying that the same are in full force and effect without modification or amendment, accompanied by a certification of the incumbency of each individual executing any agreement or document contemplated hereby in the name of the Company;

(c) copies of the Articles of Incorporation and bylaws of the Company as in effect as of the Closing, certified by an officer of the Company together with a certificate of status or similar evidence from the State of Texas and each jurisdiction in which the Company is then qualified to do business as a foreign corporation or in which the ownership of its assets or the conduct of its business would reasonably require it to so qualify, in each case dated a recent date prior to the Closing Date;

(d) copies of all third party and governmental consents, approvals and filings required in connection with the consummation of the transactions contemplated hereunder (including all environmental disclosures, blue sky filings and waivers of preemptive rights and rights of first refusal);

(e) copies of the Loan Agreement and the Share Purchase Option Agreements, each as in effect at the Closing, in each case certified by an officer of the Company;

(f) the Stockholders Agreement and the Registration Agreement, executed by the Company;

(g) evidence satisfactory to the Purchasers of the payment in full of all Indebtedness and related obligations owing or owed by the Company (other than pursuant to the Loan Agreement and the Notes), the entire amount of which will be paid contemporaneously with the Closing;

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(h) evidence of insurance coverage regarding the Company reasonably satisfactory in terms, amount and scope and provided by insurers all reasonably satisfactory to the Purchasers;

(i) the audited consolidated balance sheet of the Company as of December 31, 1997 and December 31, 1996 and the related consolidated and consolidating statements of earnings and cash flows as of and for the Fiscal Years then ended;

(j) for each Purchaser which is an SBIC, duly completed and executed SBA Forms 480, 652, and 1031 (Part A) together with a five-year business plan showing the Company's financial projections (including balance sheets and income and cash flows statements) for each five-year period and a written statement from the Company regarding its intended use of the proceeds from the financing;

(k) the Stockholders Schedule, which shall include a list of each  
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of the following after giving effect to the transactions contemplated by this Agreement: (a) the name of each of the Company's directors, (b) the name and title of each of the Company's officers, (c) a list from the Company's transfer agent setting forth the name of each record holder of the Company's Common Stock and the number of shares held by such holder as of the record date of the May 23, 1998 shareholders meeting and (d) the name of each of the Company's other stockholders setting forth the number and class of shares held; and

(l) such other documents relating to the transactions contemplated by this Agreement as either the BA Purchasers or Kirkland & Ellis, as special counsel to the Purchasers, may reasonably request.

2Q. The Purchasers' Fees and Expenses. The Company shall have paid  
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the Closing Fee to the BA Purchasers as contemplated by Section 1D above and  
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shall have reimbursed them for expenses incurred in connection with the transactions contemplated herein, as contemplated by Section 11A below.  
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2R. Total Transaction Fees. The total amount of transaction fees and  
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expenses payable by the Company in connection with the transactions contemplated hereby shall in no event exceed the fees set forth on the Transaction Fees  
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Schedule attached hereto.  
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2S. Legal Investment. Each Purchaser shall be satisfied that this  
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Agreement and the Securities shall be in full compliance with all Laws, and all necessary governmental and third-party approvals will have been obtained which are applicable to the transactions contemplated hereby. The issuance by the Company and the purchase by the Purchasers, of the Securities shall not be prohibited by any applicable Laws and shall not adversely impact or subject the Company or any BA Purchaser to any penalty or liability pursuant to any applicable Laws.

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2T. Proceedings. All corporate and other proceedings taken or  
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required to be taken by the Company in connection with the transactions contemplated hereby to be consummated at or prior to the Closing and all documents incident thereto shall be satisfactory in form and substance to the Purchasers and Kirkland & Ellis, as special counsel to the BA Purchasers.

2U. Waiver. Any condition specified in this Section 2 may be waived  
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by the Purchasers if consented to by the Purchasers; provided that no such waiver shall be effective against the Purchasers unless it is set forth in a writing executed by each Purchaser.

Section 3. Affirmative Covenants. For so long as any Notes or Series  
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A Preferred are outstanding, unless otherwise indicated in this Section 3, the Company will comply at all times with the following affirmative covenants and will cause each of its Subsidiaries to comply at all times with the following affirmative covenants:

3A. Business Maintenance.  
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(a) at all times cause to be done all things necessary to maintain, preserve and renew its corporate existence and good standing in the jurisdiction of its incorporation, to qualify and to remain qualified as a foreign corporation in each jurisdiction in which such qualification is required, except where the failure to be so qualified would not have a Materially Adverse Effect, and use its reasonable efforts to maintain, preserve and renew all material contracts, licenses, authorizations and permits necessary to the conduct of its businesses;

(b) maintain and keep its properties that are used in, or that are useful to and material to, its businesses in good repair, working order and condition, and from time to time make all such repairs, renewals and replacements, so that its businesses may be properly and advantageously conducted in all respects at all times in a manner consistent with the Company's past practices;

(c) continue in force insurance policies (including self-insurance retention plans consistent with past practices) with financially sound and reputable insurance companies covering risks of such types and covering casualties, risks and contingencies of such types and in amounts not less than as are customary for prudent corporations of similar size engaged in similar lines of business under similar circumstances;

(d) pay and discharge when payable all Taxes, assessments and governmental charges imposed upon its properties or upon the income or profits therefrom (in each case before the same becomes delinquent and before penalties accrue thereon) and all material claims for labor, materials or supplies that if unpaid might by law become a lien upon any of its property, unless and to the extent that the same are being contested in good faith and by appropriate proceedings and adequate reserves (as determined in accordance with GAAP) have been established on its books with respect thereto;

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(e) comply with all other obligations that it incurs pursuant to any material contract or agreement, whether oral or written, express or implied, as such obligations become due, unless and to the extent that the same are being contested in good faith and by appropriate proceedings and adequate reserves (as determined in accordance with GAAP) have been established on its books with respect thereto;

(f) comply in all material respects with all applicable Laws; and

(g) maintain true and proper books of record and account that fairly present its financial condition and results of operations and make provisions on its financial statements for all such proper reserves as in each case are required in accordance with GAAP.

3B. Financial Statements and Other Information. Deliver to a

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representative or representatives designated by the Majority Holders (or, in the absence of any such designation, the BA Purchasers):

(a) as soon as available, but in any event within 30 days after the end of each fiscal month (except for months which end a fiscal quarter, in which case within 45 days of such quarter end and except for months which end the fiscal year, in which case within 90 days of such year end), (i) a copy of the unaudited consolidated and consolidating balance sheets of the Company and its Subsidiaries as of the end of such month and the related consolidated and consolidating statements of earnings, retained earnings and cash flows for such month and for the portion of the Fiscal Year ending as of the end of such month, all in reasonable detail and prepared in accordance with GAAP (subject to normal year-end adjustments and the exclusion of such footnotes as may be required in accordance with GAAP) accompanied in each case by comparisons to the corresponding periods in the preceding Fiscal Year (other than for the Fiscal Year ending December 31, 1998) and (ii) so long as any Notes or Series A Preferred are outstanding, an Officer's Certificate executed by the Chief Financial Officer of the Company certifying that to such officer's knowledge no Default or Event of Default, or default or event of default with respect to the Loan Agreement or any other material Contract to which the Company or any of its Subsidiaries is subject has occurred during the period in question or is continuing or, if a Default or Event of Default or any such default or event of default under the Loan Agreement has so occurred or is continuing, a statement as to the nature thereof and any action which has been taken or is proposed to be taken with respect thereto;

(b) as soon as available, but in any event within 90 days after the close of each Fiscal Year, a copy of the audited consolidated and consolidating financial statements of the Company and its Subsidiaries, consisting of an audited consolidated and consolidating balance sheet as at the end of such Fiscal Year and audited consolidated and consolidating statements of earnings, retained earnings and cash flows for such Fiscal Year, setting forth in comparative form in each case the audited consolidated and consolidating figures for the previous Fiscal Year, which financial statements shall be

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prepared in accordance with GAAP, certified without qualification by a nationally recognized firm of independent certified public accountants;

(c) simultaneously with the delivery of the financial statements referred to in Section 3B(a) prepared with respect to or as of the end of -----  
any month included in any Fiscal Year, an Officer's Certificate executed by the Chief Financial Officer of the Company (a) setting forth in reasonable detail, and certifying to such officer's knowledge the accuracy of, computations demonstrating compliance with the covenants set forth in Section 4 or Section 5E, and (b) certifying that all such financial -----  
statements are complete and correct in all material respects and present fairly in accordance with GAAP (subject to normal year-end adjustments and the exclusion of such footnotes as may be required in accordance with GAAP) the consolidated and consolidating financial position, the consolidated and consolidating results of operations and cash flows and changes in stockholders' equity of the Company and its Subsidiaries as of the end of such period and for the period then ended;

(d) as soon as practicable, but in any event within (a) two Business Days after the Company becomes aware of the existence of any Event of Default or any Default, or default or event of default under the Loan Agreement, or any development (including litigation) or other information which could reasonably be expected to have a Materially Adverse Effect or (b) two Business Days after the Company receives notice of the existence of any default or event of default with respect to any other material agreement to which the Company or any of its Subsidiaries is subject, telephonic notice specifying the nature of such condition, event, development or information, including the anticipated effect thereof, which notice shall be promptly confirmed in writing within two days, which writing shall set forth the details of such condition, event, development or information and the action which is proposed to be taken by the Company and its Subsidiaries with respect thereto;

(e) promptly upon receipt thereof, copies of any reports submitted to the Company or any of its Subsidiaries by its independent auditor in connection with the examination of the financial statements of the Company or any of its Subsidiaries made by such auditor, including reports arising out of any separate audit or other accounting or financial review of the Company or any Subsidiary of the Company;

(f) promptly after the commencement thereof, notice of all actions, suits, and proceedings before any Government Entity affecting the Company or any of its Subsidiaries which the Company believes, if adversely

determined, could have a Materially Adverse Effect;

(g) promptly after the commencement thereof or promptly after the Company or any Subsidiary of the Company becomes aware of the commencement or threat thereof, notice of any Forfeiture Proceeding;

(h) promptly after the sending or filing thereof, copies of all proxy statements, financial statements and reports which the Company sends to its stockholders,

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and copies of all regular, periodic or special reports, and all registration statements, which the Company files with the Securities and Exchange Commission or any other securities exchange or securities market;

(i) promptly after the furnishing thereof, copies of any statement or report furnished to any holder of Senior Indebtedness pursuant to the terms of the Loan Agreement (or any refining of or substitution thereof), and not otherwise required to be furnished to the Majority Holders pursuant to any other paragraph of this Section 3B;

(j) promptly after the receipt thereof, a copy of any notice, summons, or citation concerning any liabilities or investigatory, remedial or corrective obligations arising under Environmental and Safety Requirements and any subsequent material correspondence or other document relating thereto which could have a Materially Adverse Effect; and

(k) such other information respecting the Company's or its Subsidiaries' business or financial condition as any Majority Holder may, from time to time, request in writing.

Each of the financial statements referred to in Sections 3B(a) or 3B(b)

(including the notes thereto, if any) shall be accurate and complete in all material respects, consistent with the books and records of the Company and its Subsidiaries (which, in turn, are accurate and complete in all material respects), present fairly the consolidated financial position, results of operations and cash flows of the Company and its Subsidiaries, and prepared in accordance with GAAP, consistently applied, as of the dates and for the periods set forth therein, subject in the case of the unaudited financial statements to the lack of footnote disclosure and changes resulting from normal year-end audit adjustments (none of which would, alone or in the aggregate, have a Materially Adverse Effect), and except as disclosed on the Financial Statements Schedule,

such financial statements shall be complete and correct in all material respects and shall be prepared on a basis consistent with the basis on which the financial statements referenced in Section 6E were prepared.

3C. Inspection of Property. Permit any Majority Holder or any of

their representatives, upon reasonable prior notice, during normal business hours and at such party's expense to (i) visit and inspect any of the properties of the Company and any of its Subsidiaries, and (ii) examine the corporate and financial records of the Company and any of its Subsidiaries and make copies thereof or extracts therefrom.

3D. Compliance with Certain Agreements. (i) Perform and observe all

of its obligations to each Securityholder and each holder of Registrable Securities (as defined in the Registration Agreement) pursuant to this Agreement, the Notes, the Warrants, the Registration Agreement, the Stockholders Agreement, the Company's Articles of Incorporation and each other agreement or document executed and delivered to the Purchasers or any Securityholder pursuant hereto and (ii) subject to the terms and conditions set forth therein, perform and observe all of its rights and obligations under the Share Option Purchase Agreement, including without limitation, the exercise of each of the options to purchase the shares pursuant to the terms thereof,

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and perform and observe all of its rights and obligations under the Anderson Purchase Agreement.

3E. Proprietary Rights. Possess and maintain all material

Proprietary Rights necessary to the conduct of its business and own all right, title and interest in and to, or have a valid license for, all material Proprietary Rights used by the Company and/or its Subsidiaries, in the conduct of their respective businesses. None of the Company or any of its Subsidiaries shall take any action, or fail to take any action, which would result in the invalidity, abuse, misuse or unenforceability of any of such material Proprietary Rights.

3F. Environmental Matters. Comply in all material respects with all

Environmental and Safety Requirements and all material permits, licenses or other authorizations issued thereunder; respond immediately to any Release or threatened Release of any Hazardous Material at any of the properties of the Company or any of its Subsidiaries or related to the operations of the Company or any of its Subsidiaries in a manner which complies in all material respects with all Environmental and Safety Requirements and reasonably mitigates any risk to human health or the environment; and provide such documents or information relating to matters arising under the Environmental and Safety Requirements as any Purchaser may reasonably request.

3G. ERISA Notices and Requests.

(a) Provide written notice to the Securityholders as soon as practicable, and in any event within five Business Days, in the event that (i) the Company or any of its ERISA Affiliates discovers that any of them fails to comply in all material respects with any applicable Laws with respect to any Plan which could reasonably be expected to result in liability to the Company or any of its ERISA Affiliates in excess of \$250,000, (ii) the Company or any member of its Controlled Group receives notice from the IRS or the DOL that the Company or any ERISA Affiliate failed to meet the minimum funding requirements of any Plan, and include therewith a copy of such notice, (iii) the Company or any member of its Controlled Group gives or is required to give notice to the PBGC of any "reportable event" (as defined in Title IV of ERISA) in respect of any Plan or Multiemployer Plan which might constitute grounds for a partial or complete termination of such Plan or Multiemployer Plan under Title IV of ERISA, or knows that the plan administrator of any Plan or Multiemployer Plan has given or is required to give notice of any such reportable event, (iv) a notice of intent to terminate any Plan is filed with the PBGC, (v) proceedings are instituted by the PBGC under Section 4042 of ERISA to terminate or to appoint a trustee to administer any Plan or the Company or any member of its Controlled Group receives a notice from a Multiemployer Plan that such action has been taken by the PBGC with respect to such Multiemployer Plan, (vi) the Company or any member of its Controlled Group withdraws in a complete or partial withdrawal from any Multiemployer Plan or any Plan which is a "multiple employer plan" within the meaning of Section 4063 of ERISA, or incurs any withdrawal liability under Section 4204 of ERISA, (vii) any prohibited transaction occurs to the knowledge of the Company after due inquiry involving the assets of any Plan for which the Company could reasonably be expected to incur liability in excess of \$250,000, (viii) the Company or any member of

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its Controlled Group receives a notice from a Multiemployer Plan that such Plan is in reorganization or insolvent pursuant to Sections 4241 or 4245 of ERISA or that such Plan intends to terminate or has terminated under Section 4041A of ERISA, (ix) the Company or any member of its Controlled Group receives a notice from a Multiemployer Plan of the institution of a proceeding by a fiduciary of a Multiemployer Plan against the Company or any member of its Controlled Group to enforce Section 515 of ERISA, (x) the adoption of an amendment to any Plan of the Company or any member of its Controlled Group that could result in the termination of such Plan pursuant to Section 4041(e) of ERISA or require the Company or any member of its Controlled Group to provide security to such Plan pursuant to Section 401(a)(29) of the IRC or Section 307 of ERISA, (xi) the Company or any member of its Controlled Group fails to make a required installment or other payment to any Plan if such failure would result in the imposition of a Lien upon the property of the Company pursuant to Section 412(n) of the IRC, or (xii) the incurrance of any increase in the contingent liability of the Company or a member of its Controlled Group with respect to any Plan determined in accordance with GAAP.

(b) Deliver to each Securityholder copies of any request for a waiver of the funding standards or any extension of the amortization periods required by Sections 303 and 304 of ERISA or Section 412 of the IRC with respect to any Plan as soon as practicable but in any event within five Business Days after the submission of such request with the DOL and/or IRS in the case of a Plan of the Company and within five Business Days after the Company knows or has reason to know that such request has been submitted to the DOL and/or IRS in the case of a Plan of the Company's ERISA Affiliates.

3H. SBIC Regulatory Provisions.

(a) Number of Stockholders. As long as an SBIC Holder holds in excess

of 5% of the outstanding shares of Common Stock on a fully-diluted basis, the Company shall notify each SBIC Holder (i) at least 15 days prior to taking any action after which members of the Company's management would cease to own at

least 25% of the outstanding voting securities of the Company and (ii) of any other action or occurrence after which members of the Company's management would cease to own at least 25% of the outstanding voting securities of the Company, as soon as practicable after the Company becomes aware that such other action or occurrence has occurred or is proposed to occur.

(b) Use of Proceeds. At such time as any SBIC Holder reasonably  
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requests, the Company shall deliver to each SBIC Holder a written statement certified by the Company's president or Chief Financial Officer describing in reasonable detail the use of the proceeds of the Financing hereunder by the Company and its Subsidiaries. In addition to any other rights granted hereunder, the Company shall grant each SBIC Holder and the SBA access to the Company's books and records upon reasonable notice during normal business hours for the purposes of (i) verifying the use of such proceeds from the Financing, (ii) verifying the certifications made by the Company in SBA Forms 480 and 652 delivered pursuant to Section 20(j) herein and (iii)  
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determining whether the Company has become "ineligible by reason of a change in its business activity" as set forth in Section 107.760(b)(i) of the SBIC Regulations.

(c) Regulatory Violation.  
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(1) Upon the occurrence of a Regulatory Violation (as defined below), in addition to any other rights and remedies to which it may be entitled (whether under this Agreement or any other agreement, the Articles of Incorporation or otherwise), such SBIC Holder shall have the right, to the extent required under Section 107.760(b) of the SBIC Regulations, to demand the immediate repurchase of all of the outstanding Securities owned by such SBIC Holder at a price equal to, with respect to the Notes, the aggregate unpaid principal amount (plus all accrued and unpaid interest thereon), with respect to the Series A Preferred, the aggregate liquidation preference thereon (plus all accrued and unpaid dividends thereon, whether or not declared) and with respect to the Warrants and the Warrant Stock, the purchase price paid by such SBIC Holder for such Warrants and Warrant Stock, by delivering written notice of such demand to the Company. The Company shall pay the purchase price for such Securities by a cashier's or certified check or by wire transfer of immediately available funds to such SBIC Holder within 30 days after the Company's receipt of the demand notice, and, upon such payment, such SBIC Holder shall deliver the certificates evidencing the Securities being repurchased duly endorsed for transfer or accompanied by duly executed forms of assignment.

(2) In addition to the foregoing, upon the occurrence of a Regulatory Violation of the type described in clause (iii) of the definition thereof, the SBIC Holder shall have the right to transfer all (or any portion of) the outstanding Equity Interests owned by such SBIC Holder to a transferee without regard to any restriction on transfer set forth in this Agreement or any other agreement executed pursuant to this Agreement or in the Stockholders Agreement or any other agreements delivered pursuant hereto or thereto (provided that the transferee agrees to become a party to this Agreement, the Stockholders Agreement and the Registration Agreement), and the Company shall take all such actions as are reasonably requested by the SBIC Holder in order to (i) effectuate and facilitate any transfer by the SBIC Holder of any Equity Interests then held by the SBIC Holder to any Person designated by the SBIC Holder, (ii) permit the SBIC Holder (or any of its Affiliates) to exchange all or any portion of any Equity Interests that are voting securities then held by it on a share-for-share basis for shares of a nonvoting security of the Company, which nonvoting security shall be identical in all respects to the voting security exchanged for it, except that it shall be nonvoting and shall be convertible into a voting security on such terms as are requested by the SBIC Holder in light of regulatory considerations then prevailing, (iii) continue and preserve the respective allocations of the voting interests with respect to the Company arising out of the SBIC's ownership of voting securities and provided in the Stockholders Agreement before the transfers and amendments referred to above (including entering into such additional agreements as are requested by the SBIC Holder to permit any Person(s) designated by the SBIC Holder to exercise any voting power which is relinquished by the SBIC Holder) and (iv) amend this

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Agreement, the Articles of Incorporation, the Bylaws and related agreements and instruments to effectuate and reflect the foregoing. The Company will obtain the written agreement of each of its stockholders to vote their shares of Company voting stock in favor of such amendments and actions.

(3) For purposes of this Agreement, "Regulatory Violation" means  
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(i) a diversion of the proceeds of such Financing from the reported use thereof on the use of proceeds statement delivered by the Company, (ii) a change in the "business activity" of the Company and its Subsidiaries as described in Section 107.760(b) of the SBIC Regulations, such that the Company and its Subsidiaries become "ineligible for financing" as such term is used in Section 107.720 of the SBIC Regulations, if such change occurs within one year after the date of the initial Financing hereunder, or (iii) any set of facts or circumstances wherein it has been asserted by any governmental regulatory agency that the SBIC Holder is not entitled to hold, or exercise any significant right with respect to, the Notes, the Warrants, Series A Preferred or the Warrant Stock; and "Financing" shall

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have the meaning set forth in Section 107.50 of the SBIC Regulations.

(d) Economic Impact Information. At such time as any SBIC Holder

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reasonably requests, the Company shall deliver to each SBIC Holder a written assessment of the economic impact of such SBIC Holder's investment in the Company, specifying the full-time equivalent jobs created or retained in connection with the investment, the impact of such SBIC Holder's Financing on the revenues and profits of the Company and its Subsidiaries and on taxes paid by the Company and its employees.

3I. Current Public Information. The Company shall file all reports

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required to be filed by it under the Securities Act and the Exchange Act and the rules and regulations adopted by the Securities and Exchange Commission thereunder and shall take such further action as any holder or holders of Common Stock may reasonably request, all to the extent required to enable such holders to sell Common Stock pursuant to (i) Rule 144 or Rule 144A adopted by the Securities and Exchange Commission under the Securities Act (as such rule may be amended from time to time) or any similar rule or regulation hereafter adopted by the Securities and Exchange Commission or (ii) a registration statement on Form S-2 or S-3 or any similar registration form hereafter adopted by the Securities and Exchange Commission. Upon request, the Company shall deliver to any holder of Common Stock a written statement as to whether it has complied with such requirements.

Section 4. Financial Covenants.

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4A. Financial Covenants When Notes Outstanding. So long as any Notes

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are outstanding, or any Obligations with respect to the Notes have not been indefeasibly paid in full in cash, the Company will comply with all of the provisions of this Section 4A:

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(a) Maximum Capital Expenditures and Leases. The Company shall

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ensure that neither the Company nor any of its Subsidiaries shall make or commit to make any Capital Expenditure, or commit to any obligation under any Operating Lease, with respect to any Fiscal Year if the sum (without duplication) of (i) the aggregate amount of all

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Capital Expenditure, or commit to any obligation under any Operating Lease, with respect to any Fiscal Year if the sum (without duplication) of (i) the aggregate amount of all Capital Expenditures for such Fiscal Year, plus (ii) the aggregate value (as evidenced by an invoice or other evidence satisfactory to the Purchasers) of any assets delivered to, or made available for use by, any of the Company and its Subsidiaries under any Operating Leases with respect to such Fiscal Year (such sum of (i) and (ii), the "Expended Amount"), shall exceed the amount set forth below for such period:

Fiscal Year Ending	Maximum Permissible Amount
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December 31, 1998	\$1,000,000
December 31, 1999	\$1,800,000
December 31, 2000	\$2,400,000
December 31, 2001 and thereafter	\$1,200,000

provided, however, that if the Expended Amount for any Fiscal Year is less than

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the amount set forth above as permitted pursuant to this Section 4A for such

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Fiscal Year (the "Scheduled Amount"), then in addition to the amounts authorized

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for the next Fiscal Year, the Company may make Capital Expenditures or commit to obligations under Operating Leases during the first six months of the next Fiscal Year, to the extent the Scheduled Amount for such prior Fiscal Year exceeded the Expended Amount in such prior Fiscal Year.

(b) Interest Coverage Ratio. The Company's Interest Coverage

Ratio, calculated as of the last day of any fiscal quarter, for the Measurement Period ending on that date, shall not be less than:

- (i) 1.75 to 1.0 for the Measurement Period ending on December 31, 1998 or any date thereafter through September 30, 1999;
- (ii) 2.00 to 1.0 for the Measurement Period ending on December 31, 1999 or any date thereafter through September 30, 2000;
- (iii) 2.25 to 1.0 for the Measurement Period ending on December 31, 2000 or any date thereafter through September 30, 2001;
- (iv) 2.50 to 1.0 for the Measurement Period ending on December 31, 2001 or any date thereafter through September 30, 2002; and
- (v) 2.75 to 1.0 for the Measurement Period ending on December 31, 2002 and thereafter.

(c) Maximum Cash Flow Leverage Ratio. The Company's Cash Flow

Leverage Ratio as of the end of each fiscal quarter for the Measurement Period ending on that date will not be greater than:

- (i) 5.50 to 1.0 for the Measurement Period ending on December 31, 1998;

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- (ii) 5.0 to 1.0 for the Measurement Period ending on March 31, 1999 or any date thereafter through September 30, 1999;

- (iii) 4.50 to 1.0 for the Measurement Period ending on December 31, 1999 or any date thereafter through September 30, 2000;

- (iv) 4.00 to 1.0 for the Measurement Period ending on December 31, 2000 or any date thereafter through September 30, 2001;

- (v) 3.25 to 1.0 for the Measurement Period ending on December 31, 2001 or any date thereafter through September 30, 2002;

- (vi) 2.75 to 1.0 for the Measurement Period ending on December 31, 2002 and thereafter.

(d) Net Worth. The Company shall maintain a Net Worth not less

than:

- (i) negative \$5,000,000 during the fiscal quarter ending on December 31, 1998 and on each date thereafter through September 30, 1999;
- (ii) negative \$4,500,000 during the fiscal quarter ending on December 31, 1999 and on each date thereafter through September 30, 2000;
- (iii) negative \$2,000,000 during the fiscal quarter ending on December 31, 2000 and on each date thereafter through September 30, 2001;
- (iv) \$1,000,000 during the fiscal quarter ending on December 31, 2001 and on each date thereafter through September 30, 2002;
- (v) \$4,000,000 during the fiscal quarter ending on December 31, 2002; and
- (vi) on each date after December 31, 2002, \$4,000,000 plus 50% of the cumulative amount of the Company's consolidated net income computed in accordance with GAAP, determined without taking into account any net losses for any period.

4B. Financial Covenants When Series A Preferred Outstanding. So long

as any Series A Preferred is outstanding, or any Obligations with respect to the Series A Preferred have not been indefeasibly paid in full in cash, the Company will comply with all of the provisions of this Section 4B.

(a) Maximum Capital Expenditures and Leases. The Company shall

ensure that neither the Company nor any of its Subsidiaries shall make or commit to make any Capital Expenditure, or commit to any obligation under



any Operating Lease, with respect to any Fiscal Year if the sum (without duplication) of (i) the aggregate amount of all

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Capital Expenditures for such Fiscal Year, plus (ii) the aggregate value (as evidenced by an invoice or other evidence satisfactory to the Purchasers) of any assets delivered to, or made available for use by, any of the Company and its Subsidiaries under any Operating Leases with respect to such Fiscal Year (such sum of (i) and (ii), the "Expended Amount"), shall exceed the amount set forth below for such period:

Fiscal Year Ending -----	Maximum Permissible Amount -----
December 31, 1998 (partial)	\$1,200,000
December 31, 1999	\$2,000,000
December 31, 2000	\$2,700,000
December 31, 2001 and thereafter	\$1,400,000

provided, however, that if the Expended Amount for any Fiscal Year is less than

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the amount set forth above as permitted pursuant to this Section 4B for such

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Fiscal Year (the "Scheduled Amount"), then in addition to the amounts authorized

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for the next Fiscal Year, the Company may make Capital Expenditures or commit to obligations under Operating Leases during the first six months of the next Fiscal Year, to the extent the Scheduled Amount for such prior Fiscal Year exceeded the Expended Amount in such prior Fiscal Year.

