FORM POS AM

Post-Effective amendments for registration statement

Filing Date: **1996-11-14**
SEC Accession No. 0000912057-96-026578

FILER

ECKLER INDUSTRIES INC

CIK:**949091**| IRS No.: **591469577** | State of Incorp.:**FL** | Fiscal Year End: **0930**
Type: **POS AM** | Act: **33** | File No.: **033-96520-A** | Film No.: **96666843**
SIC: **5961** Catalog & mail-order houses

Mailing Address
PO BOX 5637
TITUSVILLE FL 32783

Business Address
5200 S WASHINGTON AVE
TITUSVILLE FL 32780
4072699680

AS FILED WITH THE SECURITIES AND EXCHANGE COMMISSION ON NOVEMBER 14, 1996

REGISTRATION NO. 33-96520-A

U.S. SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

_____

POST-EFFECTIVE AMENDMENT NO. 2
TO
FORM SB-2
REGISTRATION STATEMENT UNDER THE SECURITIES ACT OF 1933

_____

ECKLER INDUSTRIES, INC.
(Name of Small Business Issuer in Its Charter)

<TABLE>
<S> <C> <C>

FLORIDA	5961	591469577
(State or Other Jurisdiction of Incorporation or Organization)	(Primary Standard Industrial Classification Code Number)	(I.R.S. Employer Identification Number)

</TABLE>

5200 SOUTH WASHINGTON AVENUE
TITUSVILLE, FLORIDA 32780
(407) 269-9680
(Address and Telephone Number of Principal Executive Offices and Principal Place of Business)

RALPH H. ECKLER
PRESIDENT
ECKLER INDUSTRIES, INC.
5200 SOUTH WASHINGTON AVENUE
TITUSVILLE, FLORIDA 32780
(407) 269-9680
(Name, Address and Telephone Number of Agent for Service)

_____
COPIES TO:

Randolph H. Fields, Esq.
Greenberg Traurig Hoffman Lipoff
Rosen & Quentel, P.A.
111 North Orange Avenue, Suite 2050
Orlando, Florida 32801
Telephone: (407) 420-1000
Telecopier: (407) 420-5909

_____

APPROXIMATE DATE OF PROPOSED SALE TO THE PUBLIC:
AS SOON AS PRACTICABLE AFTER THIS REGISTRATION STATEMENT BECOMES EFFECTIVE.

If any of the securities being registered on this Form are to be offered on a delayed or continuous basis pursuant to Rule 415 under the Securities Act of 1933, as amended, check the following box: /X/

CALCULATION OF REGISTRATION FEE

<TABLE>
<CAPTION>

TITLE OF EACH CLASS OF SECURITIES TO BE REGISTERED(11)	AMOUNT TO BE REGISTERED	PROPOSED MAXIMUM OFFERING PRICE PER SECURITY	PROPOSED MAXIMUM AGGREGATE OFFERING PRICE (1)	AMOUNT OF REGISTRATION FEE
<S>	<C>	<C>	<C>	<C>
Redeemable Class A Common Stock Purchase Warrants(2)	1,200,000	$.05	$60,000	$21
Class A Common Stock, $.01 par value (3)	1,200,000	$6.50	$7,800,000	$2,690

Unit Purchase Option (4)	84,000	$.001	$84	$1
Units (5)	84,000	$6.00	$504,000	$174
- Class A Common Stock, $.01 par value				
- Class A Common Stock Purchase Warrants				
Class A Common Stock, $.01 par value (6)	84,000	$6.50	$546,000	$188
Class A Common Stock, $.01 par value (7)	100,000	$2.50	$250,000	$87
Class A Common Stock, $.01 par value (8)	102,500	$6.00	$615,000	$212
Class A Common Stock, $.01 par value (9)	254,500	$4.13(10)	$1,051,085 (10)	$363
Total				$3,736*

Previously Paid.....$7,184**
Amount Due.....$ 0***

</TABLE>

_____

* The 1,200,000 shares of Class A Common Stock issuable upon exercise of the Redeemable Class A Common Stock Purchase Warrants (the "Public Warrants"), the Unit Purchase Option, the 84,000 shares of Class A Common Stock issuable upon exercise of the Unit Purchase Option, the 84,000 Class A Common Stock Purchase Warrants (the "Underwriters' Warrants") issuable upon exercise of the Unit Purchase Option, the 84,000 Class A shares of Common Stock issuable upon exercise of the Underwriters' Warrants, the 100,000 shares of Class A Common Stock issuable upon exercise of an option held by Greyhouse Services Corporation, the 102,500 shares of Class A Common Stock issuable upon exercise of non-public warrants held by certain investors and executive management of the Company, and the 254,500 issued and outstanding shares of Class A Common Stock held by existing shareholders (of which 102,500 shares were issued to certain investors and executive management as repayment of loans to the Company, 140,000 shares were issued to investors pursuant to a private placement, and 12,000 were issued in respect of conversion of preferred stock) (altogether, the "Securities"), were previously registered pursuant to Registration No. 33-96520-A, which registration statement was declared effective on November 9, 1996, and the $3,736 identified above was previously paid in connection with Registration No. 33-96520-A.

** Of this amount, $2,285 related to 1,200,000 Units sold in the initial public offering. Each Unit was comprised of one share of Class A Common Stock and one Redeemable Common Stock Purchase Warrant (the "Public Warrant(s)), and an over-allotment of 126,000 Units; and $2,972 related to 1,200,000 shares underlying said Public Warrants and an additional 126,000 shares had the over-allotment been exercised. The $.05 proposed maximum offering price set forth opposite the Redeemable Class A Common Stock Purchase Warrants (Public Warrants) in the table is included in the $5.00 offering price of the Units sold in the Company's initial public offering and the registration fee is included in the amount previously paid.

(1) Estimated solely for the purpose of calculating the registration fee.

(2) Each warrant is exercisable for one share of Class A Common Stock, $.01 par value (the "Public Warrants"). The Public Warrants are traded on the NASDAQ SmallCap Market. The $.05 referenced in the table is subsumed in the $5.00 per Unit offering price of the Units sold in the Company's initial public offering.

(3) Issuable upon exercise of the Public Warrants.

(4) Issued to Underwriters at the closing of the Company's initial public offering.

(5) Issuable upon exercise of the Unit Purchase Option. Each unit consists of one share of Class A Common Stock and one Class A Common Stock Purchase Warrant (the "Underwriters' Warrants").

(6) Issuable upon exercise of the Underwriters' Warrants.

(7) Issuable upon exercise of option issued to a consultant, Greyhouse Services Corporation.

(8) Issuable upon exercise of warrants issued to investors, including certain officers of the Company, as repayment of loans made to the Company.

(9) Represents shares of issued and outstanding Class A Common Stock.

(10) Estimated solely for the purpose of calculating the amount of the registration fee in accordance with Rule 457 under the Securities Act of 1933, as amended. Represents the average of the high/low price as quoted November 11, 1996 by the Nasdaq SmalCap Market.

(11) This Registration Statement covers the exercise of (a) the Public Warrants, (b) the Unit Purchase Option, (c) the Underwriters' Warrants, and (d) the non-public warrants and option owned by certain Selling Shareholders, as well as the shares of Class A Common Stock issuable upon such conversion or exercise.

Pursuant to Rule 416, there are also being registered hereby such additional indeterminate number of shares of such Class A Common Stock as may become issuable by reason of stock splits, stock dividends, and similar adjustments as set forth in the provisions of the Public Warrants, the Underwriters' Unit Purchase Option, and the non-public warrants and option owned by certain Selling Shareholders.

THE REGISTRANT HEREBY AMENDS THIS REGISTRATION STATEMENT ON SUCH DATE OR DATES AS MAY BE NECESSARY TO DELAY ITS EFFECTIVE DATE UNTIL THE REGISTRANT SHALL FILE A FURTHER AMENDMENT WHICH SPECIFICALLY STATES THAT THIS REGISTRATION STATEMENT SHALL THEREAFTER BECOME EFFECTIVE IN ACCORDANCE WITH SECTION 8(a) OF THE SECURITIES ACT OF 1933, AS AMENDED, OR UNTIL THIS REGISTRATION STATEMENT SHALL BECOME EFFECTIVE ON SUCH DATE AS THE SECURITIES AND EXCHANGE COMMISSION, ACTING PURSUANT TO SAID SECTION 8(a), MAY DETERMINE.

SUBJECT TO COMPLETION, DATED NOVEMBER __, 1996

PROSPECTUS

ECKLER INDUSTRIES, INC.