(b) Interest Coverage Ratio. The Company's Interest Coverage

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Ratio, calculated as of the last day of any fiscal quarter, for the Measurement Period ending on that date, shall not be less than:

(i) 1.50 to 1.0 for the Measurement Period ending on December 31, 1998 or any date thereafter through September 30, 1999;

(ii) 1.75 to 1.0 for the Measurement Period ending on December 31, 1999 or any date thereafter through September 30, 2000;

(iii) 2.00 to 1.0 for the Measurement Period ending on December 31, 2000 or any date thereafter through September 30, 2001;

(iv) 2.25 to 1.0 for the Measurement Period ending on December 31, 2001 or any date thereafter through September 30, 2002; and

(v) 2.50 to 1.0 for the Measurement Period ending on December 31, 2002 and thereafter.

(c) Maximum Cash Flow Leverage Ratio. The Company's Cash Flow

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Leverage Ratio as of the end of each fiscal quarter for the Measurement Period ending on that date will not be greater than:

(i) 6.50 to 1.0 for the Measurement Period ending on December 31, 1998;

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(ii) 6.0 to 1.0 for the Measurement Period ending on March 31, 1999 or any date thereafter through September 30, 1999;

(iii) 5.50 to 1.0 for the Measurement Period ending on December 31, 1999 or any date thereafter through September 30, 2000;

(iv) 4.50 to 1.0 for the Measurement Period ending on December 31, 2000 or any date thereafter through September 30, 2001;

(v) 3.75 to 1.0 for the Measurement Period ending on December 31, 2001 or any date thereafter through September 30, 2002;

(vi) 3.25 to 1.0 for the Measurement Period ending on December 31, 2002 and thereafter.

(d) Net Worth. The Company shall maintain a Net Worth not less  
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than:

(i) negative \$7,000,000 during the fiscal quarter ending on December 31, 1998 and on each date thereafter through September 30, 1999;

(ii) negative \$6,500,000 during the fiscal quarter ending on December 31, 1999 and on each date thereafter through September 30, 2000;

(iii) negative \$4,000,000 during the fiscal quarter ending on December 31, 2000 and on each date thereafter through September 30, 2001;

(iv) negative \$1,000,000 during the fiscal quarter ending on December 31, 2001 and on each date thereafter through September 30, 2002;

(v) \$2,000,000 during the fiscal quarter ending on December 31, 2002; and

(vi) on each date after December 31, 2002, \$2,000,000 plus 50% of the cumulative consolidated net income computed in accordance with GAAP, determined without taking into account any net loss for any period.

Section 5. Negative Covenants. Until such time as all Obligations

with respect to the Notes and the Series A Preferred have been indefeasibly paid in full in cash without the prior consent of the Majority Holders the Company shall not, and shall ensure that each of its Subsidiaries shall not:

5A. Acquisition; Consolidation; Reorganization. (i) Merge or

consolidate with any Person (except for the merger of any Wholly-Owned Subsidiary of the Company with the Company, with the Company surviving, or with another Wholly-Owned Subsidiary of the Company, so long as after giving effect to such merger or consolidation, no Default or Event of Default would exist), (ii) subject to the proviso following clause (iv) of this Section 5A, acquire,

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directly or indirectly, in any transaction or series of transactions, all or substantially all of the stock, equity interests, or (other than as permitted pursuant to Sections 4A and 4B) assets or business of any Person; (iii) subject to the proviso following clause (iv) of this Section 5A, except as permitted

pursuant to Sections 4A and 4B, acquire, directly or indirectly through Subsidiaries, assets (other than current assets in the ordinary course of business); or (iv) liquidate, dissolve or effect a reorganization in any form of transaction (including, without limitation, any reorganization into partnership form), except for a liquidation of a Wholly-Owned Subsidiary of the Company; provided however, that subject to the limitations set forth in Section 4, the Company may acquire assets and may make Investments so long as the aggregate purchase price amount thereof does not exceed \$250,000 in cash in any twelve-month period or \$500,000 in cash in total from and after the Closing.

5B. Sale, Lease or Transfer of Assets. Sell, lease, transfer or

otherwise dispose of any of its properties or assets, except (i) sales of inventory and accounts receivable in the ordinary course of business consistent with past practice, (ii) sales of other assets so long as (a) the proceeds from such sales by any of the Company and its Subsidiaries of the assets sold in each period of 12 consecutive months is less than \$200,000, and (b) within 90 days of the receipt of the proceeds of such sales, (x) it has used or entered into a binding commitment to use such proceeds to purchase replacement assets or (y) such proceeds are used to repay Senior Indebtedness or (iii) any transactions contemplated by the Net Lease between the Company and Penn Silver Fund related to the Kodak Road property; provided, further, that, if any such proceeds are not used to purchase replacement assets, then if and to the extent that the Senior Indebtedness has been paid in full, the Company shall offer to apply such proceeds to repay the Obligations with respect to the Notes and, unless the Majority Note Holders shall decline such repayment by written notice, shall pay such proceeds to holders of the Notes pro rata according to the principal amount of Notes held.

5C. Distributions. Directly or indirectly pay, make or set apart any

Restricted Payment; provided that, notwithstanding the foregoing, the Company may (i) repurchase Common Stock from any employee of the Company and/or any of its Subsidiaries; provided that (a) no Default or Event of Default is in existence immediately prior to or immediately after such repurchase or payment, (b) the purchase price paid in such repurchase or the amount of such payment

does not exceed the fair market value of the stock repurchased or is in an amount calculated pursuant to the terms of a repurchase or employment agreement between the Company and such employee entered into in connection with the commencement of such employee's employment, (c) such purchase occurs after the first anniversary of the Closing and (d) the aggregate amount paid or payable in any Fiscal Year in respect of all such purchases from employees does not exceed \$250,000 in cash and (ii) after all Obligations with respect to the Notes and the Series A Preferred have been indefeasibly paid in full in cash, pay cash dividends pro rata to the holders of Common Stock of the Company; and provided that Subsidiaries may make distributions to the Company.

5D. Investments. Make or hold any loans or advances to, Guarantees

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for the benefit of, or any other Investment in, any Person, except as provided in Section 5A and except for (a) extensions of trade credit made in the ordinary  
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course of business consistent with past custom and practice, (b) Investments having a stated maturity no greater than one year in (i)

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readily marketable direct obligations of the United States government or any agency thereof or obligations guaranteed by the United States government, (ii) certificates of deposit of U.S. commercial banks having combined capital and surplus of at least \$100,000,000 (iii) commercial paper with a rating from a nationally recognized credit rating agency in such agency's highest rating category, (iv) repurchase agreements relating to securities issued or guaranteed as to principal and interest by the United States of America or (v) other readily marketable investments in debt securities which are satisfactory to the Majority Holders, and (c) travel and other expense advances to management personnel and employees in the ordinary course of business.

5E. Limitations on Indebtedness. Create, incur, issue, assume,

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suffer to exist, become liable with respect to or extend the maturity of any Indebtedness, except:

(a) the Senior Indebtedness;

(b) the Obligations with respect to the Notes;

(c) Capitalized Lease Obligations; provided that the principal amount of such Capitalized Lease Obligations of the Company and its Subsidiaries does not exceed \$200,000 in the aggregate outstanding at any time;

(d) deferred Taxes; and

(e) other Indebtedness of the Company or its Subsidiaries with principal amount not in excess of \$500,000 in the aggregate outstanding at any time.

5F. Contingent Liabilities. Become liable for any Guarantees, except

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for (a) the endorsement of negotiable instruments for deposit or collection or similar transactions in the ordinary course of business, (b) Guarantees existing as of the date hereof and described on the attached Guarantees Schedule, and (c)  
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Guarantees of Indebtedness which is permitted under Section 5E hereof.  
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5G. Liens. Create, incur, assume or suffer to exist any Liens

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(except Permitted Liens) upon or with respect to any of its property or assets, whether now owned or hereafter acquired, or on any income or profits thereof, or assign or otherwise convey any right to receive income or other property.

5H. Amendment to the Company's Articles of Incorporation and Bylaws;

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Stock Splits. Make any amendment to the terms of the Company's Articles of  
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Incorporation or By-laws in any manner which adversely affects the rights, powers or relative priorities of the holders of Series A Preferred or Warrant Stock.

5I. Conduct of Business. Enter into the ownership, active management

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or operation of any business other than the business conducted by the Company on the Closing Date, including without limitation the manufacturing of outdoor corporate identification products and reasonable extensions thereto, or engage in any activity which could result in a Forfeiture Proceeding.

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5J. Affiliated Transactions. Except as set forth on the Affiliated

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Transactions Schedule, enter into any agreement or transaction, including the  
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purchase, sale or exchange of property or the rendering of any service, with any of its, or any Subsidiary's, officers, directors or Affiliates or any individual related by blood or marriage to any such Person, or any entity in which any such Person or individual owns a material beneficial interest, except for transactions entered into after the Closing Date upon fair and reasonable terms no less favorable to the Company or its Subsidiaries than the terms the Company or its Subsidiaries would obtain in a comparable arm's-length transaction with a Person not an Affiliate and approved in advance by the board of directors of the Company.

5K. Restrictive Agreements; Conflicting Agreements. Either (a)  
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create, permit or otherwise cause or suffer to exist (except pursuant to the Senior Indebtedness and any refinancing of the Senior Indebtedness) any encumbrance or restriction on the ability of any Subsidiary of the Company (i) (A) to make loans or advances to the Company or any other Subsidiary of the Company or (B) to transfer any of its properties or assets to the Company, or (ii) to pay dividends or make any other distributions in respect of any of its Stock or any other interest or participation in, or measured by, its profits, or pay any Indebtedness owed to, the Company or any other Subsidiary of the Company, in each case other than encumbrances or restrictions existing under the Notes or the Loan Agreement and any refinancing thereof, or (b) enter into any agreement, or propose or commit to take any action or engage in any omission which would constitute a violation of any covenant or agreement in any of this Agreement, the Notes, the Warrants, the Registration Agreement, the Stockholders Agreement or the Company's Articles of Incorporation or bylaws and any of the agreements contemplated hereby or thereby.

5L. Public Disclosures. Subject to the Company's obligations under  
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the federal securities laws, disclose any Purchaser's name or identity as an investor in the Company in any press release or other public announcement or in any document or material filed with any Government Entity, without prior written notice to such Purchaser describing in reasonable detail the proposed content of such disclosure and permitting such Purchaser to review and comment upon the form and substance of such disclosure and make reasonable changes thereto.

5M. Use of Proceeds. Use any proceeds from the sale of any  
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Securities hereunder, or permit any of its Subsidiaries to use any of such proceeds, directly or indirectly, (a) for the purposes of purchasing or carrying any "margin securities" within the meaning of Regulation T, U or X promulgated by the Board of Governors of the Federal Reserve Board, (b) for the purpose of arranging for the extension of credit secured, directly or indirectly, in whole or in part by collateral that includes any "margin securities" or (c) for any other purpose other than to effect the Recapitalization.

5N. Fiscal Year. Change its fiscal year from the year ending on  
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December 31.

5O. Amendment of Indebtedness. Directly or indirectly amend,  
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supplement, extend, terminate, or permit to be amended, supplemented or terminated, or waive any of the following terms which are applicable to any Senior Indebtedness: (i) the amount or the date of any scheduled or mandatory payment of principal or interest thereunder, except that (A) the Company may borrow and reborrow from time to time under the Revolver and the Term B Loan and the

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Revolver may be renewed from time to time providing for a new maturity date, provided that in connection with any such renewal the Loan Agreement shall be amended in a manner so as not to be on terms more restrictive in any manner than the terms being renewed; provided further that such new maturity date shall not, in the case of the Term B Loan, be after the original maturity date of the Term B Loan, (B) any scheduled or mandatory principal payment under the Term A Loan or the Term C Loan may be extended so long as the weighted average life to maturity of the Term A Loan and the Term C Loan, measured from the date of Closing and taking into account all repayments of principal previously made in respect thereof as of the time of such determination, if any, is not increased by more than six months from that in effect at the Closing, and (C) such amendment may increase the principal amount of Senior Indebtedness so long as the aggregate of all such increases pursuant to this clause (C) from and after the date of the Closing shall not exceed \$2,000,000 in the aggregate, (ii) the rate or rates at which interest accrues or the methods of calculation thereof (including without limitation by amending any provisions (including definitions) used in calculating such interest rates such that a higher rate or margin may apply), (iii) any fees, indemnities, expense reimbursements or other charges payable to the lenders thereunder, or (iv) any representation, covenant or default or any other term or provision in a manner which is more onerous or more

restrictive on the holders of the Notes or the Company or change any of the restrictions in the Loan Agreement or other agreements delivered in connection therewith or relating to performance by the Company of the Note Obligations (including restrictions which prohibit or limit the payment or prepayment of any amount with respect to the Notes or the Note Obligations).

5P. Equity Issuances. Except as expressly contemplated by this  
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Agreement, authorize, issue or enter into any agreement providing for the issuance (contingent or otherwise) of, (a) any capital stock or other equity securities (or any securities convertible into or exchangeable for any capital stock or other equity securities) or (b) any notes or debt securities containing equity features (including, without limitation, any notes or debt securities convertible into or exchangeable for capital stock or other equity securities, issued in connection with the issuance of capital stock or other equity securities or containing profit participation features); provided that this Section 5P shall not limit the ability of the Board (or Compensation Committee)  
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to authorize the issuance of incentive based equity under the Company's 1996 Stock Option Agreement, in effect as of the date hereof.

5Q. ERISA Compliance. Either (a) incur, or permit any ERISA  
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Affiliate to incur, any liability to the IRS, the DOL or PBGC (other than for premiums due PBGC which will be paid when due) with respect to any Plan which equals or exceeds \$250,000 (b) withdraw (either partially or completely) from any Multiemployer Plan, if the liabilities exceed the assets under such Plan, or upon the complete or partial withdrawal from such Multiemployer Plan, would equal or exceed \$250,000, (c) provide, or permit any ERISA Affiliate to provide, medical or life insurance benefits to former employees of the Company or its Subsidiaries (other than in accordance with Section 601 of ERISA or 4980B of the IRC or as may hereafter be required by law) or (d) with respect to any Pension Plan, incur, or permit any ERISA Affiliate to incur, a reporting obligation for any Reportable Event which could constitute grounds for partial termination of any Pension Plan or termination by the PBGC of any Pension Plan or for the appointment by the appropriate United States District Court of a trustee to administer any Pension Plan.

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Section 6. Representations and Warranties of the Company. To induce  
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the Purchasers to purchase the Securities as herein provided, the Company represents and warrants to the Purchasers that each and all of the following statements are true, correct and complete as of the date of execution and delivery of this Agreement and will be true, correct and complete as of the Closing after giving effect to the transactions contemplated hereby to occur on or prior to the Closing Date:

6A. Organization and Corporate Power. The Company is a corporation  
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duly organized, validly existing and in good standing under the Laws of the state of Texas, is qualified to do business in every jurisdiction in which its ownership of property or conduct of business requires it to qualify except where failure to so qualify would not have a Materially Adverse Effect; and has the requisite corporate power and authority and the legal right to own, pledge, mortgage or otherwise encumber and operate its properties, to lease the property it operates under lease, and to conduct its business as now, heretofore and proposed to be conducted and to carry out the transactions contemplated by this Agreement. The Company possesses all material licenses, permits, consents and authorizations necessary to own and operate its properties, to carry on its businesses as now conducted and presently proposed to be conducted. The stock certificate books and the stock record books of the Company are correct and complete in all material respects. The Company is in compliance with its Articles of Incorporation and bylaws, each as amended, and the copies of the Company's Articles of Incorporation and bylaws of the Company which have been furnished to Kirkland & Ellis, as special counsel to the Purchasers, reflect all amendments made thereto at any time prior to the date of this Agreement and are correct and complete and in compliance with all applicable provisions of law.

6B. Capital Stock and Related Matters.  
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(a) As of the Closing, the authorized capital stock of the Company shall consist of (i) 15,000,000 shares of Common Stock, of which 1,854,692 shares shall be issued and outstanding, and 1,197,914 shares shall be reserved for issuance upon exercise of the Warrants, (ii) 52,500 shares of Series A Preferred, all of which shall be issued and outstanding, (iii) 7,000 shares of Series B Junior Preferred, all of which shall be reserved for issuance to David Anderson pursuant to the Anderson Purchase Agreement, and (iv) 6,250 shares of Series C Preferred, all of which shall be reserved for issuance to GHI, SIC, SMHC, Geneve, and FIRC pursuant to the Share Option Purchase Agreement. As of the Closing, all of the outstanding shares of the Company's Common Stock shall be validly issued, fully paid and nonassessable, and upon payment for the Series A Preferred

and the Closing hereunder, all of the outstanding shares of the Series A Preferred shall be validly issued, fully paid and nonassessable.

(b) As of the Closing, and except as set forth on the attached Capitalization Schedule, the Company shall not have outstanding any Stock or any stock appreciation or phantom stock rights or plans and shall not be subject to any obligation (contingent or otherwise) to repurchase or otherwise acquire or retire any of its Stock, except pursuant to the Stockholders Agreement and the Warrants.

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(c) There are no statutory or contractual stockholders' preemptive rights or rights of first offer or refusal with respect to the issuance of the Notes, Series A Preferred and the Warrants hereunder, the issuance of Common Stock upon exercise of the Warrants or with respect to any other issuance of Stock of the Company or, except as provided in the Stockholder Agreement. The Company has not violated any applicable Securities Laws in connection with the offer, sale or issuance of any of its Stock; and the offer, sale and issuance of the Notes, Series A Preferred and the Warrants hereunder, and the offer, sale and issuance of the Common Stock upon exercise of the Warrants do not and will not require registration under any applicable Securities Laws. There are no proxies or agreements among the stockholders of the Company with respect to the voting or transfer of the Stock or with respect to any other aspect of Company's affairs, except this Agreement, the Stockholders Agreement and the Registration Agreement.

6C. Subsidiaries; Partnerships. Except as described on the attached Subsidiaries Schedule, the Company has no Subsidiaries, is not a partner in any partnership and holds no Stock in any other Person.

6D. Authorization; No Breach. The Company has duly authorized the execution, delivery and performance of this Agreement, the Notes, the Warrants, the Share Purchase Option Agreements, the Anderson Purchase Agreement, the Anderson Side Letter, the Stockholders Agreement and the Registration Agreement, and each other agreement, contemplated hereby or thereby to which it is a party. This Agreement, the Notes, the Warrants, the Share Purchase Option Agreements, the Anderson Purchase Agreement, the Anderson Side Letter, the Stockholders Agreement, the Registration Agreement, the Company's Articles of Incorporation and each other agreement contemplated hereby and thereby to which the Company is a party constitutes a valid and binding obligation of the Company enforceable against it in accordance with its terms. Except as set forth on the attached Restrictions Schedule, the execution and delivery by the Company of this Agreement, the Notes, the Warrants, Share Option Purchase Agreement, the Anderson Purchase Agreement, the Anderson Side Letter, the Stockholders Agreement, the Registration Agreement and all other agreements contemplated hereby and thereby to which it is a party, the offering, sale and issuance of the Notes, Warrants and Series A Preferred hereunder, the issuance of the Common Stock upon exercise of the Warrants and the fulfillment of and compliance with the respective terms hereof and thereof by the Company does not and will not (a) conflict with or result in a breach of the terms, conditions or provisions of, (b) constitute a default under, (c) result in the creation of any Lien upon the stock or assets of the Company pursuant to, (d) give any third party the right to modify, terminate or accelerate any obligation under, (e) result in a violation of, or (f) require any authorization, consent, approval, exemption or other action by or notice to any Government Entity pursuant to, the Articles of Incorporation or bylaws of the Company, or any Law, statute, rule or regulation to which the Company is subject, or any material agreement, instrument, order, judgment or decree to which the Company is subject.

6E. Financial Statements.

(a) Attached hereto as the Financial Statements Schedule are (i) the unaudited balance sheet of the Company as at August 30, 1998 and the related statement

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of income for the eight-month period then ended (such balance sheet, the "Latest Balance Sheet"); (ii) the audited consolidated balance sheets of the Company as of December 31, 1995, December 31, 1996 and December 31, 1997 (the balance sheet for December 31, 1997 being referred to as the "Latest Audited Statement") and the related audited consolidated statement of earnings and cash flows for each of the Fiscal Years then ended, and

(iii) the estimated pro forma balance sheet of the Company as of the Closing Date, reflecting the assets, liabilities and stockholders' equity of the Company as of the Closing Date, adjusted to reflect, as applicable, the effect of the Senior Indebtedness incurred on the Closing Date, the issuance of the Notes and Series A Preferred, and the costs and expenses related to the foregoing.

(b) Except as set forth on the attached Financial Statements

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Schedule, each of the foregoing financial statements (including the notes  
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thereto, if any), presents fairly the consolidated financial position, results of operations and cash flows of the Company, and is prepared in accordance with GAAP, consistently applied, as of the dates and for the periods set forth therein, subject in the case of the unaudited financial statements to the lack of footnote disclosure and changes resulting from normal year-end adjustments.

6F. Absence of Undisclosed Liabilities. Except as set forth on the

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attached Liabilities Schedule, the Company has no obligation or liability  
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(whether accrued, absolute, contingent, unliquidated or otherwise, whether due or to become due and regardless of when asserted) arising out of transactions entered into at or prior to the Closing, or any action or inaction at or prior to the Closing, or any state of facts existing at or prior to the Closing other than: (a) liabilities fully disclosed and adequately provided for in the Latest Balance Sheet, and (b) current liabilities which have arisen, and obligations under agreements entered into, after the date of the Latest Balance Sheet in the ordinary course of business (none of which is a liability resulting from breach of contract, breach of warranty, tort, infringement, claim or lawsuit).

6G. No Material Adverse Change. There has been no material adverse

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change in the business, assets, operations, financial condition, operating results, earnings, customer and supplier relations or employee and sales representative relations of the Company since the date of the Latest Audited Statement.

6H. Assets. Except as set forth on the attached Assets Schedule, the

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Company has good and indefeasible title to, or a valid leasehold interest in, the properties and assets it uses, the properties and assets shown on the Latest Balance Sheet or acquired thereafter and all assets necessary for the conduct of its businesses as presently conducted and as presently proposed to be conducted, free and clear of all Liens, except for properties and assets disposed of in the ordinary course of business since the date of the Latest Balance Sheet and except for Liens disclosed on the Latest Balance Sheet (including any notes thereto). Except as described on the attached Assets Schedule, buildings,

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equipment and other tangible assets of the Company are in good operating condition other than ordinary wear and tear and are fit for use in the ordinary course of business.

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6I. Investment Company Act. Neither the Company nor the Company is

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an "investment company" or an "Affiliated person" of, or "promoter" or "principal underwriter" for, an "investment company" as such terms are defined in the Investment Company Act of 1940, as amended.

6J. Margin Regulations. The Company does not own any "margin

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security" as such term is defined in Regulation U of the Board of Governors of the Federal Reserve System (the "Federal Reserve Board"), and none of the

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proceeds of the Notes or Warrants will be used, directly or indirectly, for the purpose of purchasing or carrying any margin security, for the purpose of reducing or retiring any indebtedness which was originally incurred to purchase or carry any margin security or for any other purpose which might cause any of the securities purchased under this Agreement to be considered "purpose credit" within the meaning of Regulations T, U or X of the Federal Reserve Board. The Company has not taken or permitted, and will not permit any agent acting on its behalf to take, any action which might cause this Agreement or any document or instrument delivered hereunder to violate such Regulation T, U or X, any other regulation of the Federal Reserve Board, or Section 8 of the Exchange Act or any rule or regulation thereunder. No proceeds of the issuance of Restricted Securities will be used to acquire any security in any transaction which is subject to Section 13 or 14 of the Exchange Act, including Sections 13(d) and 14(d) thereof. The purchase of the Notes will not constitute a violation of such Regulations T, U or X.

6K. Tax Matters. Except as set forth on the Tax Schedule attached

hereto, the Company has filed all Tax returns and other reports which it is required to file under applicable Laws and regulations; all such returns and reports are complete and correct in all material respects; the Company has paid all Taxes due and owing by it and has withheld and paid over all Taxes which it is obligated to withhold from amounts paid or owing to any employee, stockholder, creditor or other third party, and has not waived any statute of limitations with respect to Taxes or agreed to any extension of time with respect to a Tax assessment or deficiency; no foreign, federal, state, provincial or local Tax audits are pending or being conducted with respect to the Company, no information related to Tax matters has been requested by any foreign, federal, state, provincial or local Tax authority and no notice indicating an intent to open an audit or other review has been received by the Company from any foreign, federal, state, provincial or local Tax authority; and there are no unresolved questions or claims concerning Tax liability of the Company. Except as set forth on the Tax Schedule, The Company has not made an

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election under (S)341(f) of the IRC, is not a party to any Tax sharing or allocation agreement, and has no liability for the Taxes of any Person 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. The accrual for current Taxes on the Latest Balance Sheet would be adequate to pay all of the current Tax liabilities of the Company, if the current Tax year were treated as having ended on the date of the Latest Balance Sheet consistent with past practices.

6L. Contracts and Commitments. Except as expressly contemplated by  
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this Agreement or as set forth on the attached Contracts Schedule, the Company  
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is not a party (including after giving effect to the Company) to any written or oral:

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(a) pension, profit sharing, stock option, employee stock purchase or other plan or arrangement providing for deferred or other compensation to employees or any other employee benefit plan or arrangement, or any contract with any labor union, or any severance agreements;

(b) contract for the employment of any officer, individual employee or other Person on a full-time, part-time, consulting or other basis providing annual compensation in excess of \$25,000 or contract relating to loans to officers, directors or affiliates;

(c) contract under which the Company has advanced or loaned any other Persons amounts in the aggregate exceeding \$25,000;

(d) agreement or indenture relating to the borrowing of money or the mortgaging, pledging or otherwise placing a Lien on any material asset or group of assets of the Company;

(e) Guarantee of any obligation (other than by the Company of a wholly-owned Subsidiary's debts or a guarantee by a Subsidiary of the Company's debts or another Subsidiary's debts);

(f) lease or agreement under which the Company or any Subsidiary is lessee of or holds or operates any property, real or personal, owned by any other party, except for any lease of real or personal property under which the aggregate annual rental payments do not exceed \$25,000;

(g) lease or agreement under which the Company or any Subsidiary is lessor of or permits any third party to hold or operate any property, real or personal, owned or controlled by the Company or any Subsidiary;

(h) contract or group of related contracts with the same party or group of affiliated parties the performance of which involves aggregate annual consideration in excess of \$25,000 except purchase orders from existing customers or to existing vendors, in either case in the ordinary course of business;

(i) assignment, license, indemnification or agreement with respect to any intangible property (including, without limitation, any patent, trademark, trade name, copyright, know-how, trade secret or confidential information);

(j) warranty agreement with respect to its services rendered or its products sold or leased;

(k) agreement under which it has granted any Person any registration rights (including piggyback rights);

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(l) contract, agreement or other arrangement with any officer,



director, employee or Affiliate, or any Affiliate of any officer, director or employee;

(m) contract or agreement prohibiting it from freely engaging in any business or competing anywhere in the world; or

(n) any other agreement which is material to its operations and business prospects or which involves a consideration in excess of \$25,000 annually.

Except as set forth on the Contracts Schedule, all of the contracts, -----  
agreements and instruments required to be listed thereon are valid, binding and enforceable in accordance with their respective terms. Except as set forth on the Contracts Schedule, the Company and its Subsidiaries are not -----  
in default or breach under any such contract, agreement or instrument; no event has occurred which with the passage of time or the giving of notice or both would result in a default, breach or event of noncompliance under any such contract, agreement or instrument listed on the Contracts -----  
Schedule; none of the Company and its Subsidiaries has any present -----  
expectation or intention of not fully performing all such obligations; none of the Company and its Subsidiaries has any knowledge of any breach or anticipated breach by the other parties to any such contract or commitment; and none of the Company and its Subsidiaries is a party to any contract or commitment the performance of which would have a Materially Adverse Effect.