1,200,000 SHARES OF CLASS A COMMON STOCK
INCLUDED IN 1,200,000 REDEEMABLE CLASS A
COMMON STOCK PURCHASE WARRANTS ("PUBLIC WARRANTS")

_____

84,000 SHARES OF CLASS A COMMON STOCK, INCLUDED IN UNIT PURCHASE OPTION

_____

84,000 SHARES OF CLASS A COMMON STOCK, INCLUDED IN 84,000 CLASS A
COMMON STOCK PURCHASE WARRANTS ("UNDERWRITERS' WARRANTS")

_____

457,000 SHARES OF CLASS A COMMON STOCK FOR SELLING SHAREHOLDERS

_____

This Prospectus relates to an offering (the "Offering") by Eckler Industries, Inc., a Florida corporation (the "Company") of 1,825,000 shares of Class A Common Stock, $.01 par value, of the Company (the "Common Stock"), consisting of: (i) 1,200,000 shares of Common Stock underlying 1,200,000 outstanding Public Warrants, (ii) 84,000 shares of Common Stock underlying an Underwriters' Unit Purchase Option, (iii) 84,000 shares of Common Stock underlying 84,000 Underwriters' Warrants issuable upon exercise of the Underwriters' Unit Purchase Option, and (iv) 457,000 shares of Common Stock (the "Selling Shareholders' Shares") beneficially held by certain shareholders of the Company (the "Selling Shareholders"). See "Plan of Distribution" and "Selling Shareholders". Each Public Warrant entitles the holder to purchase one share of Common Stock for $6.50 per share until

November 9, 2000. The Underwriters' Unit Purchase Option entitles the Underwriter to purchase 84,000 units (each unit consisting of one share of Common Stock and one Underwriter's Warrant) for $6.00 per unit until November 15, 2000. Each Underwriter's Warrant entitles the holder to purchase one share of Common Stock for $6.50 per share until November 9, 2000. See "Description of Securities -- Warrants", and "Unit Purchase Option."

The outstanding Public Warrants were originally issued as a component of Units sold in connection with a November 1995 initial public offering of the Company's securities ("Public Offering"), and the Underwriters' Warrants are issuable upon exercise of the Underwriters' Unit Purchase Option sold to the Underwriter of the Public Offering. The Company will receive the proceeds from the exercise of the Public Warrants, and the Underwriters' Warrants (which are sometimes collectively referred to in this Prospectus as the "Warrants"), as well as from the exercise of the Underwriters' Unit Purchase Option, as well as from the Bridge Warrants (as hereinafter defined) and the Consultant Option (as hereinafter defined).

THE SECURITIES OFFERED HEREBY ARE SPECULATIVE AND INVOLVE A HIGH DEGREE OF RISK AND SHOULD BE CONSIDERED ONLY BY SUCH PERSONS CAPABLE OF BEARING THE ECONOMIC RISK OF SUCH INVESTMENT. PROSPECTIVE INVESTORS SHOULD CAREFULLY CONSIDER THE RISKS DESCRIBED UNDER THE CAPTION "RISK FACTORS" WHICH APPEAR BEGINNING ON PAGE 4 OF THIS PROSPECTUS.

THESE SECURITIES HAVE NOT BEEN APPROVED OR DISAPPROVED BY THE SECURITIES AND EXCHANGE COMMISSION OR ANY STATE SECURITIES COMMISSION NOR HAS THE SECURITIES AND EXCHANGE COMMISSION OR ANY STATE SECURITIES COMMISSION PASSED UPON THE ACCURACY OR ADEQUACY OF THIS PROSPECTUS. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

THE DATE OF THIS PROSPECTUS IS NOVEMBER __, 1996.

INFORMATION CONTAINED HEREIN IS SUBJECT TO COMPLETION OR AMENDMENT. A REGISTRATION STATEMENT RELATING TO THESE SECURITIES HAS BEEN FILED WITH THE SECURITIES AND EXCHANGE COMMISSION. THESE SECURITIES MAY NOT BE SOLD NOR MAY OFFERS TO BUY BE ACCEPTED PRIOR TO THE TIME THE REGISTRATION STATEMENT BECOMES EFFECTIVE. THIS PROSPECTUS SHALL NOT CONSTITUTE AN OFFER TO SELL OR THE SOLICITATION OF AN OFFER TO BUY NOR SHALL THERE BE ANY SALE OF THESE SECURITIES IN ANY STATE IN WHICH SUCH OFFER, SOLICITATION OR SALE WOULD BE UNLAWFUL PRIOR TO REGISTRATION OR QUALIFICATION UNDER THE SECURITIES LAWS OF ANY SUCH STATE.