6M. Trademarks, Patents. Except as set forth on the Intellectual -----  
Property Schedule attached hereto the Company possesses or has the right to use -----  
all of the patents, trademarks, trade names, service marks and copyrights, and applications therefor, and all technology, know-how, processes, methods and designs used in or necessary for the conduct of its business, without known conflict with the rights of others; there have been no written claims made upon the Company against the Company asserting the invalidity, misuse or unenforceability of any Proprietary Right, and there are no grounds for the same; the Company has not received a notice of conflict with the asserted rights of others within the last five years; and to the knowledge of the Company the conduct of the business of the Company has not infringed or misappropriated nor infringes or misappropriates any Proprietary Right of other Persons, nor would any future conduct as presently contemplated infringe any Proprietary Right of other Persons and, to the Company's knowledge, the Proprietary Rights owned by the Company have not been infringed or misappropriated by other Persons.

6N. Litigation, etc. Except as set forth on the attached Litigation -----  
Schedule, (i) there are no actions, suits, proceedings, orders, investigations -----  
or claims pending or, to the Company's knowledge, threatened against or affecting the Company or pending or threatened against or affecting any of the officers, directors or employees of the Company with respect to any of the Company's businesses or proposed business activities, at law or in equity, or before or by any Government Entity which if adversely determined, could have a Materially Adverse Effect, including any Litigation with respect to the transactions contemplated by the Recapitalization, the Loan Agreement or this Agreement; (ii) the Company is not subject to any arbitration proceedings under collective bargaining agreements or otherwise or, to the Company's knowledge, any governmental investigations or inquiries; and (iii) to the best of the Company's

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knowledge, there is no reasonable basis for any of the foregoing. The Company is not subject to any judgment, order or decree of any court or other governmental agency, and the Company has not received any opinion or memorandum or legal advice from legal counsel to the effect that it is exposed, from a legal standpoint, to any liability or disadvantage which in any of such cases may have a Materially Adverse Effect (including after giving effect to the Recapitalization.

6O. No Forfeiture. The Company is not engaged in or proposes to be -----  
engaged in the conduct of any business or activity which could result in a Forfeiture Proceeding, and no Forfeiture Proceeding against any of them is pending or, to the knowledge of the Company, is threatened.

6P. Small Business Matters. The Company, together with its -----  
"affiliates" (as that term is defined in (S)121.401 of the SBIC Regulations), is a "small business concern" within the meaning of the SBIC Act and SBIC Regulations, including (S)121.802 of the SBIC Regulations. The information regarding the Company and its affiliates set forth in the Small Business

Administration Form 480, Form 652 and Part A of Form 1031 delivered at the Closing is accurate and complete. Copies of such forms shall have been completed and executed by the Company and delivered to each Purchaser that is an SBIC at the Closing together with a written statement of the Company regarding its planned use of the proceeds from the sale of the Notes, the Series A Preferred and the Warrants. Neither the Company nor any Subsidiary presently engages in, and it shall not hereafter engage in, any activities, nor shall the Company or any Subsidiary use directly or indirectly the proceeds from the sale of the Notes, the Series A Preferred and the Warrants hereunder for any purpose, for which a SBIC is prohibited from providing funds by the SBIC Act and the SBIC Regulations (including (S)107.804 and (S)107.901 of the SBIC Regulations).

6Q. Brokerage. Except as set forth on the Brokerage Schedule

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attached hereto, there are no claims for brokerage commissions, finders' fees or similar compensation in connection with the transactions contemplated by the Recapitalization, the Loan Agreement or this Agreement based on any arrangement or agreement binding upon the Company. The Company shall pay, and hold the Purchasers harmless against, any and all liability, loss or expense (including, without limitation, reasonable attorneys' fees and out-of-pocket expenses) arising in connection with any such claims.

6R. Insurance. The Company is not in default with respect to its

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obligations under any insurance policy maintained by it. The insurance coverage of the Company is of customary type and covers casualties, risks and contingencies of such types and in amounts not less than as are customary for prudent corporations of similar size engaged in similar lines of business under similar circumstances.

6S. Employees. Except as set forth on the attached Employees

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Schedule, (i) the Company is not aware that any executive or key employee of the  
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Company or any group of employees of the Company has any plans to terminate employment with the Company; (ii) the Company has complied and is compliance in all material respects with all Laws relating to the employment of labor, including provisions thereof relating to wages, hours, equal opportunity, collective bargaining and the payment of any Taxes, and the Company does not have any labor relations problems (including, without limitation, any union organization activities, threatened or

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actual strikes or work stoppages or material grievances); and (iii) the Company is not, and none of the employees of the Company is, subject to any noncompete, nondisclosure, confidentiality, employment, consulting or similar agreement relating to, affecting or in conflict with, the present or proposed business activities of the Company.

6T. Compliance with Laws. The Company has not violated any Laws

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which violation has had or would reasonably be expected to have a Materially Adverse Effect, and the Company has not received notice of any such violation. No payments for political contributions or bribes, kickback payments or other illegal payments have been made by the Company at any time.

6U. Affiliated Transactions. Except as set forth on the attached

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Affiliated Transactions Schedule, no Affiliate of the Company or any officer,  
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director, stockholder or employee of any such Affiliate (other than any such as are also officers, directors or employees of the Company), any individual related by blood or marriage to any such Person, or any entity in which any such Person, directly or indirectly, owns any beneficial interest, is a party to any agreement, contract, commitment, transaction or proposed transaction with the Company or has any interest in any property used by the Company.

6V. Indebtedness. The attached Indebtedness Schedule sets forth all

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outstanding Indebtedness of the Company owing to any Person or group of affiliated Persons, or issued in any one transaction or series of related transactions. The Company has no outstanding Indebtedness or is a guarantor or otherwise contingently liable for any Indebtedness except as disclosed on the attached Indebtedness Schedule. There exists no default under the provisions of  
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any instrument evidencing such Indebtedness or of any agreement relating thereto.

6W. Loan Agreement. No "default" or "event of default" under the

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Loan Agreement is in existence or will result from the transactions contemplated by this Agreement.

6X. ERISA. Except as set forth on the Employee Benefits Schedule:

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(a) Multiemployer Plans. The Company has no obligation to  
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contribute to (or any other liability, including current or potential Withdrawal Liability, with respect to) any Multiemployer Plan. To the extent that any Multiemployer Plan is set forth on the Employee Benefits Schedule, the Company has no current or potential withdrawal liability under such Multiemployer Plan.

(b) Retiree Welfare Plans. The Company does not maintain or  
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have any obligation to contribute to (or any other liability with respect to) any plan or arrangement whether or not terminated, which provides medical, health, life insurance or other welfare-type benefits for current or future retired or terminated employees, their spouses or dependents (except for continued medical benefit coverage required to be provided under Section 4980B of the IRC or as required under applicable state Laws).

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(c) Defined Benefit Plans. The Company does not maintain,  
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contribute to or have any liability under (or with respect to) any employee plan which is a "defined benefit plan" (as defined in Section 3(35) of ERISA), whether or not terminated.

(d) Defined Contribution Plans. The Company does not maintain,  
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contribute to or have any liability under (or with respect to) any employee plan which is a "defined contribution plan" (as defined in Section 3(34) of ERISA), whether or not terminated.

(e) Other Plans. The Company does not maintain, contribute to  
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or have any liability under (or with respect to) any plan or arrangement providing benefits to current or former employees, including, without limitation, any bonus plan, plan for deferred compensation, severance, employee health or other welfare benefit plan or other arrangement, whether or not terminated and whether or not subject to ERISA including, but not limited to "employee welfare benefit plans" as defined in Section 3(1) of ERISA.

(f) The Company. For purposes of this Section 6X (other than  
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subsection (e) or (h), the terms "the Company" includes all organizations under common control with the Company pursuant to Section 414 of the IRC. For purposes of liability under Title IV of ERISA, the terms "the Company" shall include any member of its Controlled Group.

(g) Unfunded Liability. No plan maintained by the Company or to  
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which the Company has an obligation to contribute, or with respect to which the Company has any other liability, has unfunded benefit obligations or any unfunded liability. All contributions, premiums or payments under or with respect to a each plan which is set forth on the attached Employee Benefits Schedule which are due on or before the Closing Date have been paid.

(h) Plan Qualification and Compliance. Each employee benefit  
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plan set forth on the attached Employee Benefits Schedule that is or has  
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been maintained for the benefit of employees of the Company that is intended to be qualified under Section 401(a) of the IRC has received a favorable determination letter from the IRS as to the qualification of such plan and, to the best knowledge of the Company after due inquiry, nothing has occurred since the date of such determination letter that could reasonably be expected to adversely affect the qualification of such plan. Each employee benefit plan set forth on the attached Employee Benefits  
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Schedule that is or has been maintained for the benefit of employees of the  
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Company and all related trusts, insurance contracts and funds have been maintained, funded and administered in compliance in all material respects with their respective terms and with all applicable Laws.

(i) The Company has not incurred and has no reason to expect that it will incur, any liability to the Pension Benefit Guaranty Corporation (other than premium payments) or otherwise under Title IV of ERISA (including any withdrawal liability) or under the Code with respect to any employee pension benefit plan that the Company or

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any ERISA Affiliate maintains or ever has maintained or to which any of them contributes, ever has contributed, or ever has been required to contribute.

6Y. Environmental and Safety Matters.  
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(a) Except as set forth in Section (i) of the Environmental  
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Schedule, the Company has complied with and is currently in compliance in  
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all material respects with all Environmental and Safety Requirements the non-compliance with which will or threatens to impose a material liability on the Company, and the Company has not received any oral or written notice, report or information regarding any liabilities (whether accrued, absolute, contingent, unliquidated or otherwise) or any corrective, investigatory or remedial obligations arising under Environmental and Safety Requirements which relate to the Company or any of its properties or facilities.

(b) Except as set forth in Section (ii) of the Environmental  
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Schedule, without limiting the generality of the foregoing, the Company has  
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obtained and complied with, and is currently in compliance in all material respects with, all material permits, licenses and other authorizations that are required pursuant to any Environmental and Safety Requirements for the occupancy of its properties or facilities or the operation of its businesses.

(c) Except as set forth in Section (iii) of the Environmental  
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Schedule, neither this Agreement nor the consummation of the transactions  
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contemplated by this Agreement shall impose any obligations on the Company for site investigation or cleanup, or notification to or consent of any government agencies or third parties under any Environmental and Safety Requirements (including, without limitation, any so called "transaction-triggered" or "responsible property transfer" laws and regulations).

(d) Except as set forth in Section (iv) of the Environmental  
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Schedule, none of the following exists at any property or facility owned,  
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occupied or operated by the Company:

- (1) underground storage tanks or surface impoundments;
- (2) asbestos-containing materials friable; or
- (3) materials or equipment containing friable polychlorinated biphenyls.

(e) Except as set forth in Section (v) of the Environmental  
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Schedule, the Company has not treated, stored, disposed of, arranged for or  
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permitted the disposal of, transported, handled or Released any Hazardous Materials, or owned, occupied or operated any facility or property, so as to give rise to liabilities of the Company for response costs, natural resource damages or attorneys fees pursuant to CERCLA or any other Environmental and Safety Requirements.

(f) Without limiting the generality of the foregoing, to the knowledge of the Company, no facts, events or conditions relating to the past or present properties, facilities or operations of the Company shall prevent, hinder or limit in any material respect continued compliance with Environmental and Safety Requirements, give rise to any corrective, investigatory or remedial obligations pursuant to Environmental and Safety Requirements or give rise to any other liabilities (whether accrued, absolute, contingent, unliquidated or otherwise) pursuant to Environmental and Safety Requirements (including, without limitation, those liabilities relating to onsite or offsite Releases or threatened Releases of Hazardous Materials, substances or wastes, personal injury, property damage or natural resources damage).

(g) Except as set forth in Section (vii) of the Environmental  
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Schedule, the Company has not, either expressly or by operation of law,  
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assumed or undertaken any liability or corrective, investigatory or remedial obligation of any other Person relating to any Environmental and Safety Requirements.

(h) No Environmental Lien has attached to any property owned, leased or operated by the Company.

6Z. Real Property Holding Corporation Status. Since its date of -----  
incorporation, the Company has not been, and as of the date of the Closing shall not be, a "United States Real Property Holding Corporation," as defined in Section 897(c)(2) of the IRC and in Section 1.897-2(b) of the Treasury Regulations issued thereunder. The Company has no current plans or intentions which would cause it to become a "United States Real Property Holding Company," and the Company has filed with the IRS all statements, if any, with its United States income Tax returns which are required under Section 1.897-2(h) of the Treasury Regulations.

6AA Certain Government Regulations. The Company is not subject to -----  
regulation under the Public Utility Holding Company Act of 1935, the Federal Power Act, or any other Law which regulates the incurring of Indebtedness by any of them, including Laws relating to common contract carriers or the sale of electricity, gas, steam, water or other public utility services.

6BB Closing Date. The representations and warranties of the Company -----  
contained in this Section 6 and elsewhere in this Agreement and all information -----  
contained in any exhibit, schedule or attachment hereto or in any certificate or other writing delivered by, or on behalf of, the Company to any of the Purchasers shall be correct and complete on the date of the Closing as though made after giving effect to the transactions contemplated hereby to occur on the Closing Date.

Section 7. Representations and Warranties of BA Purchasers. Each BA -----  
Purchaser hereby represents and warrants severally, as to itself, to the Company that each and all of the following statements are true and correct and complete as of the date of execution and delivery of this Agreement and will be true, correct and complete as of the Closing after giving effect to the transactions contemplated hereby to occur on or prior to the Closing Date.

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7A. Due Authorization. Such BA Purchaser has all requisite power and -----  
authority to enter into this Agreement and the agreements contemplated hereby and to consummate the transaction contemplated hereby and thereby. The execution and delivery hereof and of each of the agreements contemplated hereby, the performance by such BA Purchaser of its obligations hereunder and thereunder and the consummation by such BA Purchaser of the transactions contemplated hereby and thereby have been duly and validly authorized by all necessary action on the part of such BA Purchaser. No other proceeding on the part of such BA Purchaser is necessary to authorize the execution and delivery of this Agreement and the other agreements contemplated hereby by such BA Purchaser or the performance by such BA Purchaser of its obligations hereunder or thereunder or the consummation by such BA Purchaser of the transactions contemplated hereby and thereby. Each of this Agreement and the agreements contemplated hereby constitute, or when executed and delivered will constitute, a valid and legally binding obligation of such BA Purchaser enforceable against such BA Purchaser in accordance with its terms.

7B. Consents and Approvals. Each BA Purchaser has obtained all -----  
consents, approvals or authorizations from each Governmental Entity or other Persons prescribed by any Law, contract or agreement which may be required for the execution, delivery and performance of this Agreement and the other agreements contemplated hereby by each BA Purchaser or the consummation by each BA Purchaser of the transactions contemplated hereby and thereby.

Section 8. Representations and Warranties and Covenants of all -----  
Purchasers. Each of the Purchasers represents and warrants severally, as to -----  
itself, to the Company that each and all of the following statements are true, correct and complete as of the date of execution and delivery of this Agreement and will be true, correct and complete as of the Closing after giving effect to the transactions contemplated hereby to occur on or prior to the Closing Date.

8A. Investment Intent. Such Purchaser represents and warrants that -----  
acquiring the Securities purchased hereunder or acquired pursuant hereto for its own account with the present intention of holding such securities for purposes of investment and without a view of making a distribution thereof within the meaning if the Securities Act of 1933, as amended (the "Securities Act"), and -----  
that such Purchaser has no intention of selling such Securities in violation of

applicable Securities Laws; provided that (i) the disposition of any Securities

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held by such Purchaser shall at all times be within such Purchaser's control and (ii) nothing contained herein shall prevent such Purchaser and subsequent holders of Securities from transferring such securities in compliance with the provisions hereof. Each of the Purchasers hereby agrees that none of such Securities, or any shares of Common Stock issued upon the exercise of the Warrants shall be sold or transferred by such Purchaser in violation in the Securities Laws. Each of the Purchasers is aware that none of the Securities have been registered under the Securities Act or any other Securities Laws and that the Company is not obligated to register such Securities except in accordance with the provisions of the Registration Agreement, and that such Securities must be held indefinitely unless subsequently registered or an exemption from such registration is available.

8B. Access: Sophistication: etc.. Such Purchaser is an "accredited

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investor" as that term is defined in Rule 501 of Regulation D promulgated under the Securities Act. Each

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Purchaser and its agents and representatives have such knowledge and experience in financial and business matters as to enable them to utilize the information made available to them in connection with the purchases contemplated hereby, to evaluate the merits and risks of an investment in the Company and to make an informed decision with respect thereto and such an evaluation and informed decision has been made. Such Purchaser represents that it has had an opportunity to ask questions and receive answers from the Company, and examine such documents, agreements and instruments, regarding the terms and conditions of the offering of the Securities and the shares of Common Stock issuable upon exercise of the Warrants, the Company's business plan and results of operation, this Agreement, and the Agreements contemplated hereby, all certificates delivered in connection therewith, and the business, properties, prospects and financial condition of the Company. Such Purchaser represents that each Purchaser is experienced in evaluating and investing in private placement transactions of securities of companies in stages of development similar to that of the Company, and that it has not been formed for the purpose of acquiring the Securities. Such Purchaser acknowledges that it can bear the economic risk of loss of all of its investment in the Company. Notwithstanding the provision of this Section 8B,

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however, such Purchaser is relying upon the representations and warranties of the Company contained in this Agreement in connection with the decision of such Purchaser to enter into this Agreement and consummate the transactions contemplated hereby.

Section 9. Definitions.

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9A. Defined Terms. For the purposes of this Agreement, the following

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terms have the meanings set forth below:

"Affiliate" shall mean, with respect to any Person, (i) each Person

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that, directly or indirectly, owns or controls, whether beneficially, or as a trustee, guardian or other fiduciary, 10% or more of the Stock having ordinary voting power in the election of directors of, or 10% or more of the common equity of, such Person, (ii) each Person that controls, is controlled by or is under common control with, such Person or any Affiliate of such Person, and (iii) each of such Person's officers, directors, joint venturers and partners. For the purpose of this definition, "control" of a Person shall mean the possession, directly or indirectly, of the power to direct or cause the direction of its management or policies, whether through the ownership of voting securities, by contract or otherwise.

"Agent" has the meaning set forth in the Recitals.

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"Agreement" has the meaning set forth in the Recitals.

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"Articles of Incorporation" of any Person means the articles or

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certificate of incorporation of such Person, as applicable, as in effect at the Closing or as amended thereafter as permitted under this Agreement.

"BA Purchasers" has the meaning set forth in the Recitals.

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"Bank" has the meaning set forth in the Recitals.

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"Business Day" shall mean any day that is not a Saturday, a Sunday or  
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a day on which banks are required or permitted by Law or other action by a  
Government Entity to be closed in the State of Illinois.

"Capital Expenditures" means for any period, the sum of all amounts  
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that would, in accordance with GAAP, be included as additions to property, plant  
and equipment on a consolidated statement of cash flows for the Company during  
such period, in respect of (a) the acquisition, construction, improvement,  
replacement or betterment of land, buildings, machinery, equipment or of any  
other fixed assets or leaseholds, (b) to the extent related to and not included  
in (a) above, materials, contract labor (excluding expenditures properly  
chargeable to repairs or maintenance in accordance with GAAP), and (c) other  
capital expenditures (including without limitation Capitalized Leases) and other  
uses recorded as capital expenditures or similar terms having substantially the  
same effect (including expenditures for nonrecurrent tangible assets such as  
software).

"Capitalized Lease" means a lease of (or other agreement conveying the  
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right to use) real or personal property with respect to which at least a portion  
of the rent or other amounts thereon constitute Capitalized Lease Obligations.

"Capitalized Lease Obligations" of a Person shall mean all monetary  
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obligations of such Person or any Subsidiary of such Person under a lease or  
similar arrangement, which obligations would be classified and accounted for as  
capital obligations on a consolidated balance sheet of such Person under GAAP  
taken at the amount thereof accounted for as indebtedness (net of interest  
expense) in accordance with such principles.

"Cash Flow Leverage Ratio" means, for any period of determination, the  
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ratio of (a) Interest-bearing Indebtedness of the Company and its Subsidiaries  
(including but not limited to the aggregate principal amount of all outstanding  
Capitalized Lease Obligations of the Company and its Subsidiaries), all  
determined as of the last day of that period, to (b) EBITDA for that period, in  
each case determined in accordance with GAAP.

"CERCLA" means the Comprehensive Environmental Response, Compensation  
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and Liability Act of 1980, as amended.

"Certificates of Designation" has the meaning set forth in Section 2E  
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hereof.

"Change of Ownership" means any Management Purchaser ceases to hold,  
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beneficially and of record, at least 85% of the issued and issuable capital  
stock of the Corporation that such Management Purchaser holds at Closing (as  
adjusted for any subsequent stock splits, stock dividends, combinations of  
shares or similar recapitalizations), other than Tom Boner in respect of sales  
of capital stock to David Anderson.

"Chief Financial Officer" of any entity means the highest ranking  
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officer of such entity who is then in charge of the financial matters of such  
entity.

"CIVC" has the meaning set forth in the Recitals.  
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"Closing" has the meaning set forth in Section 1C hereof.  
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"Closing Date" has the meaning set forth in Section 1C hereof.  
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"Closing Fee" has the meaning set forth in Section 1D hereof.  
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"Common Stock" means, collectively, the Company's common stock, and  
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any shares of any class of the Company's capital stock hereafter authorized  
which is not limited to a fixed sum or percentage of par or stated value in  
respect of the rights of the holders thereof to participate in dividends or in  
the distribution of assets upon any liquidation, dissolution or winding up of  
the Company.

"Company" means Zimmerman Sign Company, a Texas corporation.  
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"Controlled Group" of any Person means all members of a controlled  
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group of corporations and all members of a controlled group of trades or  
businesses (whether or not incorporated) which at the relevant time are under  
common control which, together with such Person, as the case may be, are treated  
as a single employer under Section 414(b), (c), (m) or (o) of the IRC or Section  
4001 of ERISA.

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

"DOL" shall mean the United States Department of Labor, or any  
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successor thereof.

"EBITDA" means, for any period of determination, an amount equal to  
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the consolidated net income of the Company before deductions for income taxes,  
Interest Expense, depreciation and amortization.

"Environmental and Safety Requirements" means all federal, state or  
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local Laws, all contractual obligations and all common law, in each case  
concerning public health and safety, pollution or protection of the environment  
(including, without limitation, all those relating to the presence, use,  
production, generation, handling, transportation, treatment, storage, disposal,  
distri bution, labeling, testing, processing, discharge, Release, threatened  
Release, control or cleanup of any Hazardous Materials, noise or radiation).

"Environmental Lien" means any Lien, whether recorded or unrecorded,  
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in favor of any Government Entity, relating to any liability of the Company or  
any of its Subsidiaries arising under any Environmental and Safety Requirements.

"Equity Interests" means, collectively, the Series A Preferred, the  
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Warrants and Warrant Stock purchased hereunder and any securities issued or  
issuable in respect thereof.

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"ERISA" means the Employee Retirement Income Security Act of 1974 (or  
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any successor legislation thereto), as amended from time to time and any  
regulations promulgated thereunder.

"ERISA Affiliate" means, with respect to any Person, any trade or  
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business (whether or not incorporated) which at the relevant time is under  
common control with such Person and which, together with such Person, are  
treated as a single employer within the meaning of Section 414(b), (c), (m) or  
(o) of the IRC.

"ERISA Event" means, with respect to any Person or any member of its  
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Controlled Group (except with respect to clause (vi) of this paragraph which  
shall be with respect to such Person or any of its ERISA Affiliates) (i) a  
Reportable Event with respect to a Title IV Plan or a Multiemployer Plan, (ii)  
the withdrawal of such Person, any of its Subsidiaries or any Controlled Group  
member from a Title IV Plan subject to Section 4063 of ERISA during a plan year  
in which it was a substantial employer, as defined in Section 4001(a)(2) of  
ERISA, (iii) the complete or partial withdrawal of such Person, any of its  
Subsidiaries or any Controlled Group member from any Multiemployer Plan, (iv)  
the filing of a notice of intent to terminate a Title IV Plan or the treatment  
of a plan amendment as a termination under Section 4041 of ERISA, (v) the  
institution of proceedings to terminate a Title IV Plan or Multiemployer Plan by  
the PBGC, (vi) the failure to make required contributions to a Title IV Plan or  
(vii) any other event or condition which might reasonably be expected to  
constitute grounds under Section 4042 of ERISA for the termination of, or the  
appointment of a trustee to administer, any Title IV Plan or Multiemployer Plan  
or the imposition of any liability under Title IV of ERISA, other than PBGC  
premiums due but not delinquent under Section 4007 of ERISA.

"Event of Default" has the meaning set forth in Section 10 hereof.  
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"Exchange Act" means the Securities Exchange Act of 1934, as amended,  
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or any similar federal law then in force.

"Expended Amount" has the meaning set forth in Section 4A hereof.  
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"Federal Reserve Board" has the meaning set forth in Section 6J  
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hereof.

"Financing" has the meaning set forth in Section 3H hereof.  
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"FIRC" has the meaning set forth in Section 2B hereof.  
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"Fiscal Year" means the fiscal year of the Company ending on December  
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31.

"Forfeiture Proceeding" means any action or proceeding affecting the  
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Company or any of its Subsidiaries before any Government Entity which may result in the forced disposition (by the exercise of the power of eminent domain, expropriation or otherwise), seizure, expropriation or forfeiture of any property necessary for use in its business, or payment of a penalty, or revocation, termination or suspension of a license or approval necessary for use in its

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business which action or proceeding, if determined adversely to the Company or its Subsidiaries, would reasonably be expected to have a Materially Adverse Effect.

"GAAP" means generally accepted accounting principles in the United  
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States as in effect from time to time.

"Geneve" has the meaning set forth in Section 2B hereof.  
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"Government Entity" means the United States of America or any other  
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nation, any state, province or other political subdivision thereof, or any entity exercising executive, legislative, judicial, regulatory or administrative functions of government, including any Tribunal.

"GSH" has the meaning set forth in Section 2B hereof.  
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"Guarantee" by a Person shall include any guarantee of the payment or  
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performance of any Indebtedness or other obligation and any other arrangement whereby credit is extended to one obligor on the basis of any promise of such Person, whether that promise is expressed in terms of an obligation to pay the Indebtedness of such obligor, to provide reimbursement, or to purchase an obligation owed by such obligor, or to purchase goods and services from such obligor pursuant to a take-or-pay contract, or to maintain the capital, working capital, solvency or general financial condition of such obligor, whether or not any such arrangement is listed in the balance sheet of such Person, or referred to in a footnote thereto, but shall not include endorsements of items for collection in the ordinary course of business.

"Hazardous Materials" means anything that is a "hazardous substance"  
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pursuant to CERCLA, anything that is a "hazardous waste" or "solid waste" pursuant to RCRA, and any other pollutant, contaminant, toxic chemical, petroleum product or by-product, asbestos or polychlorinated biphenyl.

"Indebtedness" with respect to any Person shall mean, without  
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duplication, (a) all indebtedness of such Person or any Subsidiary of such Person in respect of money borrowed (including, without limitation, indebtedness which represents the unpaid amount of the purchase price of any property) and not constituting an account payable or expense accrual incurred or assumed in the ordinary course of business of such Person or any of its Subsidiaries, (b) all indebtedness of such Person or any Subsidiary of such Person evidenced by a promissory note, bond or similar written obligation to pay money, (c) all obligations of such Person upon which interest charges are customarily paid or accrued, other than trade debt, (d) all such indebtedness guaranteed by such Person or any Subsidiary of such Person (including pursuant to any Guarantee) or for which such Person or any Subsidiary of such Person is otherwise contingently liable, including, without limitation, Guarantees in the form of an agreement to repurchase or reimburse, and any commitment by which such Person or any Subsidiary of such Person assures a creditor against loss, including contingent reimbursement obligations with respect to letters of credit, (e) all obligations secured by a Lien on property of such Person or any of its Subsidiaries (but shall not include operating leases), (f) Capitalized Lease Obligations, (g) all obligations of such Person in respect of interest rate protection agreements,

(h) all obligations of such Person, actual or contingent, as an account party in respect of letters of credit or bankers' acceptances,

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(i) all obligations of any partnership or joint venture as to which such Person is or may become personally liable, and (j) all Contingent Obligations of such Person.