The persons identified herein as the Selling Shareholders acquired their 457,000 Selling Shareholders' Shares being offered hereby in various transactions, including: (i) 140,000 shares of Common Stock issued as a component of units sold by the Company for $25,000 per unit in a private placement that closed on September 20, 1995, each of which units were comprised of 3,500 shares of Common Stock and 2,500 shares of convertible preferred stock; (ii) 12,000 shares of Common Stock issued upon conversion of 5,000 shares of preferred stock at a conversion rate of 6,000 shares of Common Stock for 2,500 shares of preferred stock; (iii) 102,500 shares of Common Stock issued to an independent investor and certain executives of the Company in consideration for cancellation of $205,000 of promissory notes in respect of loans made to the Company ("Bridge Loans"); (iv) 102,500 shares of Common Stock underlying warrants exercisable at $3.63 per share ($6.00 after December 31, 1996) (the "Bridge Warrants") issued as additional consideration for cancellation of the Bridge Loans; and (v) 100,000 shares of Common Stock underlying a stock option issued to a consultant as partial consideration for services rendered to the Company (the "Consultant Option").

The Company's publicly traded Common Stock and Public Warrants are currently listed separately on the automated quotation system of the Nasdaq SmallCap Market ("Nasdaq") under the symbols "ECKL" and "ECKLW", respectively. The Common Stock and Redeemable Class A Warrants are also separately listed on the Boston Stock exchange under the symbols "EKL" and "EKL&W", respectively. On November 11, 1996, the last trade prices for the Common Stock and the Public Warrants reported on Nasdaq were $4 1/4 per share, and $5/8 per Public Warrant, respectively.

The various exercise prices of each of the Public Warrants, Unit Purchase Option, Underwriters' Warrants, Bridge Warrants, and Consultant Option are all

subject to adjustment pursuant to the anti-dilution provisions thereof. The Company will only receive proceeds from the exchange of the foregoing warrants and option, but will not receive any proceeds from the resale thereof.

The exercise of the Public Warrants may be prohibited in certain states. See "Risk Factors -- Costs Resulting from Necessity of Continuing Post-Effective Amendments to the Company's Registration Statement and State Blue Sky Registration; Exercise of Public Warrants Dependent on Current Registration Statement; Costs Resulting from Obligations to Selling Shareholders." Although the Public Warrants were initially sold in jurisdictions in which the Public Warrants and underlying shares of Common Stock were qualified for sale, purchasers who reside in or may move to jurisdictions in which the Public Warrants or underlying shares are not registered for sale or otherwise qualified may have purchased such Public Warrants in the aftermarket during the period when the Public Warrants are exercisable. In this event, the Company would be unable to issue shares to such persons desiring to exercise their Public Warrants unless and until the shares could be qualified for sale in the jurisdictions in which such purchasers reside, or unless an exemption to such qualification exists. The exercise prices and other terms of the Public Warrants were originally determined by negotiation between the Company and the underwriters of the Units sold in the Public Offering, and such terms were not necessarily related to the Company's asset value, net worth, or any other established criteria of value. See "Risk Factors" and "Plan of Distribution" and "Selling Shareholders."

The Company will not receive any of the proceeds from sales of the Selling Shareholders' Shares by the Selling Shareholders. The Shares may be offered from time to time by the Selling Shareholders through ordinary brokerage transactions in the over-the-counter market, in negotiated transactions or otherwise, at market prices prevailing at the time of sale or at negotiated prices. The Selling Shareholders

may be deemed to be "Underwriters" as defined in the Securities Act of 1933, as amended (the "Securities Act"). If any broker-dealers are used by the Selling Shareholders, any commissions paid to broker-dealers and, if broker-dealers purchase any Selling Shareholders' Shares as principals, any profits received by such broker-dealers on the resales of the shares may be deemed to be underwriting discounts or commissions. In addition, any profits realized by the Selling Shareholders may be deemed to be underwriting commissions. All costs, expenses and fees in connection with the registration of the Selling Shareholders' Shares offered by Selling Shareholders will be borne by the Company. Brokerage commissions, if any, attributable to the sale of the Selling Shareholders' Shares will be borne by the Selling Shareholders. The Company has agreed to indemnify the Selling Shareholders' against certain liabilities, including liabilities under the Securities Act.

The shares offered by this Prospectus may be sold from time to time by the Selling Shareholders, or by transferees. No underwriting arrangements have been entered into by the Selling Shareholders. The distribution of the Selling Shareholders' Shares by the Selling Shareholders may be effected in one or more transactions that may take place on the over-the-counter market, including ordinary broker's transactions, privately-negotiated transactions or through sales to one or more dealers for resale of such shares as principals, at market prices prevailing at the time of sale, at prices related to such prevailing market prices or negotiated prices. Usual and customary or specifically negotiated brokerage fees or commissions may be paid by the Selling Shareholders in connection with the sales of the Selling Shareholders' Shares. See "Plan of Distribution" and "Selling Shareholders."

ADDITIONAL INFORMATION

The Company is subject to the informational requirements of the Securities Exchange Act of 1934 (the "Exchange Act"), and, in accordance therewith, files reports, proxy statements and other information with the Securities and Exchange Commission (the "SEC" or the "Commission"). Such reports and other information filed by the Company can be inspected and copied at the public reference facilities of the Commission at its principal office at Judiciary Plaza, 450 Fifth Street, N.W., Room 1024, Washington, D.C. 20549, and at the Commission's regional offices at Northwestern Atrium Center, 500 West Madison Street, Suite 1400, Chicago, Illinois 60661, and at 7 World Trade Center, 13th Floor, New York, New York 10048. Copies of each such document may be obtained at prescribed rates from the Public Reference Section of the Commission at its principal office at Judiciary Plaza, 450 Fifth Street, N.W., Room 1024, Washington, D.C.

20549.

The Company has filed with the Commission a Registration Statement on Form SB-2 and amendments thereto (collectively with any amendments thereto, the "Registration Statement") under the Securities Act of 1933, as amended (the "Securities Act"), with respect to the securities being offered by this Prospectus. This Prospectus does not contain all of the information set forth in the Registration Statement and the schedules and exhibits thereto. For further information with respect to the Company and the Company's Common Stock, reference is hereby made to the Registration Statement and to the exhibits filed as a part thereof. The statements contained in this Prospectus as the contents of any contract or other documents identified as exhibits in this Prospectus are not necessarily complete and, in each instance, reference is made to a copy of such contract or document filed as an exhibit to the Registration Statement, each statement being qualified in any and all respects by such reference. The Registration Statement, including exhibits, may be inspected without charge at the principal reference facilities maintained by the Commission at 450 Fifth Street, N.W., Washington, D.C. 20549, and copies of all or any part thereof may be obtained upon payment of fees prescribed by the Commission from the Public Reference Section of the Commission at its principal office in Washington, D.C. set forth above.

The Company's Common Stock and Public Warrants are quoted on the NASDAQ SmallCap Market under the symbols "ECKL" and "ECKLW," respectively. All of the reports required to be filed by the Company with NASD, if any, and other information concerning the Company can be inspected at the offices of the National Association of Securities Dealers, Inc., 1735 K Street, N.W., Washington, D.C. 20006.

The Company will provide without charge to each person to whom a Prospectus is delivered, upon written or oral request of such person, a copy of any and all documents referred to above that have been incorporated into this Prospectus by reference. Written or oral requests for such copies should be directed to: Ronald V. Mohr, Vice President Finance and Administration, Eckler Industries, Inc., 5200 S. Washington Avenue, Titusville, Florida 32801, (407) 269-9680.

PROSPECTUS SUMMARY

THE FOLLOWING IS A SUMMARY OF CERTAIN INFORMATION (INCLUDING FINANCIAL STATEMENTS AND NOTES THERETO) CONTAINED IN THIS PROSPECTUS AND IS QUALIFIED IN ITS ENTIRETY BY THE MORE DETAILED INFORMATION APPEARING ELSEWHERE HEREIN. UNLESS OTHERWISE SPECIFIED, ALL REFERENCES IN THIS PROSPECTUS REFLECT THE 1500 FOR 1 SPLIT OF THE COMPANY'S COMMON STOCK EFFECTED IN JULY 1995. EACH PROSPECTIVE INVESTOR IS URGED TO READ THIS PROSPECTUS IN ITS ENTIRETY.