"Indemnified Liabilities" has the meaning set forth in Section 11C  
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hereof.

"Indemnitee" has the meaning set forth in Section 11C hereof.  
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"Interest-bearing Indebtedness" means Indebtedness with respect to  
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which the Company or any of its subsidiaries is obliged to make interest payments from time to time, irrespective of whether such payments are paid, accrued or waived from time to time (including without limitation Capitalized Lease Obligations).

"Interest Coverage Ratio" means, for any period of determination, the  
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ratio of (a) EBITDA to (b) Interest Expense, in each case determined for said period in accordance with GAAP.

"Interest Expense" means, for any period of determination, that  
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aggregate amount, without duplication, of interest paid, accrued or scheduled to be paid in respect of any Indebtedness of the Company or any of its Subsidiaries for such period, including (a) all but the principal component of payments in respect of conditional sale contracts, Capitalized Leases and other title retention agreements, (b) commissions, discounts and other fees and charges with respect to letters of credit and bankers' acceptance financings and (c) dividends and distributions paid in respect of the Series A Preferred, the Series B Preferred and the Series C Preferred, in each case determined in accordance with GAAP.

"Investment" as applied to any Person means (i) any direct or indirect  
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purchase or other acquisition by such Person of any notes, obligations, instruments, Stock, securities or ownership interest (including partnership interests, limited liability company interests and joint venture interests) of, or any loan by such Person to, any other Person and (ii) any capital contribution by such Person to any other Person.

"IRC" means the Internal Revenue Code of 1986, as amended.  
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"IRS" shall mean the Internal Revenue Service.  
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"Latest Audited Statement" has the meaning set forth in Section 6E(a)  
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hereof.

"Latest Balance Sheet" has the meaning set forth in Section 6E(a)  
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hereof.

"Laws" means all statutes, laws, ordinances, regulations, rules,  
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orders, judgments, writs, injunctions, acts or decrees of any Government Entity (including Environmental and Safety Requirements).

"Lien" means any mortgage, pledge, security interest, encumbrance,  
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lien or charge of any kind, including, without limitation, any conditional sale or other title retention agreement, any lease in the nature thereof and including any lien or charge arising by statute or other Laws,

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which secures the payment of a debt (including, without limitation, any Tax) or the performance of an obligation.

"Litigation" means any action, proceeding, claim, order, lawsuit  
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and/or investigation conducted by or before any Government Entity.

"Loan Agreement" has the meaning set forth in the Recitals.  
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"Management Purchasers" has the meaning set forth in the Recitals.  
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"Majority Holders" at any time means the Majority Note Holders or, at  
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such time as the Notes are no longer outstanding, the Majority Equity Holders.

"Majority Note Holders" at any time means the holders of Notes  
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representing a majority of the aggregate principal amount of all Notes then  
outstanding.

"Majority Equity Holders" at any time means the holders of a majority  
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of the Equity Interests in existence at such time.

"Majority Warrant Holders" at any time means holders of a majority of  
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the Warrant Stock in existence at such time.

"Materially Adverse Effect" means an effect, resulting, or which could  
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result, from any occurrence or omission of whatever nature (including any  
adverse determination in any litigation, arbitration or governmental  
investigation or proceeding), materially adverse to the business, condition  
(financial or otherwise) or operations of the Company and its Subsidiaries taken  
as a whole.

"Measurement Period" means, as of the last day of any fiscal quarter,  
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the four fiscal quarters ending on such date.

"MIG" has the meaning set forth in the Recitals.  
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"Multiemployer Plan" shall mean a "multiemployer plan" as defined in  
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Section 4001(a)(3) of ERISA, and to which any Person or any member of such  
Person's Controlled Group is making, is obligated to make, has made or been  
obligated to make, contributions on behalf of participants who are or were  
employed by any of them.

"Net Worth" means as of any date of determination, the sum of the  
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amounts set forth on the balance sheet of the Company and its Subsidiaries,  
prepared in accordance with GAAP, for common stock, preferred stock, additional  
paid-in capital and retained earnings of the Company and its Subsidiaries  
(excluding treasury stock)

"Noteholder" at any time means the record holder of any Note, as  
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reflected on the records of the Company in accordance with the Notes.

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"Notes" has the meaning set forth in Section 1A hereof.  
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"Obligation" means any obligation of the Company or its Subsidiaries  
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with respect to the repayment or performance of any obligation (monetary or  
otherwise) of such party arising under or in connection with this Agreement, the  
Notes, the Series A Preferred, the Warrants, the Warrant Stock or any other  
document delivered in connection herewith, and "Obligations" means all of such  
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Obligations collectively.

"Officer's Certificate" of any Person means a certificate signed on  
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behalf of such Person by the chief executive officer, chief operating officer or  
Chief Financial Officer (without any personal liability) of such Person stating  
that (i) the officer signing such certificate has made or has caused to be made  
such investigations as are reasonably necessary in order to permit such officer  
to verify the accuracy of the information set forth in such certificate, and  
(ii) to the best of such officer's knowledge, such certificate does not misstate  
any material fact and does not omit to state any fact necessary to make the  
certificate not misleading.

"Operating Lease" means any lease of personal property other than a  
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Capitalized Lease.

"PBGC" shall mean the Pension Benefit Guaranty Corporation or any  
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successor thereto.

"Pension Plan" means a "pension plan," as such term is defined in

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Section 3(2) of ERISA, which is subject to Title IV of ERISA (other than a multiemployer plan as defined in Section 4001(a)(3) of ERISA), and to which the Company or any corporation, trade or business that is, along with the Company, a member of its respective Controlled Group, may have liability, including any liability by reason of having been a substantial employer within the meaning of Section 4063 of ERISA at any time during the preceding five years, or by reason of being deemed to be a contributing sponsor under Section 4069 of ERISA.

"Permitted Liens" means (i) the security interests held by the holders

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of the Senior Indebtedness under the Loan Agreement to secure the repayment of Senior Indebtedness, (ii) Liens for Taxes or assessments and similar charges, which either are (A) not delinquent or (B) being contested diligently and in good faith by appropriate proceedings, and as to which the Company has set aside reserves on its books in accordance with GAAP, (iii) carriers', warehousemen's, mechanics', materialmen's or contractors' Liens or any similar Liens for amounts not yet due and payable, (iv) Permitted Purchase Money Liens, (v) Liens to secure the obligations of the Company under the Rate Protection Agreements (as defined in the Note), (vi) Liens existing on the date of this Agreement and disclosed on the Lien Schedule attached hereto, (vii) deposits or pledges to

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secure payment of workers' compensation, unemployment insurance, old age pensions or other social security obligations, in the ordinary course of business of the Company and its Subsidiaries, (viii) Liens incurred or deposits or pledges made or given in connection with, or to secure payment of, indemnity, performance or other similar bonds in the ordinary course of business, and (ix) Liens arising solely by virtue of any statutory or common law provision relating to bankers' liens, rights of set-off or similar rights and remedies as to deposit accounts or other funds maintained with a creditor depository institution, provided

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that (A) such deposit account is not a dedicated cash collateral account and is not subject to restriction against access by the Company in excess of those set forth by regulations promulgated by the Board of Governors of the Federal Reserve System, and (B) such deposit account is not intended by the Company to provide collateral to the depository institution.

"Permitted Purchase Money Liens" means any purchase money Lien on real

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property or equipment or other goods acquired (including any acquisition pursuant to a Capitalized Lease) by the Company or any of its Subsidiaries (a "Purchase Money Lien") in the ordinary course of its business so long as: (i)

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the transaction in which such Purchase Money Lien is proposed to be created is not prohibited by this Agreement; (ii) such Purchase Money Lien attaches only to the asset acquired (and to the extent applicable, any insurance thereon) in such transaction and does not extend to or cover any other assets of the Company or any of its Subsidiaries; (iii) the Indebtedness secured or covered by such Purchase Money Lien does not exceed 100% of the cost to the Company and its Subsidiaries of the asset acquired; and (iv) such Indebtedness is either (x) incurred on the date of acquisition of the asset acquired or (y) incurred for the purpose of refinancing or refunding any Indebtedness secured by a Permitted Purchase Money Lien, so long as the unpaid balance thereof following such refinancing does not exceed the amount thereof prior to such refinancing.

"Person" means an individual, a partnership, a corporation, a limited

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liability company, an association, a joint stock company, a trust, a joint venture, an unincorporated organization or a Government Entity or any department, agency or political subdivision thereof.

"Plan" means, with respect to any Person or either any member of its

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Controlled Group or any ERISA Affiliate, as required by the context at any time, an employee benefit plan, as defined in Section 3(3) of ERISA, which any Person or any of its Subsidiaries maintains, contributes to or has an obligation to contribute to on behalf of participants who are or were employed by any of them.

"Proprietary Rights" means all (i) patents, patent applications,

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patent disclosures and inventions, (ii) trademarks, service marks, trade dress, trade names and corporate names and registrations and applications for registration thereof, (iii) copyrights and registrations and applications for registration thereof, (iv) mask works and registrations and applications for registration thereof, (v) computer software, data and documentation, (vi) trade secrets and other confidential information (including, without limitation, ideas, formulas, compositions, inventions (whether patentable or unpatentable and whether or not reduced to practice), know-how, manufacturing and production processes and techniques, research and development information, drawings, specifications, designs, plans, proposals, technical data, copyrightable works,

financial and marketing plans and customer and supplier lists and information), (vii) other intellectual property rights and (viii) copies and tangible embodiments of any of the foregoing (in whatever form or medium).

"Purchaser" has the meaning set forth in the Recitals.

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"Qualified Plan" means an employee pension benefit plan, as defined in

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Section 3(2) of ERISA, which is intended to be tax-qualified under Section 401(a) of the IRC, and which the Company, any of its Subsidiaries or any ERISA Affiliate maintains, contributes to or has an obligation to contribute to on behalf of participants who are or were employed by any of them.

"RCRA" means the federal Resource Conservation and Recovery Act, as

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amended.

"Recapitalization" has the meaning set forth in the Recitals.

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"Registration Agreement" means the Registration Agreement, dated as of

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the date hereof, among the Company and the Purchasers.

"Regulatory Violation" has the meaning set forth in Section 3H hereof.

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"Release" has the meaning set forth in CERCLA.

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"Reportable Event" means any of the events listed in Section 4043 of

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ERISA.

"Restricted Payment" means (i) any dividend or other distribution,

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direct or indirect, on account of or with respect to any Stock of the Company or any of its Subsidiaries (other than dividends and distributions on the Series A Preferred, Series B Preferred or Series C Preferred), (ii) loans, advances or other payments in respect of or in any way related to any such Stock, including, without limitation, any redemption, retirement, sinking fund or similar payment, purchase or other acquisition for value, direct or indirect, of all or any portion of any such Stock, and (iii) any prepayment of principal, optional redemption, purchase, retirement prior to stated maturity, defeasance, or similar optional payment with respect to any Indebtedness of the Company or any of its Subsidiaries (other than payments in respect of Senior Indebtedness or the Notes).

"Restricted Securities" means (i) the Notes issued hereunder, (ii) the

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Series A Preferred issued hereunder, (iii) the Warrants issued hereunder, (iv) the Common Stock issued or issuable upon exercise of the Warrants and (v) any securities issued with respect to the securities referred to in clauses (i) through (v) inclusive, above by way of a stock dividend or stock split or in connection with a combination of stock, recapitalization, merger, consolidation or other reorganization. As to any particular Restricted Securities, such securities shall cease to be Restricted Securities when they have (a) been effectively registered under the Securities Act and disposed of in accordance with the registration statement covering them, (b) become eligible for sale pursuant to Rule 144(k) (or any similar provision then in force) under the Securities Act or (c) been otherwise transferred and new certificates for them not bearing a Securities Act legend have been delivered by the Company. Whenever any particular securities cease to be Restricted Securities, the holder thereof shall be entitled to receive from the Company, without expense, new securities of like tenor not bearing a Securities Act legend.

"Revolver" has the meaning given such term in the Recitals.

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"SBA" means the United States Small Business Administration, and any

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successor agency performing the functions thereof.

"SBIC" means a Small Business Investment Company licensed by an SBA

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under the SBIC Act.

"SBIC Act" means the Small Business Investment Act of 1958, as

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amended.

"SBIC Holder" means any SBIC holding any securities of the Company.  
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"SBIC Regulations" means the SBIC Act and the regulations issued by  
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the SBA thereunder, codified at Title 13 of the Code of Federal Regulations ("13  
CFR"), Parts 107 and 121.  
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"Scheduled Amount" has the meaning set forth in Section 4A hereof.  
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"Securities" has the meaning set forth in Section 1A hereof.  
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"Securities Act" means the United States Securities Act of 1933, as  
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amended.

"Securities Laws" at any time means the Securities Act, Exchange Act  
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and any similar securities laws of the United States or any state thereof which  
are then in force.

"Securityholder" means any holder of a Security.  
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"Senior Indebtedness" has the meaning given to such term in the Notes.  
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"Series A Preferred" has the meaning set forth in Section 1A hereof.  
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"Series B Preferred" means the Company's Series B Preferred Stock, par  
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value \$0.01 per share.

"Series C Preferred" means the Company's Series C Preferred Stock, par  
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value \$0.01 per share.

"Share Purchase Option Agreements" has the meaning set forth in  
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Section 2B hereof.  
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"SIC" has the meaning set forth in Section 2B hereof.  
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"SMHC" has the meaning set forth in Section 2B hereof.  
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"Stock" of any Person means any stock, equity or profits interests,  
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participations or other equivalents (however designated) of stock, whether  
voting or nonvoting, including any notes or securities with profit participation  
features, and any rights, warrants, options or other securities directly or  
indirectly convertible into or exercisable or exchangeable for any such stock,

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equity or profits interests, participations or other equivalents, or such other  
securities, (or any equivalent ownership interests, in the case of a Person  
which is not a corporation).

"Subsidiary" means, with respect to any Person, any corporation,  
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partnership, association or other business entity of which (i) if a corporation,  
a majority of the total voting power of stock entitled (irrespective of whether,  
at the time, shares of any other class or classes of such corporation shall have  
or might have voting power by reason of the happening of any contingency) to  
vote in the election of directors, managers or trustees thereof is at the time  
owned or controlled, directly or indirectly, by that Person or one or more of  
the other Subsidiaries of that Person or a combination thereof or (ii) if a  
partnership, association or other business entity, a majority of the partnership  
or other similar ownership interest thereof is at the time owned or controlled,  
directly or indirectly, by any Person or one or more Subsidiaries of that Person  
or a combination thereof. For purposes hereof, a Person or Persons shall be  
deemed to have a majority ownership interest in a partnership, association or  
other business entity if such Person or Persons shall be allocated a majority of  
partnership, association or other business entity gains or losses or shall be or  
control the managing director or general partner of such partnership,  
association or other business entity.

"Tax" means any federal, state, local, provincial, or foreign income,

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gross receipts, license, payroll, employment, excise, stamp, occupation, premium, windfall profits, environmental, customs duties, capital stock, franchise, profits, withholding, unemployment, real property, personal property, sales, use, transfer, registration, value added, alternative or add-on minimum, or other tax, fee, assessment or charge of any kind whatsoever, including any interest, penalty, or addition thereto, whether disputed or not.

"Term Loans" has the meaning given such term in the Recitals.

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"Title IV Plan" means a Pension Plan, other than a Multiemployer Plan,

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which is covered by Title IV of ERISA.

"Treasury Regulations" means the United States Treasury Regulations

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promulgated under the IRC, and any reference to any particular Treasury Regulation section shall be interpreted to include any final or temporary revision of or successor to that section regardless of how numbered or classified.

"Tribunal" means any government, arbitration panel, court or

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governmental department, commission, board, bureau, agency or instrumentality of the United States of America, Canada or any state, province, commonwealth, nation, territory, possession, county, parish, town, township, village, municipality or other governmental entity, whether now or hereafter constituted and/or existing.

"Warrants" has the meaning given such term in Section 1A hereof.

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"Warrant Stock" means (i) the Common Stock issued or issuable upon

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exercise of or with respect to the Warrants, (ii) any shares of Stock issued or issuable with respect to the securities referred to in clause (i) above by way of stock dividend or stock split or in connection

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with a combination of stock, recapitalization, merger, consolidation or other reorganization or otherwise pursuant to the Warrants. Any Person who holds Warrants shall be deemed to be the holder of the Warrant Stock obtainable upon exercise of the Warrants in connection with the transfer thereof or otherwise regardless of any restriction or limitation on the exercise of the Warrants.

"Withdrawal Liability" means, at any time, the aggregate amount of the

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liabilities, if any, pursuant to Section 4021 of ERISA, and any increase in contributions pursuant to Section 4243 of ERISA with respect to all Multiemployer Plans.

"Wholly-Owned Subsidiary" of any Person means any corporation,

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partnership, association or other business entity of which (i) if a corporation, 100% of the stock and of the total voting power of stock entitled (irrespective of whether, at the time, stock of any other class or classes of such corporation shall have or might have voting power by reason of the happening of any contingency) to vote in the election of directors, managers or trustees thereof is at the time owned or controlled, directly or indirectly, by that Person or one or more of the other Subsidiaries of that Person or a combination thereof, or (ii) if a partnership, limited liability company, association or other business entity, 100% of the partnership or other similar ownership interest thereof is at the time owned or controlled, directly or indirectly, by any Person or one or more Subsidiaries of that Person or a combination thereof.

9B. Accounting Terms. Any accounting term used in this Agreement

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shall have, unless otherwise specifically provided herein, the meaning customarily given such term in accordance with GAAP, and all financial computations hereunder shall be computed, unless otherwise specifically provided herein, in accordance with GAAP consistently applied. That certain terms or computations are explicitly modified by the phrase "in accordance with GAAP" shall in no way be construed to limit the foregoing. Financial statements and other information furnished pursuant to this Agreement shall be prepared in accordance with GAAP as in effect at the time of such preparation. To the extent any change in GAAP affects any computation or determination required to be made pursuant to this Agreement, such computation or determination shall be made as if such change in GAAP had not occurred unless the Company and the Majority Holders agree in writing on an adjustment to such computation or determination to account for such change in GAAP.

Section 10. Events of Default.

10A.Events of Default. The term "Event of Default" shall mean any of

the following events:

(a) Non-Payment of Principal or Interest. The Company shall (i)

fail to pay when due any interest on any Note or any monetary Obligation with respect to the Notes other than payment of unpaid principal and the same shall continue unremedied for a period of 2 days, or (ii) fail to pay when due all or any portion of the unpaid principal on any Note.

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(b) Breach of Warranty. Any representation or warranty of the

Company or any Subsidiary of the Company hereunder or under any Security, certificate, report, financial statement or other writing furnished by or on behalf of the Company or any Subsidiary of the Company to any of the Purchasers or any other Securityholder for the purposes of or in connection with this Agreement or any such other document is or shall be incorrect in any material respect when made or deemed made; provided, that for purposes

of this Section 8A(b) each such representation or warranty shall be deemed

to have been amended to delete each materiality standard included therein (including without limitation to delete the words "material" and all references to "Materially Adverse Effect").

(c) Non-Performance of Other Obligations.

(1) The Company or any of its Subsidiaries shall default in the due performance and observance of or otherwise neglect or fail to perform, keep or observe any agreement contained in any of the financial covenants contained in Section 4 or any of the negative

covenants of Section 5 hereof.

(2) The Company or any of its Subsidiaries shall default in the due performance or observance of or otherwise neglect or fail to perform, keep or observe any other agreement contained herein or in any of the Notes, the Warrants, the Stockholders Agreement and the Registration Agreement, and the same shall continue unremedied for a period of 20 days (5 days in the case of Section 3B(d)) after a senior

officer of the Company shall have first become aware thereof.

(d) Acceleration of Other Indebtedness. A default shall occur in

the performance or observance of any obligation or condition relating to any Indebtedness in an aggregate amount exceeding \$250,000 (whether under any mortgage, indenture or instrument or agreement securing or relating to any such indentures or otherwise) of the Company or any of its Subsidiaries and the effect of such default is to accelerate the maturity or require the prepayment, redemption, repurchase or defeasance of any such Indebtedness or to cause an offer to repay, redeem, purchase or defease such Indebtedness to be required to be made, or to require the making of any deposits in respect of any such Indebtedness, prior to its expressed maturity, or a holder of such Indebtedness otherwise applies or sets off assets of the Company or any of its Subsidiaries held in such holder's possession, or exercises any right to deposit and retain in an account, amounts to satisfy contingent or unmatured obligations of the Company or any of its Subsidiaries to such holder.

(e) Bankruptcy, Insolvency, etc. Any of the Company or its

Subsidiaries shall:

(1) become insolvent or generally fail to pay, or admit in writing its inability to pay, debts as they become due;

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(2) apply for, consent to, or acquiesce in, the appointment of a trustee, receiver, administrator, or other custodian for the Company or any of its Subsidiaries or any property thereof or make a general assignment for the benefit of creditors;

(3) in the absence of such application, consent or acquiescence, permit, or suffer to exist the appointment of a trustee, receiver, administrator, liquidator, assignee, custodian, or other



similar official for the Company or any of its Subsidiaries or property of any thereof for a period of 60 days;

(4) permit or suffer to exist the commencement of any bankruptcy, reorganization, debt arrangement or other case or proceeding under any bankruptcy or insolvency Laws or any other Laws for the benefit of the debtors, or any dissolution, winding up or liquidation proceeding, in respect of the Company or any of its Subsidiaries and, if such case or proceeding is not commenced by the Company or any such Subsidiary, such case or proceeding shall be consented to or acquiesced in by the Company or any such Subsidiary or shall result in the entry of an order for relief or shall remain for 60 days undismissed;

(5) have concealed, removed or permitted to be concealed or removed, any part of its property, with intent to hinder, delay or defraud its creditors or any of them or made or suffered a transfer of any of its property or the incurring of an obligation which may be fraudulent under any bankruptcy, fraudulent conveyance or other similar Laws; or

(6) take any corporate action authorizing, or in furtherance of, any of the foregoing.

(f) Dissolution. Entry, rendering or filing of any order, final  
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judgment or decree decreeing the dissolution or split up of the Company or any of its Subsidiaries, if such order remains in effect for a period of more than 45 days without being vacated, discharged, satisfied or stayed or bonded pending appeal.

(g) Judgments. A judgment or order, the uninsured portion of  
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which is in excess of \$250,000, shall be rendered against the Company or any of its Subsidiaries and, within 30 days after entry thereof, such judgment or order shall not have been discharged or execution thereof stayed pending appeal, or, within 30 days after the expiration of any such stay, such judgment or order shall not have been discharged in full.

(h) Pension Plans. The institution of any steps by the Company  
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or any member of its Controlled Group or any other Person to terminate a Pension Plan if, as a result of such termination, the Company or any such member of its Controlled Group could be required to make a contribution to such Pension Plan, or could reasonably expect to incur a liability or obligation to such Pension Plan in excess of \$250,000.

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(i) ERISA. (i) With respect to any Plan, a prohibited  
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transaction within the meaning of Section 4975 of the IRC or Section 406 of ERISA occurs which in the reasonable determination of the Majority Noteholders could result in liability in excess of \$50,000 to the Company or any of its Subsidiaries; (ii) with respect to any Title IV Plan, the filing of a notice to voluntarily terminate any such plan in a distress termination; (iii) with respect to any Multiemployer Plan, the Company or any of its Subsidiaries or any ERISA Affiliate shall incur any Withdrawal Liability and, in the opinion of the Majority Noteholders, such Withdrawal Liability would reasonably be expected to have a Materially Adverse Effect; (iv) with respect to any Qualified Plan, the Company or any of its Subsidiaries or any ERISA Affiliate shall incur an accumulated funding deficiency or request a funding waiver from the IRS; or (v) with respect to any Title IV Plan or Multiemployer Plan which has an ERISA Event not described in (ii) - (iv) hereof, in the reasonable determination of the Majority Note Holders there is a reasonable likelihood for termination of any such plan by the PBGC; provided, however, that the events listed in  
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clauses (i) - (v) hereof shall constitute Events of Default only if the liability, deficiency or waiver request of the Company or any of its Subsidiaries or any ERISA Affiliate, whether or not assessed, exceeds \$250,000 in any case set forth in (i) - (v) above, or exceeds \$250,000 in the aggregate for all such cases.

(j) Forfeiture Proceeding. The commencement of any Forfeiture  
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Proceeding, if such Forfeiture Proceeding continues for a period of more than 30 days without being vacated, discharged, satisfied or stayed or bonded pending appeal or there is an adverse decision in such proceeding.

(k) Validity of Agreements. Any material provision of this  
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Agreement, the Notes, the Warrants, the Stockholders Agreement and the Registration Agreement shall, for any reason, cease to be valid and binding on the Company or the Company shall so claim in writing to any

Securityholder.

(1) Change of Ownership. If prior to repayment in full of the  
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Notes, a Change of Ownership shall occur.

10B. Default Interest Rate. Upon any Event of Default, the interest  
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rate per annum on the Notes shall increase immediately by an increment of three  
percentage points (3%) to the extent permitted by law. Any increase of the  
interest rate resulting from the operation of this section shall terminate as of  
the close of business on the date on which no Event of Default exists (subject  
to subsequent increases pursuant to this section).

10C. Remedy if Bankruptcy. If any Event of Default described in any  
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of clause(s) (1) through (6) of Section 10A(e) shall occur, the outstanding  
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principal amount of all outstanding Notes and all other Obligations to  
Noteholders or with respect to the Notes shall automatically be and become  
immediately due and payable, without declaration, notice or demand.

10D. Remedy if Other Event of Default. If any Event of Default (other  
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than any Event of Default described in any of clauses (1) through (6) of Section  
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10A(e)) shall occur for  
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any reason, whether voluntary or involuntary, and be continuing, the Majority  
Note Holders may, upon notice or demand, declare all or any portion of the  
outstanding principal amount of the Notes to be due and payable and any or all  
other Obligations with respect to the Notes to be due and payable, whereupon the  
full unpaid amount of such Notes and any and all other Obligations with respect  
to the Notes which shall be so declared due and payable shall be and become  
immediately due and payable, without further notice, demand, protest or  
presentment (all of which are expressly waived by the Company).

10E. Waivers. Except as otherwise provided for in this Agreement and  
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applicable law, the Company waives (a) presentment, demand and protest and  
notice of presentment, dishonor, notice of intent to accelerate and notice of  
acceleration, (b) all rights to notice and a hearing prior to any Noteholder's  
taking possession or control of, or to Noteholder's replevy, attachment or levy  
upon, any bond or security which might be required by any court prior to  
allowing any Noteholder to exercise any of its remedies and (c) the benefit of  
all valuation, appraisal and exemption laws. The Company acknowledges that it  
has been advised by counsel of its choice with respect to this Agreement, the  
other documents contemplated hereby and the transactions evidenced by this  
Agreement and the other documents contemplated hereby.

10F. Right of Setoff.  
-----

(a) In the case that an Event of Default shall occur and be  
continuing or shall exist, each Purchaser shall have the right, in addition  
to all other rights and remedies available to them, upon 3 business days  
prior written notice to the Company, to Setoff against and to appropriate  
and apply to the unpaid balance of the Notes, all accrued interest thereon  
and all other obligations of the Company under and with respect to the  
Notes, any debt owing to, and any other funds held in any manner for the  
account of the Company or any of its Subsidiaries by such Purchaser,  
including, without limitation, all funds in all deposit accounts (general  
or special) now or hereafter maintained by the Company or any of its  
Subsidiaries for their own accounts with such Purchaser.

(b) Such right shall exist whether or not such Purchaser shall  
have made any demand under this Agreement, the Notes or the Warrants and  
whether or not the Notes, the Warrants and such other obligations are  
matured or unmatured, and shall be in addition to any other rights and  
remedies which the Noteholder possess.

(c) The Company hereby confirms each Purchaser's (and such other  
holder's) right of banker's lien and setoff and nothing in this Agreement  
shall be deemed to be any waiver or prohibition of such Purchaser's right  
of banker's lien and setoff.