THE COMPANY

The Company is one of the largest aftermarket suppliers of Corvette automotive parts and accessories in the United States. The Company has four basic product lines which include accessories, Corvette restoration parts, maintenance items and gift and apparel items. The Company markets its 17,000 item product line primarily through the distribution of its extensive parts catalog. The Company has numerous suppliers of the products it offers, and in the case of certain fiberglass products, operates its own production facility to design and manufacture replacement body parts for Corvettes. In addition, in December 1993, the Company entered into a long-term license agreement with General Motors Corporation, Service Parts Operations (the "GM Agreement") pursuant to which the Company was granted the right to manufacture and sell licensed parts under certain GM trademarks for Corvettes for various model years. In consideration for the grant of the license, the Company pays GM a royalty on licensed parts sold. The GM Agreement further granted to the Company the right to use available GM tooling to manufacture the licensed parts. The Company utilizes the tooling to produce certain high demand restoration parts. Furthermore, the Company purchases existing GM inventory of licensed parts to sell direct to customers and wholesale to GM dealers. Although the Company did not manufacture parts with GM tooling nor purchased inventory of discontinued parts from GM until recently, the Company sold parts from its own inventory under the GM Restoration Parts label since 1993.

For the fiscal years ended September 30, 1995 and 1994 the Company's sales mix of its basic product lines was 49.5% and 48%, respectively, for accessories, 38% and 37%, respectively, for restoration parts, 9.5% and 11%, respectively, for maintenance items and, 3% and 4%, respectively, for gift and apparel items.

The Company historically has generated most of its revenues as a result

of its catalog sales. The Company's telemarketing staff is principally an inbound, order-taking department. During the years ended September 30, 1995 and 1994, catalog sales accounted for approximately 93% of the Company's revenues. The Company's sales force specializes in selling Corvette parts and accessories. This group handles in excess of 600 inquiries daily and processes an average of 285 orders daily.

In September 1995, the Company raised gross proceeds of $1,000,000 through a private placement of units comprised of Class A Common Stock (hereinafter sometimes referred to as "Common Stock") and convertible preferred stock (the "Preferred Stock"). Of the Selling Shareholders' Shares subject to sale under this Prospectus, 140,000 represent Common Stock issued in that private placement and 12,000 shares of Common Stock issued upon conversion of 5,000 shares of Preferred Stock.

In November 1995, the Company completed an initial public offering of units comprised of Common Stock and redeemable warrants (the "Public Warrants") and raised gross proceeds to the Company of $4,200,000. Included in that initial public offering were 360,000 shares of Common Stock sold by Ralph H. Eckler who is the Company's largest shareholder and a Director, and who is also President and Chief Executive Officer. Gross proceeds to Mr. Eckler from the sale of those shares was $1,800,000.

As a result of those financings, the Company was able to substantially reduce long term debt and trade payables, renew favorable terms with its vendors, complete its initial royalty payments under the GM Agreement, and increase inventory. The Company also redeemed 95,000 shares of outstanding preferred stock from the proceeds of its initial public offering, and the holders of the remaining 5,000 shares of preferred stock converted these shares into 12,000 shares of Class A Common Stock.

Eckler Industries, Inc. is a Florida corporation formed in 1973. The Company maintains its principal executive offices at 5200 South Washington Avenue, Titusville, Florida 32780, (407) 269-9680.

THE OFFERING

SECURITIES OFFERED:	- 1,200,000 shares of Common Stock issuable upon exercise of 1,200,000 outstanding Public Warrants. Each Public Warrant entitles the holder, for $6.50, to purchase one share of Common Stock until November 9, 2000. - 84,000 shares of Common Stock issuable upon exercise of 84,000 Underwriters' Warrants. Each Underwriter Warrant entitles the holder, for $6.50, to purchase one share of Common Stock until November 9, 2000. - 84,000 shares of Common Stock issuable upon exercise of an Underwriters' Unit Purchase Option. The Unit Purchase Option entitles the holder, for $6.00, to purchase one share of Common Stock and one Underwriters' Warrant. - 457,000 shares of Common Stock to be sold by the Selling Shareholders. - See "Description Of Securities," "Plan Of Distribution," and "Selling Shareholders".
COMMON STOCK OUTSTANDING BEFORE THE OFFERING(1)	- 1,646,750 shares of Class A Common Stock; 510,375 shares of Class B Common Stock
COMMON STOCK OUTSTANDING AFTER THE OFFERING IF ALL PUBLIC WARRANTS, UNDERWRITERS' WARRANTS, BRIDGE WARRANTS, UNIT PURCHASE OPTION AND CONSULTANT OPTION ARE EXERCISED(2)	- 3,217,250 shares of Class A Common Stock; 510,375 shares of Class B Common Stock

RISK FACTORS:	- The shares offered hereby involve a high degree of risk. See "Risk Factors."