Section 11. Miscellaneous.  
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11A. Expenses. The Company shall pay, and hold the BA Purchasers and  
-----  
each Noteholder or holder of any Securities harmless against liability for the

payment of (a) the reasonable fees and expenses of Kirkland & Ellis arising in connection with the negotiation and execution of this Agreement, any Securities, the Registration Agreement, each of the agreements contemplated hereby or thereby and the consummation of the transactions contemplated by this

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Agreement, in the amount set forth in an invoice delivered to the Company by Kirkland & Ellis (which amounts shall be payable at the Closing), (b) the fees and expenses reasonably incurred with respect to any amendments or waivers (whether or not the same become effective) under or in respect of any of this Agreement, the Stockholders Agreement, the Registration Agreement, the Warrants, the Notes and the other agreements contemplated hereby or thereby and the Company's Articles of Incorporation (including in connection with any proposed merger, consolidation, sale or recapitalization of the Company), and (c) the fees and expenses incurred with respect to the enforcement of the rights granted under any of this Agreement, the Notes, the Warrants, the Stockholders Agreement, the Registration Agreement, the Company's Articles of Incorporation and the other agreements contemplated hereby or thereby.

11B. Remedies. Each Noteholder, each holder of Series A Preferred and

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each holder of Warrants and Warrant Stock shall have all rights and remedies of Noteholders, holders of Series A Preferred and holders of Warrants and Warrant Stock, respectively, set forth in this Agreement (including, without limitation, Sections 10B and 10C above), the Notes, the Warrants, the Stockholders

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Agreement, the Company's Articles of Incorporation and all rights and remedies which such holders have been granted at any time under any other agreement or contract and all of the rights which such holders have under any Laws. Any Person having any rights under any provision of this Agreement shall be entitled to enforce such rights specifically (without posting a bond or other security), to recover damages by reason of any breach of any provision of this Agreement and to exercise all other rights granted by Laws. All such rights and remedies shall be cumulative and non-exclusive, and may be exercised singularly or concurrently. One or more successive actions may be brought against the Company, either in the same action or in separate actions, as often as any of the Securityholders deems advisable, until all of the Obligations are paid and performed in full.

11C. Indemnification. In consideration of the execution and delivery

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of this Agreement by the Purchasers, the Company will indemnify, exonerate and hold harmless each of the Purchasers and each other Noteholder, holder of Series A Preferred or holder of Warrant Stock, and each of their respective officers, directors, employees, partners and agents (collectively, the "Indemnitees") from

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and against any and all actions, causes of action, suits, losses, costs, liabilities and damages and expenses incurred in connection therewith (irrespective of whether such Indemnitee is a party to the action for which indemnification hereunder is sought), including reasonable attorney's fees and disbursements including, without limitation, any arising under or relating to Environmental and Safety Requirements or relating to Hazardous Materials (collectively, the "Indemnified Liabilities") incurred by any Indemnitee as a

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result of such Indemnitee's purchase of the Notes, Warrants or Series A Preferred hereunder, arising out of or relating to the operations of the Company's or any of its Subsidiaries' businesses (other than on account of or relating to such Indemnitee's service as an employee of the Company or any of its Subsidiaries) or the entering into and performance of this Agreement, any of the Notes, any of the Warrants, the Stockholders Agreement or the Registration Agreement. Notwithstanding the foregoing, "Indemnified Liabilities" will not include as to any Indemnitee any liabilities to the extent arising by reason of such Indemnitee's gross negligence or willful misconduct. Further, if and to the extent that the covenant included in this Section 11C may be unenforceable for

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any reason, the Company hereby agrees to make the maximum contribution to the payment and satisfaction of each of the Indemnified Liabilities which is permissible under applicable

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Laws.; provided that no Indemnitee shall be entitled to indemnification under this Section 11C with respect to any Indemnified Liability arising solely with

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respect breaches of the representations and warranties of the Company set forth in Section 6 (other than Sections 6A, 6B, 6D and 6Q) of this Agreement, unless

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such Indemnified Liability, together with all other such Indemnified Liabilities, exceeds \$250,000, in which case such Indemnitee shall be entitled to indemnification only for the amount of such excess; it being understood, however, that the foregoing limitation applies only to Indemnified Liabilities arising out of breaches of representations and warranties contained in Section 6

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(other than Sections 6A, 6B, 6D and 6Q) and no other Liability for which

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indemnification may be sought hereunder.

11D. Usury. Anything herein, in the Notes or in any agreement,

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certificate, instrument or other documents contemplated by this Agreement to the contrary notwithstanding, the obligations of the Company under this Agreement and the Notes will be subject to the limitation that payments of interest will not be required to the extent that receipt thereof would be contrary to provisions of law applicable to the Noteholder in question limiting rates of interest which may be charged or collected by such Noteholder.

11E. Consent to Amendments. Except as otherwise expressly provided

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herein, commencing on and after the Closing the provisions of this Agreement may be amended or waived, and the Company may take any action herein prohibited, or omit to perform any act herein required to be performed by it, only if such Person has obtained the written consent of the Majority Holders; provided that (x) any provision of the Notes (other than Section 2 of the Notes, the

-----  
Redemption Premium Amount (as defined in the Notes), rate of interest, maturity or principal amount, which may be amended with respect to any Note only upon the written consent of the holders of such Note) may be amended if and only if the Company has obtained the written consent of the Majority Note Holders and only if the provisions of all outstanding Notes are amended in the same manner; (y) any provisions of the Warrants (other than Section 7 or 8 of the Warrants, the

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number of shares obtainable upon exercise thereof and the exercise price thereof or the term thereof, which may be amended with respect to any Warrant only with the prior written consent of the holders of such Warrant) may be amended if and only if the Company has obtained the written consent of the Majority Warrant Holders and only if the provisions of all Warrants are amended in the same manner and (z) any provision of this Agreement which would continue to apply after the Notes and Series A Preferred are paid in full may be amended if and only if the Company has obtained the written consent of the Majority Warrant Holders. No other course of dealing between the Company and any Securityholder or any delay in exercising any rights hereunder, under any of the Securities, under any other agreement contemplated hereby or the Company's Articles of Incorporation shall operate as a waiver of any rights of any such holders. For purposes of this Agreement, the Notes and Warrant Stock held by the Company or any of its Subsidiaries shall not be deemed to be outstanding or in existence. If the Company directly or indirectly pays any consideration to any Securityholder for such holder's consent to any amendment, modification or waiver hereunder, the Company shall also pay each other holder of the same type of Securities granting its consent hereunder equivalent consideration computed on a pro rata basis.

11F. Successors and Assigns. Except as otherwise expressly provided

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herein, all covenants and agreements contained in this Agreement by or on behalf of any of the parties

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hereto shall bind and inure to the benefit of the respective successors and assigns of the parties hereto whether so expressed or not. In addition, and whether or not any express assignment has been made, the provisions of this Agreement which are for the benefit of the Purchasers as purchasers or Securityholders are also for the benefit of, and enforceable by, any subsequent Securityholder.

11G. Severability. Whenever possible, each provision of this

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Agreement shall be interpreted in such manner as to be effective and valid under applicable Laws, but if any provision of this Agreement is held to be prohibited by or invalid under applicable Laws, such provision shall be ineffective only to the extent of such prohibition or invalidity, without invalidating the remainder of this Agreement.

11H. Counterparts. This Agreement may be executed in two or more

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counterparts, any one of which need not contain the signatures of more than one party, but all such counterparts taken together shall constitute one and the same Agreement.

11I. Descriptive Headings; Interpretation. The descriptive headings

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of this Agreement are inserted for convenience only and do not constitute a substantive part of this Agreement. Whenever the term "including" is used in this Agreement, (whether or not that term is followed by the phrase "without limitation" or words of similar effect) it will be interpreted to be illustrative only and will not be interpreted as a limitation on, or an exclusive listing. The "knowledge" or "awareness" of a Person means the actual knowledge of such Person (which includes the actual knowledge of all officers, directors and executive employees of such Person after reasonable inquiry).

11J. GOVERNING LAW. THE CORPORATE LAW OF THE STATE OF TEXAS SHALL

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GOVERN ALL ISSUES AND QUESTIONS CONCERNING THE RELATIVE RIGHTS AND OBLIGATIONS OF THE COMPANY AND ITS STOCKHOLDERS. ALL OTHER ISSUES AND QUESTIONS CONCERNING THE CONSTRUCTION, VALIDITY, ENFORCEMENT AND INTERPRETATION OF THIS AGREEMENT AND THE EXHIBITS AND SCHEDULES HERETO SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF ILLINOIS, WITHOUT GIVING EFFECT TO ANY CHOICE OF LAW OR CONFLICT OF LAW RULES OR PROVISIONS (WHETHER OF THE STATE OF ILLINOIS OR ANY OTHER JURISDICTION) THAT WOULD CAUSE THE APPLICATION OF THE LAWS OF ANY JURISDICTION OTHER THAN THE STATE OF ILLINOIS.

11K. Notices. All notices, demands and other communications given or

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delivered under this Agreement shall be in writing and shall be deemed to have been given upon receipt when delivered personally or by telecopy, one Business Day after being deposited with a reputable overnight courier service or three Business Days after being deposited in the U.S. Mail. Notices, demands and communications to the Purchasers and the Company, unless another address is specified in writing, shall be sent to the address or telecopy number indicated below and to the attention of such other persons indicated below or to such other address or to the attention of such other person as the recipient party has specified by prior written notice to the sending party:

If to the Purchasers:

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Bank of America National Trust and

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Savings Association  
231 South LaSalle Street  
Chicago, Illinois 60697  
Attn: Robert Perille  
Andrea P. Joselit  
Telecopier: 312/828-6298

with a copy to:

Kirkland & Ellis  
200 East Randolph Drive  
Chicago, Illinois 60601  
Attn: John A. Weissenbach  
Wendy L. Chronister  
Telecopier: 312/861-2200

If to the Company:

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Zimmerman Sign Company  
9846 Hwy 31 East  
Tyler, Texas 75705  
Attn: Chief Executive Officer  
Telecopier: 903/535-7420

with a copy to:

Jackson Walker L.L.P.  
901 Main Street  
Suite 6000  
Dallas, Texas 75705  
Attn: Bryan C. Birkeland  
Telecopier: 214/953-5822

11L. Survival of Agreement; Indemnities. All covenants, agreements,

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representations and warranties made in this Agreement and in the certificates delivered pursuant hereto shall survive the Closing hereunder and the execution and delivery to the Purchasers of this Agreement, the Notes, the Warrants, the Registration Agreement, the Stockholders Agreement and all other documents delivered hereunder or contemplated hereby regardless of any investigation made by any of the Purchasers or on behalf of any of the Purchasers and, except as otherwise expressly provided herein, shall continue in full force and effect so long as any of the Securities or other Obligations remain outstanding, unperformed or unpaid, except that the representations and warranties made herein shall continue only until the first anniversary of the Closing Date. Notwithstanding anything to the contrary contained herein, the Company and their Subsidiaries to indemnify the Purchasers (and the Indemnitees) with respect to the expenses, damages, losses, costs and liabilities described in Sections 11A

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and 11D shall survive until all

applicable statute of limitations periods with respect to actions which may be brought against the Purchasers (or Indemnitee) have run.

11M. Taxes and Fees. Should any recording or filing fees, stamp Taxes

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or comparable filings or fees become payable in respect of any of this Agreement, the Notes, the Warrants, or any other document delivered hereunder, or any amendment, modification or supplement thereof requested by the Company, the Company agrees to pay the same on demand, together with any interest or penalties thereon attributable to any delay by the Company in meeting the Purchaser's demand, and agrees to hold the Purchasers harmless with respect thereto.

11N. Jurisdiction and Venue. ALL JUDICIAL PROCEEDINGS BROUGHT AGAINST

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THE COMPANY OR ANY OF ITS SUBSIDIARIES WITH RESPECT TO THIS AGREEMENT, ANY NOTE, ANY NOTE WARRANT, ANY SERIES A WARRANT, THE WARRANT STOCK, THE STOCKHOLDERS AGREEMENT, THE REGISTRATION AGREEMENT OR ANY OTHER AGREEMENT CONTEMPLATED HEREBY OR THEREBY MAY BE BROUGHT IN ANY STATE OR FEDERAL COURT OF COMPETENT JURISDICTION IN COOK COUNTY ILLINOIS, AND BY EXECUTION AND DELIVERY OF THIS AGREEMENT AND THE COMPANY ACCEPTS FOR ITSELF AND IN CONNECTION WITH ITS RESPECTIVE PROPERTIES, GENERALLY AND UNCONDITIONALLY, THE EXCLUSIVE JURISDICTION OF THE AFORESAID COURTS, AND IRREVOCABLY AGREES TO BE BOUND BY ANY JUDGMENT RENDERED THEREBY IN CONNECTION WITH THIS AGREEMENT. THE COMPANY HEREBY WAIVES ANY CLAIM THAT COOK COUNTY ILLINOIS IS AN INCONVENIENT FORUM OR AN IMPROPER FORUM BASED ON LACK OF VENUE. THE COMPANY DESIGNATES AND APPOINTS CT CORPORATION SYSTEM, INC. (AND SUCH OTHER PERSONS AS MAY HEREAFTER BE SELECTED BY THE COMPANY WITH THE CONSENT OF THE MAJORITY HOLDERS) TO RECEIVE ON ITS BEHALF, SERVICE OF ALL PROCESS IN ANY SUCH PROCEEDINGS IN ANY SUCH COURT, SUCH SERVICE BEING HEREBY ACKNOWLEDGED BY THE COMPANY TO BE EFFECTIVE AND BINDING SERVICE IN EVERY RESPECT. A COPY OF SUCH PROCESS SO SERVED SHALL BE MAILED BY REGISTERED MAIL TO THE COMPANY AT ITS ADDRESS PROVIDED HEREIN, EXCEPT THAT UNLESS OTHERWISE PROVIDED BY APPLICABLE LAW, ANY FAILURE TO MAIL SUCH COPY SHALL NOT AFFECT THE VALIDITY OF SERVICE OF PROCESS. TO THE EXTENT PERMITTED BY LAW, IF ANY AGENT APPOINTED BY THE COMPANY REFUSES TO ACCEPT SERVICE, THE COMPANY HEREBY AGREES THAT SERVICE UPON IT BY MAIL SHALL CONSTITUTE SUFFICIENT NOTICE. NOTHING HEREIN SHALL AFFECT THE RIGHT TO SERVE PROCESS IN ANY OTHER MANNER PERMITTED BY LAW OR SHALL LIMIT THE RIGHT OF ANY OF THE PURCHASERS OR NOTEHOLDERS OR HOLDERS OF WARRANT STOCK TO BRING PROCEEDINGS AGAINST THE COMPANY IN THE COURTS OF ANY OTHER JURISDICTION. To the extent provided by law, should the Company, after being so served, fail to appear or answer to any summons, complaint, process or papers so served within the number of days prescribed by law after the mailing thereof, the Company shall be deemed in default and an order and/or judgment may be entered by the court against the Company as demanded or prayed for in such summons, complaint, process or papers. The exclusive choice of forum for the Company set forth in this Section 11N shall not be deemed

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to preclude the enforcement by the Purchasers of any judgment obtained in any other forum or the taking by the Purchasers of any action to enforce the same in any other appropriate jurisdiction, and the Company each hereby waives the right to collaterally attack any such judgment or action.

11O. Waiver of Right to Jury Trial. THE COMPANY AND ITS SUBSIDIARIES

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EACH ON BEHALF OF ITSELF, ITS SUCCESSORS AND ASSIGNS, HEREBY WAIVES, TO THE EXTENT PERMITTED BY APPLICABLE LAW, TRIAL BY JURY in any litigation in any court with respect to, in connection with, or arising out of this Agreement, any Note, any Warrant, the Warrant Stock, the Stockholders Agreement, the Registration Agreement, the Company's Articles of Incorporation or any other agreement contemplated hereby or thereby or the validity, protection, interpretation, collection or enforcement thereof. Notwithstanding anything contained in this Agreement to the contrary, no claim may be made by the Company against the Purchasers for any lost profits or any special, indirect or consequential damages in respect of any breach or wrongful conduct (other than willful misconduct constituting actual fraud) in connection with, arising out of or in any way related this Agreement, to the transactions contemplated hereunder, the Notes, the Warrants, the Warrant Stock, the Stockholders Agreement, the Registration Agreement, the Company's Articles of Incorporation or any act, omission or event occurring in connection therewith; and the Company and its Subsidiaries each hereby waives, releases and agrees not to sue upon any such claim for any such damages. THE COMPANY AND ITS SUBSIDIARIES EACH AGREES THAT THIS SECTION 11O IS A SPECIFIC AND MATERIAL ASPECT OF THIS AGREEMENT AND

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ACKNOWLEDGES THAT THE PURCHASER WOULD NOT PURCHASE THE NOTES OR WARRANTS HEREUNDER IF THIS SECTION 11O WERE NOT PART OF THIS AGREEMENT.

11P. Consideration for the Warrants and Warrant Stock. Each of the

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Company and the Purchasers acknowledge and agree that the fair market value of the Notes, Warrants, and Series A Preferred issued hereunder shall be as set

forth on the Schedule of Purchasers attached hereto, and that, for all purposes

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(including tax and accounting), the consideration for the issuance of the  
Warrants shall be allocated as set forth on the Schedule of Purchasers attached

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hereto. Each of the Company and the Purchasers agree that all fees payable to  
the Purchasers, as provided in Section 11A hereof, shall be reported for all tax

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purposes as a reduction in the issue price of the debt issued to the Purchasers,  
pro rata according to the principal treated by the parties as original issue  
discount and reported as interest income and interest expense in accordance with  
the applicable provisions of the Internal Revenue Code and the regulations  
promulgated thereunder. The Company, its Subsidiaries and the Purchasers shall  
file their respective federal, state and local tax returns in a manner which is  
consistent with such valuation and allocation and shall not take any action or  
position (whether in preparation of tax returns, financial statements or  
otherwise) which is inconsistent with any of the above.

11Q. No Strict Construction. The parties hereto have participated

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jointly in the negotiation and drafting of this Agreement. In the event an  
ambiguity or question of intent or interpretation arises, this Agreement shall  
be construed as if drafted jointly by the parties hereto, and no presumption or  
burden of proof shall arise favoring or disfavoring any party by virtue of the  
authorship of any of the provisions of this Agreement.

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11R. Complete Agreement. This Agreement, those documents expressly

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referred to herein and other documents of even date herewith, embody the  
complete agreement and understanding among the parties and supersede any prior  
agreements or representations by or among the parties, written or oral, which  
may have related to the subject matter hereof in any way.

11S. Time of Essence. Time is of the essence for the performance by

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the Company and the Company of the obligations set forth in this Agreement, the  
Notes, the Warrant, the Registration Agreement, the Stockholders Agreement, the  
Company's Articles of Incorporation or any document delivered hereunder.

11T. No Third Party Beneficiaries. This Agreement shall not confer

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any rights or remedies upon any Person other than the parties hereto and their  
respective successors and assigns, as specified herein and to the extent  
explicitly set forth herein, the holders of Senior Indebtedness.

11U. Confidentiality of Information. Each of the Purchasers shall use

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reasonable efforts, consistent with such Purchaser's customary practices, to  
assure that information about the Company and its operations, affairs and  
financial condition not generally disclosed to the public or to trade and other  
creditors, which is furnished to such Purchaser pursuant to the provisions  
hereof is used only for the purposes of this Agreement and shall not be divulged  
to any Person other than their Affiliates and their respective officers,  
directors, employees and agents, except: (a) to their attorneys and accountants,  
(b) in connection with the enforcement of the rights of such Purchaser hereunder  
and under the Notes, the Warrants, the Stockholders Agreement or the  
Registration Agreement or otherwise in connection with applicable litigation,  
(c) in connection with the sale of securities so long as the prospective  
purchasers thereof have agreed to be bound by the provisions of this Section 11U

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as if they were a "Purchaser"), (d) as may otherwise be required or requested by  
any regulatory authority having jurisdiction over such Purchaser or by any  
applicable law, rule, regulation or judicial process, reasonably believed by  
such Purchaser to be binding on the Purchaser.

\* \* \* \* \*

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IN WITNESS WHEREOF, the parties hereto have executed this Agreement on  
the date first written above.

ZIMMERMAN SIGN COMPANY

By: /s/ Jeffrey Johnson

-----  
Name: Jeffrey Johnson  
Its: Vice-President/CFO

CONTINENTAL ILLINOIS  
VENTURE CORPORATION

By: /s/ Robert Perille

-----  
Name: Robert Perille  
Its: Managing Director

MIG PARTNERS VIII

By: /s/ Robert Perille

-----  
Name: Robert Perille  
Its: General Partner

MANAGEMENT PURCHASERS:

-----  
/s/ David Anderson

-----  
David Anderson

-----  
/s/ Tom Boner

-----  
Tom Boner

-----  
/s/ Michael Coppinger

-----  
Michael Coppinger

-----  
/s/ Michael St. Onge

-----  
Michael St. Onge

-----  
/s/ Jeff Johnson

-----  
Jeff Johnson

-----  
/s/ John Griggs

-----  
John Griggs

LIST OF EXHIBITS

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- Exhibit A - Form of Note
  - Exhibit B - Form of Warrant
  - Exhibit C - Certificates of Designation, Series A
  - Exhibit D - Form of Share Purchase Option Agreement
  - Exhibit E - Form of Anderson Purchase Agreement
  - Exhibit F - Form of Anderson Side Letter
  - Exhibit G - Form of Stockholders Agreement
  - Exhibit H - Form of Registration Agreement
  - Exhibit I - Certificates of Designation, Series B
  - Exhibit J - Certificates of Designation, Series C
  - Exhibit K - Form of Opinion of Company Counsel

LIST OF DISCLOSURE SCHEDULES

- 
- Schedule of Purchasers
  - Indebtedness Schedule
  - Stockholders Schedule
  - Transaction Fees Schedule
  - Financial Statements Schedule
  - Guarantees Schedule
  - Affiliated Transaction Schedule
  - Capitalization Schedule
  - Subsidiaries Schedule
  - Restrictions Schedule
  - Liabilities Schedule
  - Assets Schedule
  - Tax Schedule
  - Contracts Schedule
  - Intellectual Property Schedule
  - Litigation Schedule
  - Brokerage Schedule
  - Employees Schedule



Employee Benefits Schedule  
Environmental Schedule  
Lien Schedule

SCHEDULE OF PURCHASERS

<TABLE> <CAPTION>	SCHEDULE OF PURCHASERS					
Price	Note			Purchase		
Purchasers Closing Fee	Principal Amount	Purchase Price of Notes	Warrants	Price of Warrants	Series A Preferred	Purchase of Series A Preferred
-----	-----	-----	-----	-----	-----	-----
<S>	<C>	<C>	<C>	<C>	<C>	<C>
<C>						
CIVC \$180,000	\$ 2,898,700	\$2,889,995.14	819,310	\$68,394.71	40,763	\$4,016,610.16
MIG \$ 20,000	\$ 322,100	\$ 319,923.76	204,827	\$17,096.68	4,529	\$ 437,977.54
David Anderson	\$236,133.33	\$ 235,335.58	75,113	\$ 6,270.28	3,322	\$ 326,727.46
Tom Boner	\$ 166,200	\$ 165,638.51	52,864	\$ 4,413.02	2,338	\$ 229,948.47
Mike Coppinger	\$ 68,600	\$ 68,368.24	21,800	\$ 1,819.81	964	\$ 94,811.94
Mike St. Onge	\$ 41,600	\$ 41,459.46	13,208	\$ 1,102.60	584	\$ 57,437.94
Jeff Johnson	\$133,333.33	\$ 132,882.88	5,396	\$ 450.45	0	\$ 0
John Griggs	\$133,333.33	\$ 132,882.88	5,396	\$ 450.45	0	\$ 0
- TOTAL	\$ 4,000,000	\$3,986,486.48	1,197,914	\$ 100,000	52,500	\$5,163,513.51
\$200,000						

</TABLE>

ZIMMERMAN SIGN COMPANY  
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CERTIFICATE OF DESIGNATION OF  
PREFERRED STOCK, SERIES A

Zimmerman Sign Company, a Texas corporation (the "Corporation")  
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certifies that pursuant to Article IV of its Amended and Restated Certificate of Incorporation (the "Certificate") and in accordance with the provisions of

-----  
Section 2.13 of the Texas Business Corporation Act its Board of Directors adopted the following resolution on September 29, 1998 creating a series of preferred shares.

RESOLVED, that a series of authorized preferred shares of the Corporation is hereby created, having the designation, par value, voting, participation and other rights and restrictions set out below. All capitalized terms used herein and not defined shall have the meanings ascribed to them in the Certificate.

1. Designation and Number. The shares of such class shall be  
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designated "Preferred Stock, Series A" (the "Series A Preferred Stock"). The

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number of shares initially constituting the Series A Preferred Stock shall be 52,500 which number may be decreased (but not increased) by the Board of Directors without a vote of stockholders; provided that such number may not be

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decreased below the number of then outstanding shares of Series A Preferred Stock.

2. Dividends.  
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(a) General Obligation. When and as declared by the Corporation's  
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Board of Directors and to the extent permitted under the Texas Business Corporation Act and other applicable law, the Corporation shall pay preferential dividends in cash to the holders of the Series A Preferred Stock as provided in this Section 2. Dividends on each share of the Series A Preferred Stock (a

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"Series A Preferred Share") shall accrue on a daily basis at the rate of 8.0%

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per annum of the sum of \$100.00 (the "Liquidation Value") plus all accumulated

-----  
and unpaid dividends thereon from and including the date of issuance of such Series A Preferred Share to and including the first to occur of (i) the date on which the Liquidation Value of such Series A Preferred Share (plus all accrued and unpaid dividends thereon) is paid to the holder thereof in connection with the liquidation of the Corporation or the redemption of such Series A Preferred Share by the Corporation or (ii) the date on which such share is otherwise acquired by the Corporation. Such dividends shall accrue whether or not they have been declared and whether or not there are profits, surplus or other funds of the Corporation legally available for the payment of dividends (other than dividends on capital stock of the Corporation paid with shares of stock of the same class), and such dividends shall be cumulative such that all accrued and unpaid dividends shall be fully paid or declared with funds irrevocably set apart for payment before any dividends, distributions, redemptions or other payments may be made with respect to the Common Stock, the Series B Preferred Stock, the Series C

Preferred or any capital stock or other equity securities of the Corporation (collectively, the "Junior Securities"). The date on which the Corporation

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initially issues any Series A Preferred Share shall be deemed to be its "date of issuance" regardless of the number of times transfer of such Series A Preferred Share is made on the stock records maintained by or for the Corporation and regardless of the number of certificates which may be issued to evidence such Series A Preferred Share.

(b) Dividend Reference Dates. To the extent not paid on March 15,  
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June 15, September 15, and December 15 of each year, beginning December 31, 1998 (the "Dividend Reference Dates"), all dividends which have accrued on each

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Series A Preferred Share outstanding during the three-month period (or other period in the case of the initial Dividend Reference Date) ending upon each such Dividend Reference Date shall be accumulated and shall remain accumulated dividends with respect to such Series A Preferred Share until paid to the holder thereof.

(c) Distribution of Partial Dividend Payments. Except as otherwise

provided herein, if at any time the Corporation pays less than the total amount of dividends then accrued with respect to the Series A Preferred Stock, such payment shall be distributed pro rata among the holders thereof based upon the aggregate accrued but unpaid dividends on the Series A Preferred Shares held by each such holder.

3. Liquidation. Upon any liquidation, dissolution or winding up of

the Corporation (whether voluntary or involuntary), each holder of Series A Preferred Stock shall be entitled to be paid, before any distribution or payment is made upon any Junior Securities, an amount in cash equal to the aggregate Liquidation Value of all Series A Preferred Shares held by such holder (plus all accrued and unpaid dividends thereon), and the holders of Series A Preferred Stock shall not be entitled to any further payment. If upon any such liquidation, dissolution or winding up of the Corporation the Corporation's assets to be distributed among the holders of the Series A Preferred Stock are insufficient to permit payment to such holders of the aggregate amount which they are entitled to be paid under this Section 3, then the entire assets

available to be distributed to the Corporation's stockholders shall be distributed pro rata among such holders based upon the aggregate Liquidation Value (plus all accrued and unpaid dividends) of the Series A Preferred Stock held by each such holder. Prior to the liquidation, dissolution or winding up of the Corporation, the Corporation shall declare for payment all accrued and unpaid dividends with respect to the Series A Preferred Stock, but only to the extent of funds of the Corporation legally available for the payment of dividends. Not more than 60 nor less than 30 days prior to the payment date stated therein, the Corporation shall mail written notice of any such liquidation, dissolution or winding up to each record holder of Series A Preferred Stock, setting forth in reasonable detail the amount of proceeds to be paid with respect to each share of capital stock of the Corporation, including each Series A Preferred Share, each share of Series B Preferred Stock, each share of Series C Preferred Stock and each share of Common Stock in connection with such liquidation, dissolution or winding up.

4. Priority on Dividends and Redemptions. So long as any Series A

Preferred Stock remains outstanding, without the prior written consent of the holders of a majority of the

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outstanding shares of Series A Preferred Stock, the Corporation shall not, nor shall it permit any Subsidiary to, redeem, purchase or otherwise acquire directly or indirectly any Junior Securities, nor shall the Corporation directly or indirectly pay or declare any dividend or make any distribution upon any Junior Securities, other than (i) repurchases of Common Stock from any employee of the Corporation provided that (A) no Default or Event of Default (as defined in the Senior Subordinated Note, Preferred Stock and Warrant Purchase Agreement, dated as of September 30, 1998, by and among the Corporation, and certain investors (the "Purchase Agreement")) is in existence immediately prior to or

immediately after such repurchase or payment, (B) the purchase price paid in such repurchase or the amount of such payment does not exceed the fair market value of the stock repurchased or is in an amount calculated pursuant to the terms of a repurchase or employment agreement between the Corporation and such employee entered into in connection with the commencement of such employee's employment, (C) such purchase occurs after September 30, 1999 and (D) the aggregate amount paid or payable in any fiscal year in respect of all such purchases from employees does not exceed \$250,000, (ii) dividends paid in accordance with the terms of the Series B Preferred and the terms of the Series C Preferred; provided that no Default or Event of Default (as defined in the Purchase Agreement) or an Event of Noncompliance is in existence immediately prior to or immediately after such dividend and (iii) dividends on capital stock of the Corporation paid with shares of stock of the same class.

5. Redemptions. To the extent permitted under the Texas Business

Corporation Act and other applicable law:

(a) Scheduled Redemption. On the earlier of (i) September 30, 2006

and (ii) 90 days following the payment in full of the obligations under the Notes (the "Scheduled Redemption Date"), the Corporation shall redeem all

outstanding shares of Series A Preferred Stock at a price per Series A Preferred Share equal to the Liquidation Value thereof (plus accrued and unpaid dividends thereon).

(b) Optional Redemptions. The Corporation may at any time and from

time to time redeem all or any portion of the shares of Series A Preferred Stock

then outstanding. Upon any such redemption, the Corporation shall pay a price per Series A Preferred Share equal to the Liquidation Value thereof (plus all accrued and unpaid dividends thereon), plus an amount equal to the Redemption

Premium Amount calculated with respect thereto (if any).

The term "Redemption Premium Amount" means:

(i) with respect to any redemption of shares of Series A Preferred made on or prior to the first anniversary of the Closing Date (as defined in the Purchase Agreement), 5.0% multiplied by the aggregate Liquidation Value of the Series A Preferred Shares so redeemed;

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(ii) with respect to any redemption of shares of Series A Preferred made after the first anniversary of the Closing Date and on or prior to the second anniversary of the Closing Date; 4.0% multiplied by the aggregate Liquidation Value of the Series A Preferred Shares so redeemed;

(iii) with respect to any redemption of shares of Series A Preferred made after the second first anniversary of the Closing Date and on or prior to the third anniversary of the Closing Date; 3.0% multiplied by the aggregate Liquidation Value of the Series A Preferred Shares so redeemed;

(iv) with respect to any redemption of shares of Series A Preferred made after the third anniversary of the Closing Date and on or prior to the fourth anniversary of the Closing Date; 2.0% multiplied by the aggregate Liquidation Value of the Series A Preferred Shares so redeemed;

(v) with respect to any redemption of shares of Series A Preferred made after the fourth first anniversary of the Closing Date and on or prior to the fifth anniversary of the Closing Date; 1.0% multiplied by the aggregate Liquidation Value of the Series A Preferred Shares so redeemed; and

(vi) with respect to any redemption of the Series A Preferred Shares made after the fifth anniversary of the Closing Date; zero;

notwithstanding the foregoing, if, and to the extent, any such redemption is funded with net proceeds from a Public Offering (after deduction of all discounts, underwriters' commissions and other reasonable expenses), the Redemption Premium Amount payable in connection therewith shall be 50% of the amount otherwise calculated pursuant to clauses (i) through (vi) above.

(c) Mandatory Redemptions.

i. Redemption After Public Offering. At any time after the fifth anniversary of the Closing Date (as defined in the Purchase Agreement), the Corporation shall apply the net cash proceeds from any Public Offering remaining after deduction of all discounts, underwriters' commissions and other reasonable expenses to redeem shares of Series A Preferred Stock at a price per Series A Preferred Share equal to the Liquidation Value thereof (plus all accrued and unpaid dividends thereon). Such redemption shall take place on a date fixed by the Corporation, which date shall be not more than five days after the Corporation's receipt of such proceeds.

The term "Public Offering" means any offering by the Corporation of any securities to the public pursuant to an effective registration statement under the Securities Act of 1933, as then in effect, or any comparable statement under any similar federal statute then in force.

ii. Redemption upon Change in Ownership. If a Change in Ownership has occurred or the Corporation obtains knowledge that a Change in Ownership is proposed to occur, the Corporation shall give prompt written notice of such Change in Ownership describing in reasonable detail the material terms and date of consummation thereof to each holder of Series A

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Preferred Stock, but in any event such notice shall not be given later than five days after the occurrence of such Change in Ownership, and the Corporation shall give each holder of Series A Preferred Stock prompt written notice of any material change in the terms or timing of such transaction. The holder or holders of a majority of the Series A Preferred Stock then outstanding may require the Corporation to redeem all or any portion of the Series A Preferred Stock owned by such holders at a price per Series A Preferred Share equal to the Liquidation Value thereof (plus all accrued and unpaid dividends thereon), plus

an amount equal to the Redemption Premium Amount calculated with respect thereto

(if any), by giving written notice to the Corporation of such election prior to the later of (a) 21 days after receipt of the Corporation's notice and (b) five days prior to the consummation of the Change in Ownership (the "Expiration

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Date"). The Corporation shall give prompt written notice of any such election to  
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all other holders of Series A Preferred Stock within five days after the receipt thereof, and each such holder shall have until the later of (a) the Expiration Date or (b) ten days after receipt of such second notice to request redemption hereunder (by giving written notice to the Corporation) of all or any portion of the Series A Preferred Stock owned by such holder.

Upon receipt of such election(s), the Corporation shall be obligated to redeem the aggregate number of Series A Preferred Shares specified therein on the later of (a) the occurrence of the Change in Ownership or (b) five days after the Corporation's receipt of such election(s). If any proposed Change in Ownership does not occur, all requests for redemption in connection therewith shall be automatically rescinded. Any holder of Series A Preferred Stock may rescind such holder's request for redemption by delivering written notice thereof to the Corporation prior to the consummation of the transaction.

The term "Change in Ownership" means an event which results in any  
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Management Purchaser (as defined in the Purchase Agreement) ceasing to hold, beneficially and of record, at least 85% of the issued and issuable capital stock of the Corporation that such Management Purchaser holds at Closing (as adjusted for any subsequent stock splits, stock dividends, combinations of shares or similar recapitalizations), other than Tom Boner in respect of sales of capital stock to David Anderson.

iii Redemption upon Fundamental Change. If a Fundamental Change is  
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proposed to occur, the Corporation shall give written notice of such Fundamental Change describing in reasonable detail the material terms and date of consummation thereof to each holder of Series A Preferred Stock not more than 45 days nor less than 20 days prior to the consummation of such Fundamental Change, and the Corporation shall give each holder of Series A Preferred Stock prompt written notice of any material change in the terms or timing of such transaction. The holder or holders of a majority of the Series A Preferred Shares then outstanding, may require the Corporation to redeem all or any portion of the Series A Preferred Stock owned by such holders at a price per Series A Preferred Share equal to the Liquidation Value thereof (plus all accrued and unpaid dividends thereon), plus an amount equal to the Redemption

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Premium Amount calculated with respect thereto (if any), by giving written notice to the Corporation of such election prior to the later of (a) ten days prior to the consummation of the Fundamental Change or (b) ten days after receipt

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of notice from the Corporation. The Corporation shall give prompt written notice of such election to all other holders of Series A Preferred Stock (but in any event within five days prior to the consummation of the Fundamental Change), and each such holder shall have until five business days after the receipt of such notice to request redemption (by written notice given to the Corporation) of all or any portion of the Series A Preferred Stock owned by such holder.

Upon receipt of such election(s), the Corporation shall be obligated to redeem the aggregate number of Series A Preferred Shares specified therein upon the consummation of such Fundamental Change. If any proposed Fundamental Change does not occur, all requests for redemption in connection therewith shall be automatically rescinded, or if there has been a material change in the terms or the timing of the transaction, any holder of Series A Preferred Stock may rescind such holder's request for redemption by delivering written notice thereof to the Corporation prior to the consummation of the transaction.

The term "Fundamental Change" means (a) any sale or transfer of more  
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than 50% of the assets of the Corporation and its Subsidiaries on a consolidated basis (measured either by book value in accordance with generally accepted accounting principles consistently applied or by fair market value determined in the reasonable good faith judgment of the Corporation's Board of Directors) in any transaction or series of transactions (other than sales in the ordinary course of business) and (b) any merger or consolidation to which the Corporation is a party, except for a merger in which the Corporation is the surviving corporation or the holders of the Corporation's voting common stock immediately prior to such merger or consolidation shall represent at least 80% of the combined voting power of the voting securities after such merger or consolidation, the terms of the Series A Preferred Stock are not changed in any material respect or are assumed and the Series A Preferred Stock is not exchanged for cash, securities or other property, and after giving effect to such merger, the holders of the Corporation's outstanding capital stock possessing a majority of the voting power (under ordinary circumstances) to elect a majority of the Corporation's Board of Directors immediately prior to

the merger shall continue to own the Corporation's outstanding capital stock possessing the voting power (under ordinary circumstances) to elect a majority of the Corporation's Board of Directors.

(d) Redemption Payments. For each Series A Preferred Share which is

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to be redeemed hereunder, the Corporation shall be obligated on the Redemption Date to pay to the holder thereof (upon surrender by such holder at the Corporation's principal office of the certificate representing such Series A Preferred Share) an amount in immediately available funds equal to the Liquidation Value of such Series A Preferred Share (plus all accrued and unpaid dividends thereon), plus, the Redemption Premium Amount calculated with respect

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thereto (if any). If the funds of the Corporation legally available for redemption of Series A Preferred Shares on any Redemption Date are insufficient to redeem the total number of Series A Preferred Shares to be redeemed on such date, those funds which are legally available shall be used to redeem the maximum possible number of Series A Preferred Shares pro rata among the holders of the Series A Preferred Shares to be redeemed based upon the aggregate Liquidation Value of such Series A Preferred Shares held by each such holder (plus all accrued and unpaid dividends thereon). The Series A Preferred Shares not

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redeemed shall remain outstanding and entitled to all of the rights and preferences hereunder. At any time thereafter when additional funds of the Corporation are legally available for the redemption of Series A Preferred Shares, such funds shall immediately be used to redeem the balance of the Series A Preferred Shares which the Corporation has become obligated to redeem on any Redemption Date but which it has not redeemed.

The term "Redemption Date," as to any Series A Preferred Share, means

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the Scheduled Redemption Date or the date specified in the notice of any redemption at the Corporation's option or at the holder's option or the applicable date specified herein in the case of any other redemption.

(e) Notice of Redemption. Except as otherwise provided herein, the

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Corporation shall mail written notice of each redemption of any Series A Preferred Stock to each record holder thereof not more than 60 nor less than 30 days prior to the date on which such redemption is to be made. In case fewer than the total number of Series A Preferred Shares represented by any certificate are redeemed, a new certificate representing the number of unredeemed Series A Preferred Shares shall be issued to the holder thereof without cost to such holder within five business days after surrender of the certificate representing the redeemed Series A Preferred Shares.

(f) Determination of the Number of Each Holder's Series A Preferred

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Shares to be Redeemed. The number of Series A Preferred Shares to be redeemed -  
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from each holder thereof in redemptions hereunder shall be the number of Series A Preferred Shares determined by multiplying the total number of Series A Preferred Shares to be redeemed times a fraction, the numerator of which shall be the total number of Series A Preferred Shares then held by such holder and the denominator of which shall be the total number of Series A Preferred Shares then outstanding.

(g) Dividends After Redemption Date. No Series A Preferred Share

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shall be entitled to any dividends accruing after the Redemption Date of such Series A Preferred Share if the Liquidation Value (plus all accrued and unpaid dividends thereon) is paid to the holder of such Series A Preferred Share on the Redemption Date. On such date, all rights of the holder of such Series A Preferred Share shall cease, and such Series A Preferred Share shall no longer be deemed to be issued and outstanding.

(h) Redeemed or Otherwise Acquired Series A Preferred Shares. Any

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Series A Preferred Shares which are redeemed or otherwise acquired by the Corporation shall be canceled and retired to authorized but unissued shares and shall not be reissued, sold or transferred.

(i) Other Redemptions or Acquisitions. The Corporation shall not, nor

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shall it permit any Subsidiary to, redeem or otherwise acquire any shares of Series A Preferred Stock, except as expressly authorized herein.

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6. Voting Rights. Subject to the following sentence, except as

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otherwise provided herein, in the Purchase Agreement or otherwise required by

applicable law, the holders of Series A Preferred Stock shall have no voting rights; provided that each holder of Series A Preferred Stock shall be entitled to notice of all stockholders meetings at the same time and in the same manner as notice is given to all stockholders entitled to vote at such meetings. The foregoing notwithstanding, the holders of the Series A Preferred shall be entitled to designate two directors to serve on the board of directors of the Corporation at all times, such directors to be elected by a holders of a majority the Series A Preferred.

7. Events of Noncompliance.  
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(a) Definition. An Event of Noncompliance shall be deemed to have  
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occurred if:

i. the Corporation fails to pay on any Dividend Reference Date the full amount of dividends then accrued on the Series A Preferred Stock, whether or not such payment is legally permissible or is prohibited by any agreement to which the Corporation is subject;

ii. the Corporation fails to make any redemption payment with respect to the Series A Preferred Stock which it is obligated to make hereunder, whether or not such payment is legally permissible or is prohibited by any agreement to which the Corporation is subject;

iii. upon the occurrence a Default or Event of Default as defined in the Purchase Agreement;

iv. any representation or warranty contained in the Purchase Agreement or required to be furnished to any holder of Series A Preferred Stock pursuant to the Purchase Agreement, or any information contained in writing required to be furnished by the Corporation or any Subsidiary to any holder of Series A Preferred Stock, is false or misleading in any material respect on the date made or furnished; or

v. the Corporation or any Subsidiary makes an assignment for the benefit of creditors or admits in writing its inability to pay its debts generally as they become due; or an order, judgment or decree is entered adjudicating the Corporation or any Subsidiary bankrupt or insolvent; or any order for relief with respect to the Corporation or any Subsidiary is entered under the Federal Bankruptcy Code; or the Corporation or any Subsidiary petitions or applies to any tribunal for the appointment of a custodian, trustee, receiver or liquidator of the Corporation or any Subsidiary or of any substantial part of the assets of the Corporation or any Subsidiary, or commences any proceeding (other than a proceeding for the voluntary liquidation and dissolution of a Subsidiary) relating to the Corporation or any Subsidiary under any bankruptcy, reorganization, arrangement, insolvency, readjustment of debt, dissolution or liquidation law of any jurisdiction; or any such petition or application is filed, or any such proceeding is commenced, against the Corporation or any Subsidiary and either (a) the Corporation or any such Subsidiary by any act indicates its approval

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thereof, consent thereto or acquiescence therein or (b) such petition, application or proceeding is not dismissed within 60 days.

(b) Consequences of Certain Events of Noncompliance.  
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i. If an Event of Noncompliance has occurred, the dividend rate per annum on the Series A Preferred Stock shall increase immediately by an increment of 3.0 percentage points i.e. the dividend rate will increase from 8.0% to 11.0% per annum. If such Event of Noncompliance remains uncured for a period of 180 days, the dividend rate per annum on the Series A Preferred Stock shall increase at the end of such 180 day period from 11.0% to 13.0%. Any increase of the dividend rate resulting from the operation of this paragraph shall terminate as of the close of business on the date on which no Event of Noncompliance exists, subject to subsequent increases pursuant to this paragraph.

ii. If an Event of Noncompliance has occurred, the holder or holders of a majority of the Series A Preferred Stock then outstanding may demand (by written notice delivered to the Corporation) immediate redemption of all or any portion of the Series A Preferred Stock owned by such holder or holders at a price per Series A Preferred Share equal to the Liquidation Value thereof (plus all accrued and unpaid dividends thereon). The Corporation shall give prompt written notice of such election to the other holders of Series A Preferred Stock (but in any event within five days after receipt of the initial demand for redemption), and each such other holder may demand immediate redemption of all or any portion of such holder's Series A Preferred Stock by giving written notice thereof to the Corporation within seven days after receipt of the Corporation's notice. The Corporation shall redeem all Series A Preferred Stock as to which rights under this paragraph have been exercised within 15 days after receipt of the initial demand for redemption.

iii. If any Event of Noncompliance has occurred each Series A Director shall automatically be entitled to cast two votes with respect to any matter submitted to a vote of the board of directors. Each Series A Director may exercise its right to cast two votes in accordance with the preceding sentence with respect to any matter, including any matter at any annual or other special meeting of directors, and to the extent and in the manner permitted by applicable law, pursuant to a written consent in lieu of a meeting of the board of directors. Such special right shall continue until such time as there is no longer any Event of Noncompliance in existence, at which time such special right shall terminate subject to revesting upon the occurrence and continuation of any Event of Noncompliance which gives rise to such special right hereunder.

iv. If any Event of Noncompliance exists, each holder of Series A Preferred Stock shall also have any other rights which such holder is entitled to under any contract or agreement at any time and any other rights which such holder may have pursuant to applicable law.

8. Registration of Transfer. The Corporation shall keep at its  
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principal office a register for the registration of Series A Preferred Stock. Upon the surrender of any certificate

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representing Series A Preferred Stock at such place, the Corporation shall, at the request of the record holder of such certificate, execute and deliver (at the Corporation's expense) a new certificate or certificates in exchange therefor representing in the aggregate the number of Series A Preferred Shares represented by the surrendered certificate. Each such new certificate shall be registered in such name and shall represent such number of Series A Preferred Shares as is requested by the holder of the surrendered certificate and shall be substantially identical in form to the surrendered certificate, and dividends shall accrue on the Series A Preferred Stock represented by such new certificate from the date to which dividends have been fully paid on such Series A Preferred Stock represented by the surrendered certificate.

9. Replacement. Upon receipt of evidence reasonably satisfactory to  
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the Corporation (an affidavit of the registered holder shall be satisfactory) of the ownership and the loss, theft, destruction or mutilation of any certificate evidencing shares of Series A Preferred Stock, and in the case of any such loss, theft or destruction, upon receipt of indemnity reasonably satisfactory to the Corporation (provided that if the holder is a financial institution or other institutional investor or a Purchaser as defined in the Purchase Agreement, its own agreement shall be satisfactory), or, in the case of any such mutilation upon surrender of such certificate, the Corporation shall (at its expense) execute and deliver in lieu of such certificate a new certificate of like kind representing the number of Series A Preferred Shares of such class represented by such lost, stolen, destroyed or mutilated certificate and dated the date of such lost, stolen, destroyed or mutilated certificate, and dividends shall accrue on the Series A Preferred Stock represented by such new certificate from the date to which dividends have been fully paid on such lost, stolen, destroyed or mutilated certificate.

10. Amendment and Waiver. No amendment, modification or waiver shall  
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be binding or effective with respect to any provision hereof, without the prior written consent of the holders of a majority of the Series A Preferred Stock outstanding at the time such action is taken.

11. Notices. Except as otherwise expressly provided hereunder, all  
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notices referred to herein shall be in writing and shall be delivered by registered or certified mail, return receipt requested and postage prepaid, or by reputable overnight courier service, charges prepaid, and shall be deemed to have been given when so mailed or sent (i) to the Corporation, at its principal executive offices and (ii) to any stockholder, at such holder's address as it appears in the stock records of the Corporation (unless otherwise indicated by any such holder).

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IN WITNESS WHEREOF, the Corporation has caused this Certificate of Designation to be signed this 30th day of September, 1998.

ZIMMERMAN SIGN COMPANY

/s/ Jeffrey Johnson



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By: Jeffrey Johnson  
Its: Vice President/CFO

ZIMMERMAN SIGN COMPANY  
STOCKHOLDERS AGREEMENT  
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THIS STOCKHOLDERS AGREEMENT (this "Agreement") is made as of September 30, 1998 between Zimmerman Sign Company, a Texas corporation (the "Company"), each of the investors listed on the Schedule of Investors attached hereto (the "Investors"), each of the executives listed on the Schedule of Executives attached hereto (the "Executives") and each of the other stockholders listed on the Schedule of Other Stockholders attached hereto (the "Other Stockholders" and collectively, with the Investors and the Executives, the "Stockholders"; each, a "Stockholder".) Capitalized terms used and not otherwise defined herein are defined in Section 9 hereof.

The Investors are entering into a Senior Subordinated Note, Preferred Stock and Warrant Purchase Agreement, dated as of the date hereof (the "Purchase Agreement"), pursuant to which the Investors are purchasing 12.0% Senior Subordinated Notes (the "Notes"), shares of Series A Preferred Stock and the Investor Warrants. As of the date hereof, each of the Executives and each of the Other Stockholders owns shares of Common Stock in the amounts set forth opposite such Executive's name and such Other Stockholder's name, respectively, on the Schedule of Executives and the Schedule of Other Stockholders.

The Company and the Stockholders desire to enter into this Agreement for the purposes, among others, of (i) establishing the composition of the Company's board of directors (the "Board"), (ii) assuring continuity in the management of the Company and (iii) limiting the manner and terms by which the Common Stock may be transferred. The execution and delivery of this Agreement is a condition to the Investors' obligations under the Purchase Agreement.

NOW, THEREFORE, in consideration of the mutual covenants contained herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties to this Agreement hereby agree as follows:

1. Board of Directors.  
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(a) From and after the Closing (as defined in the Purchase Agreement) and until the provisions of this Section 1 cease to be effective, each Stockholder shall vote all of his or its Stockholder Shares which are voting shares and any other voting securities of the Company over which such Stockholder has voting control and shall take all other necessary or desirable actions within his or its control (whether in his or its capacity as a stockholder, director, member of a Board committee or officer of the Company or otherwise, and including, without limitation, attendance at meetings in person or by proxy for purposes of obtaining a quorum and execution of written consents in lieu of meetings), and the Company shall take all necessary or desirable actions within its control (including, without limitation, calling special board and stockholder meetings), so that:

(i) subject to Section 1(e) below, the authorized number of directors on the Board shall be established at five (5) directors,

(ii) the following individuals shall be elected to the Board:

(A) two (2) representatives (the "Investor Directors")

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designated by holders of a majority of the Investor Shares (the "Majority Investor Holders"); provided that the designation of the

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Investor Directors pursuant to this subparagraph (ii) (A) shall be in lieu of, and operative only to the extent that, (i) the holders of the Series A Preferred have failed to designate (or for any reason, have

been prevented from designating) in accordance with Section 6 of the Certificate of Designation, Series A, two (2) representatives to serve on the Board, or (ii) the Investors do not hold a majority of the Series A Preferred;

(B) two (2) members of the Company's management designated by the Executives, determined by a vote of the Executives owning a majority of the Stockholder Shares held by all Executives (the "Executive Directors"), provided that the initial Executive Directors ----- shall be David E. Anderson and Tom E. Boner; and

(C) one (1) representative designated by the Executives (determined on the basis of a vote of a majority of the Stockholder Shares held by all Executives) and acceptable to the Majority Investor Holders, provided that the person so designated is not a member of the Company's management or an employee or officer of the Company or its subsidiaries of an Affiliate, or related by blood or marriage to any affiliate, of any of the Executives or any other member of the Company's management (the "Outside Director"); provided, further, that ----- the Outside Director initially shall be Carl A. Goldman;

(iii) the composition of the board of directors of each of the Company's Subsidiaries, if any (a "Sub Board"), shall be the same as that ----- of the Board;

(iv) the removal from the Board or a Sub Board (with or without cause) of any representative designated (x) under subparagraph (ii) (A), shall be at the written request of the Majority Investor Holders, (y) under subparagraph (ii) (B), shall be at the written request of the Executives or (z) under subparagraph (ii) (C), shall be at the written request of the Majority Investor Holders, the Executives or the Majority Investor Holders and the Executives, collectively, but only upon such written request and under no other circumstances (in each case, determined on the basis of a vote of the holders of a majority of the Stockholder Shares held by such Persons), provided that if any director elected pursuant to subparagraph (ii) (B) above ceases to be an employee of the Company and its Subsidiaries, he shall be removed as a director promptly after his employment ceases and shall have no right to designate any representative pursuant to this Section 1(a), except that,

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the foregoing notwithstanding, David Anderson shall be permitted to serve as an Executive Director designated pursuant to Section 1(a) (ii) (B) for so long as he continues to hold not less than 5% of the aggregate outstanding shares of the Company's Common Stock, whether or not he is employed by the Company; and

(v) in the event that any representative designated hereunder by the Majority Investor Holders or by the Executives, or by the Executives with the approval of the Majority Investor Holders, ceases to serve as a member of the Board or a Sub Board during his term of office, the resulting vacancy on the Board or the Sub Board shall be filled by a representative designated and/or approved by the Majority Investor Holders or the Executives, or by a representative designated and/or approved by the Majority Investor Holders or the Executives, as the case may be, as provided hereunder.

(b) The Company shall pay the reasonable out-of-pocket expenses incurred by each director in connection with attending the meetings of the Board, any Sub Board and any committee thereof. So long as any Investor Director serves on the Board and for 4 years thereafter, the Company shall, at the request of such Investor Director, maintain directors and officers indemnity insurance coverage satisfactory to the Investors.

(c) The rights of each Executive under this Section 1 shall terminate upon such Executive ceasing to be employed by the Company or, if earlier, at such time as the Executives and their Permitted Transferees (as defined in Section 4(c) hereof), for any reason, hold in the aggregate less than 75% of the Stockholder Shares held by the Executives on the date hereof; provided that, the foregoing notwithstanding, David Anderson shall be permitted to serve as an Executive Director designated pursuant to Section 1(a) (ii) (B) for so long as he continues to hold not less than 5% of the aggregate outstanding shares of the Company's Common Stock, whether or not he is employed by the Company.

(d) If any party fails to designate a representative to fill a directorship pursuant to the terms of this Section 1, the individual previously holding such directorship shall be elected to such position, or if such individual fails or declines to serve, the election of an individual to such directorship shall be accomplished in accordance with the Company's Bylaws and applicable law; provided that the Stockholders shall vote to remove such individual if the party which failed to designate such directorship so directs.

(e) Notwithstanding anything to the contrary contained in this Section 1, upon the occurrence of an Event of Noncompliance of the type described in Section 7 of the Certificate of Designation and so long as any such Event of Noncompliance continues uncured and unwaived, each holder of Stockholder Shares shall vote all of his or its Stockholder Shares and any other voting securities of the Company over which it has voting control and take all other necessary or desirable actions within his or its control, and the Company shall take all necessary and desirable actions within its control, in order to cause, at the option of and as directed by Majority Investor Holders, the removal from the Board of one of the representatives designated pursuant to paragraph 1(a)(ii)(B) and the election to the Board of a replacement representative designated by the Majority Investor Holders; provided that, the foregoing notwithstanding, upon the occurrence of an Event of

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Noncompliance, the Stockholders shall not be required to vote their Stockholder Shares to effect the removal and replacement of a representative in accordance with this Section 1(e) so long as (i) each of two directors designated to the Board by holders of the Series A Preferred is entitled, in accordance with Section 7(b)(iii) of the Certificate of Designation, to cast with respect to each resolution or other matter presented to the Board for approval, two times the number of votes that each other director is entitled to cast in with respect to approval of such resolution or other matter, and (ii) the Investors hold a majority of the Series A Preferred.