USE OF PROCEEDS:	- See "Use of Proceeds." Net proceeds from the exercise of the Public Warrants, Underwriters' Warrants, Unit Purchase Option, Bridge Warrants and Consultant Option, if any are exercised, will be used for working capital and general corporate purposes. On November 11, 1996, the last sales price on Nasdaq for a share of Common Stock was $4 1/4. Due to the fact that the exercise price of the Public Warrants and Underwriters' Warrants is $6.50 per share and the exercise price of the Unit Purchase Option is $6.00 per share, it is unlikely that any of such securities will be exercised and the proceeds of exercise received by the Company without a significant increase in the market price of the Company's Common Stock or a lowering of the exercise prices of the Warrants. It is possible that the 102,500 Bridge Warrants, currently exercisable at $3.63 per share until December 31, 1996, and the Consultant Option exercisable at $2.50 per share, may be exercised insofar as the current market price of the Common Stock exceeds such exercise price. Without such warrant and option exercises, the Company will not receive any of the proceeds of this Offering. It is impossible to predict how many of the warrants or options will be exercised and the magnitude of the proceeds, if any, realizable therefrom. The Company will not receive any of the proceeds from the resale of any Common Stock described herein. See "Discussion And Analysis And Results Of Operations -- Liquidity And Capital Resources."
NASDAQ SYMBOL:	- Common Stock -- ECKL - Public Warrants -- ECKLW

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(1) Does not include (i) a maximum of 1,200,000 shares of Common Stock issuable upon exercise of the Public Warrants, (ii) a maximum of 84,000 shares of Common Stock issuable upon exercise of the Unit Purchase Option, (iii) a maximum of 84,000 shares of Common Stock issuable upon exercise of the Underwriters' Warrants (iv) a maximum of 102,500 shares of Common Stock issuable upon exercise of the Bridge Warrants, (v) a maximum of 100,000 shares of Common Stock issuable upon exercise of the Consultant Option, (vi) 175,000 shares of Common Stock issuable upon exercise of options granted under the Company's stock option plans at exercise prices ranging from $2.50 to $3.30 per share, (vii) 40,000 shares of Common Stock issuable to certain directors of the Company and exercisable at $3.00 per share; (viii) 200,000 shares of Common Stock issuable upon exercise of an option granted to a principal of the Company at $2.88 per share, (ix) 200,000 shares of Common Stock issuable upon exercise of an option granted to the Underwriter at $2.88

per share; and (x) 20,000 shares of Common Stock issuable upon exercise of an outstanding option issued for consulting services and exercisable at $4.20 per share.

(2) Assumes (i) issuance of 1,200,000 shares of Common Stock upon exercise of the Public Warrants, (ii) the issuance of 84,000 shares of Common Stock upon exercise of the Unit Purchase Option, (iii) the issuance of 84,000 shares of Common Stock upon exercise of the Underwriters' Warrants, and (iv) the issuance of 102,500 shares of Common Stock upon issuance of the Bridge Warrants, and (v) issuance of 100,000 shares of Common Stock upon exercise of the Consultant Option. Does not include (a) the issuance of any of the 175,000 shares of Common Stock issuable upon exercise of stock options granted under the Company's stock option plans, (b) the issuance of 440,000 shares of Common Stock issuable upon exercise of stock options granted otherwise than in connection with a stock option plan.

SUMMARY FINANCIAL INFORMATION

The following table presents summary historical data of the Company for the two years ended September 30, 1995 and September 30, 1994 which have been derived from the Company's audited financial statements included elsewhere in this Prospectus and unaudited financial data for the nine months ended June 30, 1996 and 1995. The information should be read in conjunction with "Selected Financial Data," "Management's Discussion and Analysis of Financial Condition and Results of Operations" and the Financial Statements and the related notes thereto. Since 1989, the Company was treated as an S Corporation for federal and certain state income tax purposes. As a result, the Company's earnings through September 20, 1995, the date of termination of the Company's S Corporation status (the "Termination Date") were taxed, with certain exceptions for federal and certain state income tax purposes, directly to the Company's then shareholders. As of September 20, 1995, the Company became subject to federal and state income taxes. See "S Corporation Status" and Note 6 to Notes to Financial Statements.