(f) Notwithstanding any other provision of this Section 1, the holders of Series A Preferred shall not be obligated to vote such shares to elect any person to the Board other than the Investor Directors.

(g) The provisions set forth in Section 1 shall terminate at such time when the Investors no longer own at least 20% of the Investor Shares acquired by the Investors under the Purchase Agreement.

2. Representations and Warranties. Each Stockholder represents and

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warrants that (i) such Stockholder is the record owner of the number of Stockholder Shares set forth opposite its name on the schedule attached hereto, (ii) this Agreement has been duly authorized, executed and delivered by such Stockholder and constitutes the valid and binding obligation of such Stockholder, enforceable in accordance with its terms, and (iii) such Stockholder has not granted and is not a party to any proxy, voting trust or other agreement other than this Agreement. No holder of Stockholder Shares shall grant any proxy or become party to any voting trust or other agreement which is inconsistent with, conflicts with or violates any provision of this Agreement.

3. [Intentionally deleted.]

4. Restrictions on Transfer of Stockholder Shares.  
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(a) Transfer of Stockholder Shares. No Executive or Other Stockholder  
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shall sell, transfer, assign, pledge or otherwise dispose of (whether with or without consideration and whether voluntarily or involuntarily or by operation of law) any interest in his or its Stockholder Shares (a "Transfer"), except  
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pursuant to the provisions of Section 6, in connection with a Public Sale, pursuant to the Stock Purchase Option Agreements (as defined in the Purchase Agreement) or with the prior written approval of the Majority Investor Holders or, in the case of the Executives, pursuant to the provisions of this Section 4.

(b) Tag-Along Rights. At least thirty 30 days prior to any Transfer  
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of Stockholder Shares (other than a Public Sale), the Executive making such Transfer (the "Transferring Stockholder") shall deliver a written notice (the  
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"Sale Notice") to the holders of Investor Shares, specifying in reasonable  
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detail the identity of the prospective transferee(s), the number of shares to be transferred and the terms and conditions of the contemplated Transfer. Each holder of Investor Shares may elect to participate in the contemplated Transfer at the same price per share (whether voting or non-voting stock) and on the same terms by delivering written notice to the Transferring Stockholder within 30 days after delivery of the Sale Notice. If any holder of Investor

-4-

Shares has elected to participate in such contemplated Transfer, the Transferring Stockholder and each such electing holder shall be entitled to sell in the contemplated Transfer, at the same price and on the same terms, a number of Stockholder Shares equal to the product of (i) the quotient determined by dividing the percentage of Stockholder Shares owned by such Person by the aggregate percentage of Stockholder Shares owned by the Transferring Stockholder

and the holders of Investor Shares participating in such sale and (ii) the number of Stockholder Shares to be sold in the contemplated Transfer.

Each Executive shall use its best efforts to obtain the agreement of the prospective transferee(s) to the participation of the holders of Investor Shares in any contemplated Transfer and to the inclusion of the Investor Warrants and Series A Preferred in the contemplated Transfer, and no Executive shall transfer any of its Stockholder Shares to any prospective transferee if such prospective transferee(s) declines to allow the participation of the holders of Investor Shares or the inclusion of the Warrants or Series A Preferred. If any portion of the Investor Warrants is included in any Transfer of Stockholder Shares under this Section 4(b), the purchase price for the Investor Warrants shall be equal to the full purchase price determined hereunder for the Stockholder Shares covered by the portion of the Investor Warrants to be transferred, reduced by the aggregate exercise price for such shares.

(c) Permitted Transfers. The restrictions set forth in this Section  
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4 shall not apply with respect to any Transfer of Stockholder Shares by any Executive pursuant to applicable laws of descent and distribution or among such Executive's Family Group (collectively referred to herein as "Permitted

Transferees"); provided that the restrictions contained in this Section 4 shall  
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continue to be applicable to the Stockholder Shares after any such Transfer and provided further that such transferees of such Stockholder Shares shall have agreed in writing to be bound by the provisions of this Agreement affecting the Stockholder Shares so transferred to the same extent and in the same manner as the transferor thereof was so bound (e.g., any transferee of Stockholder Shares in a Transfer from an Executive shall be subject to the obligations of an Executive hereunder).

(d) Termination of Restrictions. The restrictions on the Transfer of  
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Stockholder Shares set forth in this Section 4 shall continue with respect to each Stockholder Share until the date on which such Stockholder Share has been transferred in a Public Sale or a Sale of the Company in accordance with Section 6.

5. Legend. Each certificate evidencing Stockholder Shares and each  
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certificate issued in exchange for or upon the transfer of any Stockholder Shares (if such shares remain Stockholder Shares after such transfer) shall be stamped or otherwise imprinted with a legend in substantially the following form:

"The securities represented by this certificate are subject to a Stockholders Agreement dated as of September 30, 1998 among the issuer of such securities (the "Company") and certain of the Company's stockholders, as amended and modified from time to time. A copy of such Stockholders Agreement shall be furnished without charge by the Company to the holder hereof upon written request."

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The Company shall imprint such legend on certificates evidencing Stockholder Shares outstanding as of the date hereof. The legend set forth above shall be removed from the certificates evidencing any shares which cease to be Stockholder Shares in accordance with paragraph 9 hereof.

6. Drag-Along Rights.  
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(a) Simultaneous with or at any time following exercise of the Investor Warrants, the Majority Investor Holders shall have the right to seek a Sale of the Company and identify a third party or parties to acquire (i) all of the issued and outstanding capital stock of the Company (whether by merger, consolidation or sale or transfer of stock) or (ii) all or substantially all of the Company's assets on a consolidated basis. The holder or holders proposing a Sale of the Company (the "Proposing Stockholders") shall notify the Company and

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the other Stockholders (the "Non-Proposing Stockholders") prior to initiating  
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contact with any prospective third party purchaser in connection with such transaction.

(b) Election. The Proposing Stockholders shall deliver written  
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notice to the Company and the Non-Proposing Stockholders setting forth in reasonable detail the terms of the proposed Sale of the Company (the "Sale  
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Notice"). Within 20 days following receipt of the Sale Notice (the "Election  
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Period"), the Non-Proposing Stockholders shall deliver to the Company and the

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Proposing Stockholders written notice setting forth such holders' election (i) to consent to and raise no objections against proposed Sale of the Company, and if the Sale of the Company is structured as a sale of stock, to sell their Stockholder Shares on the terms and conditions set forth in the Sale Notice, or (ii) if such Non-Proposing Stockholders hold more than 20% of the Stockholder Shares, to deliver a written offer (a "Stockholder Offer"), upon substantially

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the same terms as described in the Sale Notice, to acquire the Company (a "Stockholder Transaction"). If the Non-Proposing Stockholders have not

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delivered a Stockholder Offer within such 20-day period, the Proposing Stockholders shall have 180 days after the expiration of the Election Period to consummate the Sale of the Company, or during which the Company may enter into an agreement providing for such a sale, on the terms specified in the Sale Notice. If the Sale of the Company is not consummated or the Company fails to enter into such an agreement within such 180-day period, the Proposing Stockholders shall again comply with the provisions of this Section 6. If the Non-Proposing Stockholders have delivered a Stockholder Offer within the Election Period, the Non-Proposing Stockholders must (A) obtain an executed definitive and binding agreement to consummate the Stockholder Transaction and obtain binding commitments regarding the financing thereof satisfactory in all respects to the Proposing Stockholders both within 30 days after receipt by the Proposing Stockholders of the Stockholder Offer and (B) must consummate the Stockholder Transaction within 120 days after receipt by the Proposing Stockholders of the Stockholder Offer. If any of the conditions set forth in (A) or (B) of the preceding sentence is not fulfilled, the Other Stockholders must again comply with the provisions of this Section 6. The consummation of a Sale of the Company or a Stockholder Transaction pursuant to this Section 6(b) shall be in accordance with the provisions of the Texas Business Corporation Act.

(c) Upon consummation of the Sale of the Company hereunder, all holders of Common Stock shall receive the same form and amount of consideration per share of Common

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Stock, or if any holders of Common Stock as such holders are given an option as to the form and consideration to be received, all holders shall be given the same option.

7. Put Arrangements.

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(a) At any time following the fifth anniversary of the date hereof each holder of Investor Shares shall have the right to require the Company to repurchase all or any portion of the such holder's Investor Shares at the Put Price (the "Put") by delivering a written notice to the Company and each other

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holder of Investor Shares specifying the amount thereof to be purchased (the "Put Notice"). The right to exercise the Put shall inure to the benefit of all  
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transferees of the Investor Shares (other than transferees in a Public Sale).

(b) Upon the delivery of the Put Notice, the Company and the holder or holders of Investor Shares delivering the Put Notice (including those specified in the last sentence of this Section 7(b), the "Requesting Holders")

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shall in good faith promptly determine the Put Price as provided hereunder, and subject to the provisions hereof, within twenty (20) days after the determination of the Put Price, the Company shall purchase and the Requesting Holders shall sell the amount of such Requesting Holder's Investor Shares specified in the Put Notice at a mutually agreeable time and place (the "Put

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Closing"). Upon receipt of any Put Notice, any other holder of Investor Shares

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may, by written notice delivered to the Company within five (5) business days after receiving such Put Notice specifying the number of Investor Shares that such holder elects to include in such Put, elect to participate in such Put, and upon delivery of such written notice each such other holder shall be deemed to be a Requesting Holder.

(c) At the Put Closing, the Requesting Holders shall deliver to the Company certificates and other instruments (if any) representing the Investor Shares to be repurchased by the Company, and the Company shall deliver to the Requesting Holders the Put Price by cashier's or certified check payable to the Requesting Holders or by wire transfer of immediately available funds to an account designated by the Requesting Holders; provided that if, as the result of the payment in cash of the Put Price in accordance with this Section 7(c), there will exist an Event of Default (as defined in each of the Purchase Agreement and the Loan Agreement) and the Company shall have used its best efforts to obtain financing from an outside source for payment of the Put Price, then the Company may pay the Put Price by delivery (i) of cash (as provided above) up to the maximum portion of the Put Price, the payment of which will not result in the

occurrence or existence of an Event of Default and (ii) a promissory note in a principal amount equal to that portion of the Put Price not being paid pursuant to the foregoing clause (i), payable in three successive annual installments, with the first installment due on the first anniversary of the delivery of the Put Notice, and otherwise containing terms substantially similar to the terms set forth in the Company's 12% Senior Subordinated Notes. If the Requesting Holder deliver to the Company all or any portion of the Investor Warrants in satisfaction of the sale of the Investor's Stockholder Shares hereunder, the Put Price shall be reduced by the aggregate exercise price of such portion of the Warrants.

(d) The "Put Price", as of any date, of any Requesting Holder's

Investor Shares to be repurchased hereunder shall be determined based on a value of the Company's common stock equal to the greater of (i) the product of 6.25, multiplied by the Company's EBITDA for the trailing

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12-month period (as defined in the Purchase Agreement) for its most recently completed fiscal year as reflected on the Company's audited consolidated income statement for such fiscal year, minus the Company's aggregate principal amount of, plus accrued and unpaid interest on, outstanding indebtedness as of such date minus the liquidation value of, plus accrued and unpaid dividends, if any, on, the then outstanding preferred stock of the Company, and (ii) the Market Value as of such date. The aggregate Put Price payable to each Requesting Holder shall be equal to the amount which such holder would receive with respect to the Investor Shares specified by such holder in such holder's Put Notice in the event of a Sale of the Company for an aggregate purchase price equal to the value attributable to the Company in accordance with the foregoing sentence.

In calculating the Put Price, all accounting determinations shall be made in accordance with generally accepted accounting principles consistently applied.

(e) The Investors' right to exercise the Put hereunder shall terminate upon the first to occur of (i) the 10th anniversary of the date of this Agreement and (ii) a Sale of the Company.

8. Transfer. Prior to transferring any Stockholder Shares (other

than in a Public Sale or a Sale of the Company) to any Person, the transferring Stockholder shall cause the prospective transferee to be bound by this Agreement and to execute and deliver to the Company and the other Stockholders a counterpart of this Agreement.

9. Definitions.

"Certificate of Designation, Series A" means the Certification of Designation, Series A, as approved by the Company's Board of Directors and filed with the Secretary of the State of Texas as of September 30, 1998.

"Common Stock" means the Company's Common Stock, par value \$.01 per share.

"Family Group" means an Executive's spouse and descendants (whether natural or adopted) and any trust solely for the benefit of the Executive and/or the Executive's spouse and/or descendants.

"Independent Third Party" means any Person who, immediately prior to the contemplated transaction, does not own in excess of 5% of the Common Stock on a fully-diluted basis (a "5% Owner"), who is not controlling, controlled by or under common control with any such 5% Owner and who is not the spouse or descendent (by birth or adoption) of any such 5% Owner or a trust for the benefit of such 5% Owner and/or such other Persons.

"Investor Shares" means the Stockholder Shares issued to, or issuable in respect of securities issued to, Continental Illinois Venture Corporation or MIG Partners VIII at the Closing or thereafter.

"Investor Warrants" means the stock purchase warrants issued to the Investors under the Purchase Agreement exercisable into shares of Common Stock.

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"Loan Agreement" means the Second Amended and Restated Revolving

Credit and Loan Agreement, dated as of the date hereof, by and between the Company and Comerica Bank-Texas, a Texas banking association.

"Market Value" means the fair market value of the Company's entire

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common equity determined on a going concern basis as between a willing buyer and a willing seller and taking into account all relevant factors determinative of value. In determining the Market Value as of any date, the Company and the Investors first shall use their respective reasonable best efforts to agree on such Market Value. In the event that the Company and the Investors are unable to agree on the Market Value as of such date within 15 days after delivery of the Put Notice, such Market Value shall be determined by an investment banking firm selected by the Company and acceptable to the Majority Investor Holders, which firm shall submit to the Company and the Majority Investor Holders a written report setting forth such determination. If the parties are unable to agree on an investment banking firm within 20 days after delivery of a Put Notice, a firm shall be selected by lot, after the Company and the Majority Investor Holders have each eliminated one such firm. The expenses of such firm shall be borne by the Company, and the determination of such firm shall be final and binding upon all parties, except that after the determination of Market Value following the exercise of the Put, any Requesting Holder may rescind its exercise of such Put.

"Person" means an individual, a partnership, a corporation, a limited

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liability company, an association, a joint stock company, a trust, a joint venture, an unincorporated organization and a governmental entity or any department, agency or political subdivision thereof.

"Public Sale" means any sale of Stockholder Shares to the public

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pursuant to an offering registered under the Securities Act or to the public through a broker, dealer or market maker pursuant to the provisions of Rule 144 adopted under the Securities Act.

"Sale of the Company" means the sale of the Company to an Independent

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Third Party or group of Independent Third Parties pursuant to which such party or parties acquire (i) capital stock of the Company possessing the voting power under normal circumstances to elect a majority of the Company's board of directors (whether by merger, consolidation or sale or transfer of the Company's capital stock) or (ii) all or substantially all of the Company's assets determined on a consolidated basis.

"Securities Act" means the Securities Act of 1933, as amended from

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time to time.

"Stockholder Shares" means (i) any Common Stock purchased or otherwise

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acquired by any Stockholder, (ii) any Common Stock issued or issuable directly or indirectly upon exercise of the Investor Warrants, (iii) any Common Stock issued or issuable with respect to the securities referred to in clauses (i) and (ii) above by way of stock dividend or stock split or in connection with a combination of shares, recapitalization, merger, consolidation or other reorganization and (iv) any other shares of any class or series of capital stock of the Company held by a Stockholder. For purposes of this Agreement, any Person who holds Investor Warrants shall be deemed to be the holder of the Stockholder Shares issuable directly or indirectly upon exercise of the Investor Warrants in connection with the transfer thereof or otherwise and regardless of any restriction or

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limitation on the exercise thereof. As to any particular Stockholder Shares, such shares shall cease to be Stockholder Shares when they have been (a) effectively registered under the Securities Act and disposed of in accordance with the registration statement covering them or (b) distributed to the public through a broker, dealer or market maker pursuant to Rule 144 under the Securities Act (or any similar provision then in force).

"Subsidiary" means, with respect to any Person, any corporation,

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limited liability company, partnership, association or other business entity of which (i) if a corporation, a majority of the total voting power of shares of stock entitled (without regard to the occurrence of any contingency) to vote in the election of directors, managers or trustees thereof is at the time owned or controlled, directly or indirectly, by that Person or one or more of the other Subsidiaries of that Person or a combination thereof, or (ii) if a limited liability company, partnership, association or other business entity, a majority of the limited liability company, partnership or other similar ownership interest thereof is at the time owned or controlled, directly or indirectly, by any Person or one or more Subsidiaries of that Person or a combination thereof. For purposes hereof, a Person or Persons shall be deemed to have a majority ownership interest in a limited liability company, partnership, association or



other business entity if such Person or Persons shall be allocated a majority of limited liability company, partnership, association or other business entity gains or losses or shall be or control the managing director or general partner of such limited liability company, partnership, association or other business entity.

10. Certain Participation Rights. At least 10 days prior to any  
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repurchase by the Company of any Investor Shares, the Company will deliver a written notice to the Executives holding Stockholder Shares specifying in reasonable detail the terms and conditions of the contemplated repurchase transaction (a ACompany Repurchase Notice@). Any Executive may elect to participate in the contemplated repurchase transaction with respect to his or her Stockholder Shares by delivering written notice to the Company within 10 days after delivery of the Company Repurchase Notice. If any Executive elects to participate in the repurchase transaction, the Company will repurchase from the holders of the Investor Shares and each electing Executive, at the same price and on the same terms, a number of Stockholder Shares equal to the product of (i) the quotient determined by dividing the number of Stockholders Shares owned by the electing Executive(s) or the holder of Investor Shares, as the case may be, by the aggregate number of outstanding Stockholder Shares then owned, collectively, by the Investors and the Executives, multiplied by (ii) the aggregate number of Stockholder Shares to be repurchased by the Company in the proposed transaction.

11. Transfers in Violation of Agreement. Any Transfer or attempted  
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Transfer of any Stockholder Shares in violation of any provision of this Agreement shall be void, and the Company shall not record such Transfer on its books or treat any purported transferee of such Stockholder Shares as the owner of such shares for any purpose.

12. Amendment and Waiver. Except as otherwise provided herein, no  
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modification, amendment or waiver of any provision of this Agreement shall be effective against the Company or the Stockholders unless such modification, amendment or waiver is approved in writing by the Company or the holders of at least a majority of the Stockholder Shares, respectively.

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The failure of any party to enforce any of the provisions of this Agreement shall in no way be construed as a waiver of such provisions and shall not affect the right of such party thereafter to enforce each and every provision of this Agreement in accordance with its terms.

13. Severability. Whenever possible, each provision of this  
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Agreement shall be interpreted in such manner as to be effective and valid under applicable law, but if any provision of this Agreement is held to be invalid, illegal or unenforceable in any respect under any applicable law or rule in any jurisdiction, such invalidity, illegality or unenforceability shall not affect the validity, legality or enforceability of any other provision of this Agreement in such jurisdiction or affect the validity, legality or enforceability of any provision in any other jurisdiction, but this Agreement shall be reformed, construed and enforced in such jurisdiction as if such invalid, illegal or unenforceable provision had never been contained herein.

14. Entire Agreement. Except as otherwise expressly set forth  
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herein, this Agreement embodies the complete agreement and understanding among the parties hereto with respect to the subject matter hereof and supersedes and preempts any prior understandings, agreements or representations by or among the parties, written or oral, which may have related to the subject matter hereof in any way.

15. Successors and Assigns. Except as otherwise provided herein,  
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this Agreement shall bind and inure to the benefit of and be enforceable by the Company and its successors and assigns and the Stockholders and any subsequent holders of Stockholder Shares and the respective successors and assigns of each of them, so long as they hold Stockholder Shares; provided that the rights of the Investors under paragraph 1 hereof may not be assigned without the prior written approval of any Executive or Other Stockholder.

16. Counterparts. This Agreement may be executed in multiple  
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counterparts, each of which shall be an original and all of which taken together shall constitute one and the same agreement.

17. Remedies. The Company and the Stockholders shall be entitled to  
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enforce their rights under this Agreement specifically, to recover damages by reason of any breach of any provision of this Agreement and to exercise all other rights existing in their favor. The parties hereto agree and acknowledge

that money damages would not be an adequate remedy for any breach of the provisions of this Agreement and that the Company and any Stockholder may in its sole discretion apply to any court of law or equity of competent jurisdiction for specific performance and/or injunctive relief (without posting a bond or other security) in order to enforce or prevent any violation of the provisions of this Agreement.

18. Notices. Any notice provided for in this Agreement shall be in

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writing and shall be either personally delivered, or mailed first class mail (postage prepaid) or sent by reputable overnight courier service (charges prepaid) to the Company at the address set forth below and to any other recipient at the address indicated on the schedules hereto and to any subsequent holder of Stockholder Shares subject to this Agreement at such address as indicated by the Company's records, or at such address or to the attention of such other person as the recipient party has specified by prior

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written notice to the sending party. Notices shall be deemed to have been given hereunder when delivered personally, three business days after deposit in the U.S. mail and one business day after deposit with a reputable overnight courier service prepaid for next-business day delivery. The Company's address is:

Zimmerman Sign Company  
9846 Hwy 31 East  
Tyler, Texas 75705

19. GOVERNING LAW. THE CORPORATE LAW OF THE STATE OF TEXAS SHALL

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GOVERN ALL ISSUES AND QUESTIONS CONCERNING THE RELATIVE RIGHTS OF THE COMPANY AND ITS STOCKHOLDERS. ALL OTHER ISSUES AND QUESTIONS CONCERNING THE CONSTRUCTION, VALIDITY, INTERPRETATION AND ENFORCEABILITY OF THIS AGREEMENT AND THE EXHIBITS AND SCHEDULES HERETO SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF ILLINOIS, WITHOUT GIVING EFFECT TO ANY CHOICE OF LAW OR CONFLICT OF LAW RULES OR PROVISIONS (WHETHER OF THE STATE OF ILLINOIS OR ANY OTHER JURISDICTION) THAT WOULD CAUSE THE APPLICATION OF THE LAWS OF ANY JURISDICTION OTHER THAN THE STATE OF ILLINOIS.

20. Business Days. If any time period for giving notice or taking

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action hereunder expires on a day which is a Saturday, Sunday or legal holiday in the state in which the Company's chief-executive office is located, the time period shall automatically be extended to the business day immediately following such Saturday, Sunday or legal holiday.

21. Descriptive Headings. The descriptive headings of this Agreement

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are inserted for convenience only and do not constitute a part of this Agreement.

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

ZIMMERMAN SIGN COMPANY

By /s/ Jeffrey Johnson

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Its Vice-President/CFO

CONTINENTAL ILLINOIS VENTURE CORPORATION

By /s/ Robert F. Perille

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Its Managing Director

MIG PARTNERS VIII

By /s/ Robert F. Perille

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Its General Partner

/s/ David E. Anderson

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David E. Anderson

SIGNATURE PAGE TO STOCKHOLDERS AGREEMENT

/s/ Tom E. Boner

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Tom E. Boner

SOUTHERN INVESTORS CORP.

By /s/ Steve Lapin

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Its \_\_\_\_\_

SOUTHERN MORTGAGE HOLDING CORPORATION

By /s/ Steve Lapin

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Its \_\_\_\_\_

GENEVE SECURITIES PORTFOLIO CORP.

By /s/ Steve Lapin

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Its \_\_\_\_\_

GENEVE SECURITIES HOLDING CORP.

By /s/ Steve Lapin

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Its \_\_\_\_\_

CHAPARRAL INTERNATIONAL RE.

By /s/ Steve Lapin

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Its \_\_\_\_\_

SIGNATURE PAGE TO STOCKHOLDERS AGREEMENT

SCHEDULE OF INVESTORS

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Name and Address

Number of Stockholder Shares

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Continental Illinois Venture Corporation  
231 South LaSalle Street  
Chicago, IL 60697

MIG PARTNERS VIII  
231 South LaSalle Street  
Chicago, IL 60697

SCHEDULE OF EXECUTIVES

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Name and Address

Number of Stockholder Shares

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David E. Andersen  
8350 N. Central Expressway  
Suite 600  
Dallas, TX 75206

252,243 shares of Common  
Stock

Tom E. Boner  
9846 Highway 31 East  
Tyler, TX 75705

61,823 shares of Common  
Stock

SCHEDULE OF OTHER STOCKHOLDERS

Name and Address

Number of Stockholder Shares

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Geneve Holdings, Inc.  
96 Cummings Point Road  
Stamford, CT 06902

818,579 shares of Common  
Stock

ZIMMERMAN SIGN COMPANY

REGISTRATION AGREEMENT

THIS AGREEMENT is made as of September 30, 1998, between Zimmerman Sign Company, a Texas corporation (the "Company"), Continental Illinois Venture Corporation, a Delaware corporation ("CIVC"), MIG Partners VIII, a Delaware partnership ("MIG"), and each of the other persons identified on the signature pages hereto (collectively, the "Other Stockholders" and each, an "Other Stockholder"). CIVC and MIG are referred to herein collectively as the "Investors" and each is referred to herein individually as an "Investor." The Investors and the Other Stockholders are referred to herein collectively as the "Stockholders" and individually as a "Stockholder".

The Company, the Investors and certain of the Other Stockholders are parties to a Senior Subordinated Note, Preferred Stock and Warrant Purchase Agreement of even date herewith (the "Purchase Agreement"). In order to induce the Investors to enter into the Purchase Agreement, the Company has agreed to provide the registration rights set forth in this Agreement. The execution and delivery of this Agreement is a condition to the Closing under the Purchase Agreement. Unless otherwise provided in this Agreement, capitalized terms used herein shall have the meanings set forth in Section 9 hereof.

The parties hereto agree as follows:

1. Demand Registrations.

(a) Requests for Registration. At any time after the date hereof the holders of a majority of the Investor Registrable Securities (the "Majority Investor Holders") may request registration under the Securities Act of 1933, as amended (the "Securities Act") of all or any portion of their Registrable Securities on Form S-1 or any similar long-form registration ("Long-Form Registrations") or on Form S-2 or S-3 or any similar short-form registration ("Short-Form Registrations") if available. All registrations requested pursuant to this paragraph 1(a) are referred to herein as "Demand Registrations." Each request for a Demand Registration shall specify the approximate number of Registrable Securities requested to be registered, the anticipated per share price range for such offering and the intended method of disposition. Within ten (10) days after receipt of any such request, the Company shall give written notice of such requested registration to all other holders of Registrable Securities and shall include in such registration all Registrable Securities with respect to which the Company has received written requests for inclusion therein within 15 days after the receipt of the Company's notice.

(b) Long-Form Registrations. The Majority Investor Holders shall be entitled to request two (2) Long-Form Registrations in which the Company shall pay all Registration Expenses (as defined in Section 6(a)) associated with the public offering of the Company's equity securities Investor Holders. A registration shall not count as one of the permitted Long-Form Registrations until it has become effective and neither the last nor any subsequent Long-Form Registration shall count as one of the permitted Long-Form Registrations unless the holders of Registrable Securities are able to register and sell all of the Registrable Securities requested to be included in such registration; provided that in any event the Company shall pay all Registration Expenses in connection with any registration initiated as a Long-Form Registration whether or not it has become effective and whether or not such registration has counted as one of the Long-Form

Registrations.

(c) Short-Form Registrations. In addition to the Long-Form  
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Registrations provided pursuant to Section 1(b), the Majority Investor Holders  
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shall be entitled to request five (5) Short-Form Registrations in which the Company shall pay all Registration Expenses; provided that in each such Short-Form Registration the holders of Registrable Securities shall request to include in such registration at least 25% of the Registrable Securities held by them in the aggregate as of the date hereof (or such lesser amount if less than 25% are unregistered as of such demand). Demand Registrations shall be Short-Form Registrations whenever the Company is permitted to use any applicable short form.

(d) Restrictions on Demand Registrations. The Company shall not be  
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obligated to effect any Demand Registration within 180 days after the effective date of a previous Demand Registration or a previous registration in which the holders of Registrable Securities were given piggyback rights pursuant to Section 2 and in which there was no reduction in the number of Registrable  
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Securities requested to be included. The Company may postpone for up to 180 days (from the date of the request) the filing or the effectiveness of a registration statement for a Demand Registration if the Company's board of directors determines in its reasonable good faith judgment that such Demand Registration would reasonably be expected to have a material adverse effect on any proposal or plan by the Company or any of its Subsidiaries to engage in any acquisition of assets (other than in the ordinary course of business) or any merger, consolidation, tender offer, reorganization or similar transaction; provided that in such event, the holders of Registrable Securities initially requesting such Demand Registration shall be entitled to withdraw such request and, if such request is withdrawn, such Demand Registration shall not count as one of the permitted Demand Registrations hereunder and the Company shall pay all Registration Expenses in connection with such registration. The Company may delay a Demand Registration hereunder only once in any twelve-month period.

(e) Selection of Underwriters. In any Demand Registration, the  
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Company shall have the right to select the investment banker(s) and manager(s) to administer the offering, provided that the investment banker(s) and manager(s) so selected are reasonably satisfactory to the Majority Investor Holders.

-2-

2. Piggyback Registrations.  
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(a) Right to Piggyback. Whenever the Company proposes to register  
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any of its securities under the Securities Act (other than pursuant to (i) a Demand Registration or (ii) pursuant to a registration on Form S-4 or S-8 or any successor or similar forms) and the registration form to be used may be used for the registration of Registrable Securities (a "Piggyback Registration"), the  
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Company shall give prompt written notice (in any event within ten (10) days after its receipt of notice of any exercise of demand registration rights other than under this Agreement) to all holders of Registrable Securities of its intention to effect such a registration and shall include in such registration all Registrable Securities with respect to which the Company has received written requests for inclusion therein within 15 days after the receipt of the Company's notice.

(b) Piggyback Expenses. The Registration Expenses of the holders of  
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Registrable Securities shall be paid by the Company in all Piggyback Registrations.

(c) Priority on Piggyback Registrations. If a Piggyback Registration  
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is an underwritten primary registration on behalf of the Company, and the managing underwriters advise the Company in writing that in their opinion the number of securities requested to be included in such registration exceeds the number which can be sold in such offering without adversely affecting the marketability of the offering, the Company shall include in such registration (i) first, the securities the Company proposes to sell, and (ii) second, the  
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Registrable Securities requested to be included in such registration pro rata among the holders thereof on the basis of the number of shares of Registrable Securities owned by each such holder, and (iii) third, other securities  
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requested to be included in such registration pro rata among the holders of such securities and any other securities held by others requested to be included in such registration, pro rata among the holders thereof on the basis of the number

of shares requested to be included in such registration.

(d) Priority on Secondary Registrations. If a Piggyback Registration

is an underwritten secondary registration on behalf of holders of the Company's securities (other than the parties hereto) who have been granted contractual demand registration rights, and the managing underwriters advise the company in writing that in their opinion the number of securities requested to be included in such registration exceeds the number which can be sold in such offering without adversely affecting the marketability of the offering, the Company will include in such registration (i) first, the securities requested to be included

therein by the holders requesting such registration, pro rata among the holders of such securities on the basis of the number of shares owned by each such holder, (ii) second, the Registrable Securities requested to be included in such

registration, pro rata among the holders thereof on the basis of the number of shares of Registrable Securities owned by each such holder, and (iii) third,

other securities requested to be included in such registration pro rata among the holders of such securities.

(e) Selection of Underwriters. In any Piggyback Registration, the

Company shall have the right to select the investment banker(s) and manager(s) to administer the offering.

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3. Holdback Agreements.

(a) The Company shall not effect any public sale or other distribution (including sales pursuant to Rule 144) of its equity securities, or any securities convertible into or exchangeable or exercisable for such securities, during the seven (7) days prior to and during the 180-day period beginning on the effective date of any underwritten Demand Registration or any underwritten Piggyback Registration (except as part of such underwritten registration or pursuant to registrations on Form S-8 or any successor form), unless the underwriters managing the registered public offering otherwise agree.

(b) Each holder of Registrable Securities shall not effect any public sale or other distribution (including sales pursuant to Rule 144) of equity securities of the Company, or any securities convertible into or exchangeable or exercisable for such securities during the seven days prior to and during the 180-day period beginning on the effective date of any underwritten Demand Registration or any underwritten Piggyback Registration in which Registrable Securities are eligible for inclusion (except as part of such underwritten registration or pursuant to registrations on Form S-8 or any successor form), unless the underwriters managing the registered public offering otherwise agree.

4. Registration Procedures. Whenever the holders of Registrable

Securities have requested that any Registrable Securities be registered pursuant to this Agreement, the Company shall use its best efforts to effect the registration and the sale of such Registrable Securities in accordance with the intended method of disposition thereof (including the registration of the Warrants held by a holder of Registrable Securities requesting registration as to which the Company has received reasonable assurances that only Common Stock shall be distributed to the public), and pursuant thereto the Company shall as expeditiously as possible:

(a) prepare and file with the Securities and Exchange Commission a registration statement with respect to such Registrable Securities and use its best efforts to cause such registration statement to become effective (provided that before filing a registration statement or prospectus or any amendments or supplements thereto, the Company shall furnish to the counsel selected by the holders of a majority of the Registrable Securities covered by such registration statement copies of all such documents proposed to be filed, which documents shall be subject to the review and comment of such counsel);

(b) notify each holder of Registrable Securities of the effectiveness of each registration statement filed hereunder and prepare and file with the Securities and Exchange Commission such amendments and supplements to such registration statement and the prospectus used in connection therewith as may be necessary to keep such registration statement effective for a period of not less than 180 days and comply with the provisions of the Securities Act with respect to the disposition of all securities covered by such registration statement during such period in accordance with the intended methods of disposition by the sellers thereof set forth in such registration statement;

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(c) furnish to each seller of Registrable Securities such number of requested copies of such registration statement, each amendment and supplement

thereto, the prospectus included in such registration statement (including each preliminary prospectus) and such other documents as such seller may reasonably request in order to facilitate the disposition of the Registrable Securities owned by such seller;

(d) use its reasonable best efforts to register or qualify such Registrable Securities under such other securities or blue sky laws of such jurisdictions as any seller reasonably requests and do any and all other acts and things which may be reasonably necessary or advisable to enable such seller to consummate the disposition in such jurisdictions of the Registrable Securities owned by such seller (provided that the Company shall not be required to (i) qualify generally to do business in any jurisdiction where it would not otherwise be required to qualify but for this subparagraph, (ii) subject itself to taxation in any such jurisdiction or (iii) consent to general service of process in any such jurisdiction);

(e) notify each seller of such Registrable Securities, at any time when a prospectus relating thereto is required to be delivered under the Securities Act, of the happening of any event as a result of which the prospectus included in such registration statement contains an untrue statement of a material fact or omits any fact necessary to make the statements therein not misleading, and, at the request of any such seller, the Company shall prepare a supplement or amendment to such prospectus so that, as thereafter delivered to the purchasers of such Registrable Securities, such prospectus shall not contain an untrue statement of a material fact or omit to state any fact necessary to make the statements therein not misleading; provided that upon such notification by the Company, each seller of such Registrable Securities will not offer or sell such Registrable Securities until the Company has notified such seller that it has prepared a supplement or amendment to such prospectus and delivered copies of such supplement or amendment to such seller;

(f) cause all such Registrable Securities to be listed on each securities exchange on which similar securities issued by the Company are then listed and, if not so listed, to be listed on the NASD automated quotation system and, if listed on the NASD automated quotation system, use its best efforts to secure designation of all such Registrable Securities covered by such registration statement as a NASDAQ "national market system security" within the meaning of Rule 11Aa2-1 of the Securities and Exchange Commission or, failing that, to secure NASDAQ authorization for such Registrable Securities and, without limiting the generality of the foregoing, to arrange for at least two market makers to register as such with respect to such Registrable Securities with the NASD;

(g) provide a transfer agent and registrar for all such Registrable Securities not later than the effective date of such registration statement;

(h) enter into such customary agreements (including underwriting agreements in customary form) and take all such other actions as the holders of a majority of the Registrable Securities being sold or the underwriters, if any, reasonably request in order to expedite or facilitate

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the disposition of such Registrable Securities (including effecting a stock split or a combination of shares);

(i) make available for inspection by any seller of Registrable Securities, any underwriter participating in any disposition pursuant to such registration statement and any attorney, accountant or other agent retained by any such seller or underwriter (in each case after reasonable prior notice), all financial and other records, pertinent corporate documents and properties of the Company, and cause the Company's officers, directors, employees and independent accountants to supply, on a confidential basis, all information reasonably requested by any such seller, underwriter, attorney, accountant or agent in connection with such registration statement;

(j) otherwise use its best efforts to comply with all applicable rules and regulations of the Securities and Exchange Commission, and make available to its security holders, as soon as reasonably practicable, an earnings statement covering the period of at least twelve months beginning with the first day of the Company's first full calendar quarter after the effective date of the registration statement, which earnings statement shall satisfy the provisions of Section 11(a) of the Securities Act and Rule 158 thereunder;

(k) permit any holder of Registrable Securities which holder, in its sole and exclusive judgment, might be deemed to be an underwriter or a controlling person of the Company, to participate in the preparation of such registration or comparable statement and to require the insertion therein of material, furnished to the Company in writing, which in the reasonable judgment of such holder and its counsel should be included;

(l) in the event of the issuance of any stop order suspending the effectiveness of a registration statement, or of any order suspending or preventing the use of any related prospectus or suspending the qualification of any common stock included in such registration statement for sale in any

jurisdiction, the Company shall use its best efforts promptly to obtain the withdrawal of such order; and

(m) obtain a comfort letter from the Company's independent public accountants in customary form and covering such matters of the type customarily covered by comfort letters as the holders of a majority of the Registrable Securities being sold reasonably request (provided that such Registrable Securities constitute at least 10% of the securities covered by such registration statement).

Each seller of Registrable Securities, upon receipt of any notice from the Company of the happening of any event of the kind described in subsection (e) of this Section 4, will forthwith discontinue disposition of the Registrable Securities until receipt by the seller of Registrable Securities of the copies of the supplemented or amended prospectus contemplated by subsection (e) of this Section 4 or until it is advised in writing (the "Advice") by the Company that the use of the prospectus may be resumed and has received copies of any additional or supplemental filings which are incorporated by reference in the prospectus, and if so directed by the Company, such seller of Registrable Securities will, or will request the managing underwriter or underwriters, if any, to deliver to the Company (at the Company's expense) all copies (other than permanent file copies)

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then in the possession of such seller of Registrable Securities and of any underwriter or underwriters, of he prospectus covering such Registrable Securities current at the time of receipt of such notice. In the event the Company shall give any such notice, the time periods mentioned in subsection (b) of this Section 4 shall be extended by the number of days during the period from and including the date of the giving of such notice to and including the date when each seller of Registrable Securities covered by such registration statement shall have received the copies of the supplemented or amended prospectus contemplated by subsection (e) of this Section 4 hereof or the Advice.

#### 5. Cooperation by Holders of Registrable Securities

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(a) Each seller of Registrable Securities will furnish to the Company in writing such information as the Company may reasonably require from time to time from such seller, and otherwise reasonably cooperate with the Company in connection with any registration with respect to such holder's Registrable Securities.

(b) The failure of any prospective seller of Registrable Securities to furnish any information or documents in accordance with any provision contained in this Agreement shall not affect the obligations of the Company hereunder to any remaining sellers who furnish such information and documents unless, in the reasonable opinion of counsel to the Company or the underwriters, such failure impairs or may impair the viability of the or the legality of any registration statement in connection therewith.

(c) At the end of any period during which the Company is obligated to keep any registration statement current and effective as provided in Section 4,

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the holders of Registrable Securities included in such registration statement shall discontinue sales of shares pursuant to such registration statement upon receipt of notice from the Company of its intention to remove from registration the shares covered by such registration statement which remain unsold and such holders shall notify the Company of the number of shares registered which remain unsold promptly after receipt of such notice from the Company.

#### 6. Registration Expenses.

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(a) All expenses incident to the Company's performance of or compliance with this Agreement, including without limitation all registration and filing fees, fees and expenses of compliance with securities or blue sky laws, printing expenses, messenger and delivery expenses, fees and disbursements of custodians, and fees and disbursements of counsel for the Company and all independent certified public accountants, underwriters (excluding discounts, commissions, and undocumented expense allowances) and other Persons (as defined in the Purchase Agreement) retained by the Company (all such expenses being herein called "Registration Expenses"), shall be borne as provided in this

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Agreement, except that the Company shall, in any event, pay its internal expenses (including, without limitation, all salaries and expenses of its officers and employees performing legal or accounting duties), the expense of any annual audit or quarterly review, the expense of any liability insurance and the expenses and fees for listing the securities to be registered on each securities exchange on which similar securities issued by the Company are then listed or on the NASD automated quotation system.

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(b) In connection with each Demand Registration and each Piggyback Registration, the Company shall reimburse the holders of Investor Registrable Securities included in such registration for the reasonable fees and disbursements of one counsel chosen by the holders of a majority of the Investor Registrable Securities initially requesting such registration. The Company shall not be required to pay or obtain reimbursement for excessive discounted fees and commissions attributable to a sale of the Company and fees and/or expenses of other experts retained by the holders of Registrable Securities.

(c) To the extent Registration Expenses are not required to be paid by the Company, each holder of securities included in any registration hereunder shall pay those Registration Expenses allocable to the registration of such holder's securities so included, and any Registration Expenses not so allocable shall be borne by all sellers of securities included in such registration in proportion to the aggregate selling price of the securities to be so registered.

(d) The Company will not bear the cost of or pay for any stock transfer tax imposed in respect of the transfer of any Registrable Securities to any purchaser thereof by any holder of Registrable Securities in connection with any registration of Registrable Securities pursuant to this Agreement.

#### 7. Indemnification.

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(a) The Company agrees to indemnify, to the extent permitted by law, each holder of Registrable Securities (requesting or joining in a registration hereunder), its officers and directors and each Person who controls (within the meaning of the Securities Act) such holder against all losses, claims, damages, liabilities and expenses caused by any untrue or alleged untrue statement of material fact contained in any registration statement, prospectus or preliminary prospectus or any amendment thereof or supplement thereto or any omission or alleged omission of a material fact required to be stated therein or necessary to make the statements therein not misleading, except insofar as the same are caused by or contained in any information furnished in writing to the Company by such holder expressly for use therein or by such holder's failure to deliver a copy of the registration statement or prospectus or any amendments or supplements thereto after the Company has furnished such holder with a sufficient number of copies of the same. In connection with an underwritten offering the Company shall indemnify such underwriters, their officers and directors and each Person who controls such underwriters (within the meaning of the Securities Act) to the same extent as provided above with respect to the indemnification of the holders of Registrable Securities.

(b) In connection with any registration statement in which a holder of Registrable Securities is participating, each such holder shall furnish to the Company in writing such information and affidavits as the Company reasonably requests for use in connection with any such registration statement or prospectus and, to the extent permitted by law, shall indemnify the Company, its directors and officers and each Person who controls (within the meaning of the Securities Act) the Company against any losses, claims, damages, liabilities and expenses resulting from any untrue or alleged untrue statement of material fact contained in the registration statement, prospectus or preliminary prospectus or any amendment thereof or supplement thereto or any omission or alleged

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omission of a material fact required to be stated therein or necessary to make the statements therein not misleading, but only to the extent that such untrue statement or omission is contained in any information or affidavit so furnished in writing by such holder; provided that the obligation to indemnify shall be limited to the net amount of proceeds received by such holder from the sale of Registrable Securities pursuant to such registration statement. In connection with an underwritten offering in which a holder of Registrable Securities is participating, each such holder shall indemnify such underwriters, their officers and directors and each Person who controls such underwriters (within the meaning of the Securities Act) to the same extent as provided above with respect to the indemnification of the Company.

(c) Any Person entitled to indemnification hereunder shall (i) give prompt written notice to the indemnifying party of any claim with respect to which it seeks indemnification (provided that the failure to give prompt notice shall not impair any Person's right to indemnification hereunder to the extent such failure has not prejudiced the indemnifying party) and (ii) unless in such indemnified party's reasonable judgment a conflict of interest between such indemnified and indemnifying parties may exist with respect to such claim, permit such indemnifying party to assume the defense of such claim with counsel reasonably satisfactory to the indemnified party. If such defense is assumed, the indemnifying party shall not be subject to any liability for any settlement made by the indemnified party without its consent (but such consent shall not be unreasonably withheld). An indemnifying party who is not entitled to, or elects not to, assume the defense of a claim shall not be obligated to pay the fees and expenses of more than one counsel for all parties indemnified by such indemnifying party with respect to such claim, unless in the reasonable judgment of any indemnified party a conflict of interest may exist between such

indemnified party and any other of such indemnified parties with respect to such claim.

(d) The indemnification provided for under this Agreement shall remain in full force and effect regardless of any investigation made by or on behalf of the indemnified party or any officer, director or controlling Person of such indemnified party and shall survive the transfer of securities. The parties hereto also agree to make such provisions, as are reasonably requested by any indemnified party, for contribution to such party in the event such party's indemnification is unavailable for any reason.

8. Participation in Underwritten Registrations. No Person may

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participate in any registration hereunder which is underwritten unless such Person (i) agrees to sell such Person's securities on the basis provided in any underwriting arrangements approved by the Person or Persons entitled hereunder to approve such arrangements and (ii) completes and executes all questionnaires, powers of attorney, indemnities, underwriting agreements and other documents required under the terms of such underwriting arrangements; provided that no holder of Registrable Securities included in any underwritten registration shall be required to make any representations or warranties to the Company or the underwriters (other than representations and warranties regarding such holder and such holder's intended method of distribution) or to undertake any indemnification obligations to the Company or the underwriters with respect thereto, except as otherwise provided in Section 7 hereof.  
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9. Definitions.

(a) "Investor Registrable Securities" means (i) any Common Stock

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issued to CIVC or MIG, (ii) any Common Stock issued or issuable upon the exercise or otherwise in respect of the Warrants issued pursuant to the Purchase Agreement, (iii) any Common Stock issued or issuable with respect to the securities referred to in clauses (i) and (ii) above by way of a stock dividend or stock split or in connection with a combination of shares, recapitalization, merger, consolidation or other reorganization, and (iv) any other shares of Common Stock held by the Investors holding securities described in clauses (i), (ii) and (iii), inclusive, above. As to any particular Investor Registrable Securities, such securities shall cease to be Investor Registrable Securities when they have been distributed to the public pursuant to a offering registered under the Securities Act or sold to the public through a broker, dealer or market maker in compliance with Rule 144 under the Securities Act (or any similar rule then in force) or repurchased by the Company or any Subsidiary. For purposes of this Agreement, a Person shall be deemed to be a holder of Investor Registrable Securities, and the Registrable Securities shall be deemed to be in existence, whenever such Person has the right to acquire directly or indirectly such Registrable Securities (upon conversion or exercise in connection with a transfer of securities or otherwise, but disregarding any restrictions or limitations upon the exercise of such right), whether or not such acquisition has actually been effected, and such Person shall be entitled to exercise the rights of a holder of Investor Registrable Securities hereunder.

(b) "Other Registrable Securities" means (i) any Common Stock held by

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or issued to any Other Stockholder, (ii) any Common Stock issued or issuable with respect to the securities referred to in clause (i) above by way of a stock dividend or stock split or in connection with a combination of shares, recapitalization, merger, consolidation or other reorganization. As to any particular Other Registrable Securities, such securities shall cease to be Other Registrable Securities when they have been distributed to the public pursuant to a offering registered under the Securities Act or sold to the public through a broker, dealer or market maker in compliance with Rule 144 under the Securities Act (or any similar rule then in force) or repurchased by the Company or any Subsidiary. For purposes of this Agreement, a Person shall be deemed to be a holder of Other Registrable Securities, and the Other Registrable Securities shall be deemed to be in existence, whenever such Person has the right to acquire directly or indirectly such Other Registrable Securities (upon conversion or exercise in connection with a transfer of securities or otherwise, but disregarding any restrictions or limitations upon the exercise of such right), whether or not such acquisition has actually been effected, and such Person shall be entitled to exercise the rights of a holder of Other Registrable Securities hereunder.

(c) "Registrable Securities" means, collectively, the Investor

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Registrable Securities and the Other Registrable Securities.

(d) Unless otherwise stated, other capitalized terms contained herein have the meanings set forth in the Purchase Agreement.

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10. Miscellaneous.  
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(a) No Inconsistent Agreements. The Company shall not hereafter  
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enter into any agreement with respect to its securities which is inconsistent with or violates the rights granted to the holders of Registrable Securities in this Agreement.

(b) Amendments and Waivers. Except as otherwise provided herein, the  
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provisions of this Agreement may be amended or waived only upon the prior written consent of the Company and holders of a majority of the Registrable Securities.

(c) Severability. Whenever possible, each provision of this  
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Agreement shall be interpreted in such manner as to be effective and valid under applicable law, but if any provision of this Agreement is held to be invalid, illegal or unenforceable in any respect under any applicable law or rule in any jurisdiction, such invalidity, illegality or unenforceability shall not affect the validity, legality or enforceability of any other provision of this Agreement in such jurisdiction or affect the validity, legality or enforceability of any provision in any other jurisdiction, but this Agreement shall be reformed, construed and enforced in such jurisdiction as if such invalid, illegal or unenforceable provision had never been contained herein.

(d) Successors and Assigns. All covenants and agreements in this  
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Agreement by or on behalf of any of the parties hereto shall bind and inure to the benefit of the respective successors and assigns of the parties hereto whether so expressed or not; in addition, whether or not any express assignment has been made, the provisions of this Agreement which are for the benefit of purchasers or holders of Registrable Securities are also for the benefit of, and enforceable by, any subsequent holder of Registrable Securities.

(e) Entire Agreement. Except as otherwise expressly set forth  
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herein, this Agreement embodies the complete agreement and understanding among the parties hereto with respect to the subject matter hereof and supersedes and preempts any prior understandings, agreements or representations by or among the parties, written or oral, which may have related to the subject matter hereof in any way.

(f) Counterparts. This Agreement may be executed in two or more  
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counterparts, any one of which need not contain the signatures of more than one party, but all such counterparts taken together shall constitute one and the same Agreement.

(g) Remedies. Any Person having rights under any provision of this  
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Agreement shall be entitled to enforce such rights specifically to recover damages caused by reason of any breach of any provision of this Agreement and to exercise all other rights granted by law. The parties hereto agree and acknowledge that money damages may not be an adequate remedy for any breach of the provisions of this Agreement and that any party may in its sole discretion apply to any court of law or equity of competent jurisdiction (without posting any bond or other security) for specific performance and for other injunctive relief in order to enforce or prevent violation of the provisions of this Agreement.

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(h) Governing Law. The corporate law of the State of Texas shall  
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govern all issues and questions concerning the relative rights of the Company and its stockholders and other issues and questions concerning the construction, validity, interpretation and enforcement of this Agreement and the exhibits and schedules hereto without giving effect to any choice of law or conflict of law rules or provisions.

(i) Notices. Any notice provided for in this Agreement shall be in  
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writing and shall be either personally delivered, sent by telecopy, mailed first class mail (postage prepaid) or sent by reputable overnight courier service (charges prepaid) to the Company at the address set forth below and to any other recipient at the address indicated on the schedules hereto and to any subsequent holder of Underlying Stock subject to this Agreement at such address as indicated by the Company's records, or at such address or to the attention of such other person as the recipient party has specified by prior written notice to the sending party. Notices shall be deemed to have been given hereunder upon receipt when delivered personally or by telecopy, three business days after deposit in the U.S. mail and on the first business day after deposit with a

reputable overnight courier service (postage provided for and with instructions for overnight delivery). The Company's address is:

Zimmerman Sign Company  
9846 Hwy 31 East  
Tyler, Texas 75705

(j) Descriptive Headings. The descriptive headings of this Agreement  
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are inserted for convenience only and do not constitute a part of this Agreement.

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IN WITNESS WHEREOF, the parties have executed this Agreement as of the date first written above.

ZIMMERMAN SIGN COMPANY

By: /s/ Jeffrey Johnson  
-----  
Name: Jeffrey Johnson  
Its: Vice-President/CFO

INVESTORS:  
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CONTINENTAL ILLINOIS VENTURE CORPORATION

By: /s/ Robert Perille  
-----  
Name: Robert Perille  
Its: Managing Director

MIG PARTNERS VIII

By: /s/ Robert Perille  
-----  
Name: Robert Perille  
Its: General Partner

OTHER STOCKHOLDERS:  
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/s/ David E. Anderson  
-----  
David E. Anderson

SIGNATURE PAGE TO REGISTRATION AGREEMENT

/s/ Tom Boner  
-----  
Tom Boner

SOUTHERN INVESTORS CORP.

/s/ Steven Lapin  
By \_\_\_\_\_  
Its \_\_\_\_\_

SOUTHERN MORTGAGE HOLDING CORPORATION

/s/ Steven Lapin  
By \_\_\_\_\_  
Its \_\_\_\_\_

GENEVE SECURITIES PORTFOLIO CORP.

/s/ Steven Lapin  
By \_\_\_\_\_

Its \_\_\_\_\_

GENEVE SECURITIES HOLDING CORP.

By \_\_\_\_\_  
/s/ Steven Lapin

Its \_\_\_\_\_

CHAPARRAL INTERNATIONAL RE.

By \_\_\_\_\_  
/s/ Steven Lapin

Its \_\_\_\_\_

SIGNATURE PAGE TO REGISTRATION AGREEMENT

AGREEMENT RE JOINT FILING OF  
SCHEDULE 13D  
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The undersigned hereby agrees as follows:

(i) Each of them is individually eligible to use the Schedule 13D to which this Exhibit is attached, and such Schedule 13D is filed on behalf of each of them; and

(ii) Each of them is responsible for the timely filing of such Schedule 13D and any amendments thereto, and for the completeness and accuracy of the information concerning such person contained therein; but none of them is responsible for the completeness or accuracy of the information concerning the other persons making the filing, unless such person knows or has reason to believe that such information is inaccurate.

As to BA Bank, signing resolutions are incorporated by reference to Schedule 13G Amendment #2 relating to Anaren Microwave, Inc. filed by BA Bank. As to BAC, signature authority is included as Exhibit F.

Dated: October 8, 1998

CONTINENTAL ILLINOIS VENTURE CORPORATION

By: /s/ Robert F. Perille  
-----  
Print Name: Robert F. Perille  
Its: Managing Director

BANK OF AMERICA NATIONAL TRUST AND SAVINGS  
ASSOCIATION

By: /s/ Vernice R. Palmer  
-----  
Print Name: Vernice R. Palmer  
Its: Counsel

BANKAMERICA CORPORATION

By: /s/ Vernice R. Palmer  
-----  
Print Name: Vernice R. Palmer  
Its: Counsel

MIG PARTNERS VIII

By: /s/ Robert F. Perille  
-----  
Print Name: Robert F. Perille  
Its: General Partner

/s/ Sheryl E. Bartol  
-----  
Sheryl E. Bartol

/s/ Matthew W. Clary  
-----  
Matthew W. Clary

/s/ Andrea P. Joselit  
-----  
Andrea P. Joselit

/s/ Jeffery M. Mann  
-----  
Jeffrey M. Mann

/s/ Jason A. Mehring  
-----

Jason A. Mehring

/s/ Dennis P. McCrary

-----  
Dennis P. McCrary

/s/ Robert F. Perille

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Robert F. Perille

BankAmerica Corporation

Delegation of Authority

The undersigned delegates to any attorney in the Legal Department of Bank of America the authority to sign registrations, reports, certificates, applications and other writings on behalf of BankAmerica Corporation, and any of its subsidiaries for which I am authorized to delegate such authority, for submission to or filing with any federal, state, local or foreign regulatory authorities, and any amendments, withdrawals, or terminations thereof, as are deemed desirable by such attorney in connection with the Corporation's activities or affairs.

October 7, 1998

/s/ Gerald P. Hurst

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Gerald P. Hurst  
Associate General Counsel  
BankAmerica Corporation