[CONTINUED ON NEXT PAGE]

<TABLE>
<CAPTION>

	JUNE 30	SEPTEMBER 30	
	1996	1995	1994
<S>	<C>	<C>	
SUMMARY BALANCE SHEET DATA			
Working capital (deficit).	$ 331,399	$(1,602,027)	$ (473,502)
Total assets	6,551,560	5,950,042	5,539,650
Total liabilities.	4,561,910	6,288,173	5,688,347
Shareholders' equity (deficit)	1,989,650	(1,027,004)	(148,697)

</TABLE>

<TABLE>
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	NINE MONTHS ENDED JUNE 30		YEARS ENDED SEPTEMBER 30	
	1996	1995	1995	1994
<S>	<C>	<C>	<C>	<C>
SUMMARY INCOME STATEMENT DATA				
Net sales	$11,144,484	$10,178,889	$12,932,450	$13,942,936
Cost of goods sold.	7,247,478	6,642,539	8,443,912	9,074,824
Gross profit.	3,897,006	3,536,350	4,488,538	4,868,112
Operating expenses.	3,880,145	3,165,099	4,136,322	4,508,770
Income (loss) from operations	16,861	371,251	352,216	359,342
Net income (loss)	(17,636)	139,673	(444,600)	22,010
Net income (loss) per share (2)	($.23)			
Pro forma Net Income (loss) (1).		92,173	924	146,510
Pro forma Net Income (loss) per share(1)(2). .		$.04	($.05)	$.07
Average number of common shares outstanding (2)	2,525,000	2,117,500	2,117,500	2,117,500

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(1) Reflects reductions in stockholder compensation of $200,000 for the year ended September 30, 1994. Also reflects expenses of $47,500, $476, and $75,500 for the nine months ended June 30, 1995 and the years ended September 30, 1995 and 1994, respectively, for income taxes as if

the Company had not been an S Corporation.

(2) Pro forma net income (loss) per share of Class A Common Stock is based on pro forma net income (loss) and the weighted average of shares of Class A Common Stock and common stock equivalents outstanding during each period after giving retroactive effect to the Company's recapitalization. Shares of Class B Common Stock become convertible into shares of Class A Common Stock on a 1 for 2 basis and are considered to be Class A Common Stock equivalents.

Pursuant to requirements of SEC Staff Accounting Bulletin No. 83, common shares issued by the Company during the twelve months immediately preceding the initial public offering (242,500 shares) at a price below the initial public offering price plus the number of common shares subject to the grant of common stock options and warrants and convertible preferred stock issued during such period (375,000 shares) having exercise or conversion prices below the initial public offering price have been included in the calculation of the shares used in computing net income per share as if they were outstanding for all periods prior to the November 15, 1995 closing of the Company's initial public offering.

RISK FACTORS

THE SECURITIES OFFERED HEREBY ARE SPECULATIVE AND INVOLVE A HIGH DEGREE OF RISK AND SHOULD ONLY BE PURCHASED BY INVESTORS WHO CAN AFFORD TO LOSE THEIR ENTIRE INVESTMENT. PROSPECTIVE INVESTORS, PRIOR TO MAKING AN INVESTMENT, SHOULD CAREFULLY CONSIDER THE FOLLOWING RISKS AND SPECULATIVE FACTORS,

AS WELL AS OTHER INFORMATION SET FORTH ELSEWHERE IN THIS PROSPECTUS, ASSOCIATED WITH THIS OFFERING, INCLUDING THE INFORMATION CONTAINED IN THE FINANCIAL STATEMENTS HEREIN.

DEPENDENCE ON KEY EXECUTIVES. The success of the Company is dependent on the services and efforts of its existing key management personnel. The loss of the services of one or more of its existing management personnel, particularly those of Mr. Ralph H. Eckler, would have a material adverse effect on the Company's business. The Company currently maintains a $1,000,000 key-man life insurance policy on the life of Mr. Eckler, under which the Company is the beneficiary. The Company's success and plans for future growth will also depend on its ability to attract and retain additional qualified personnel. Although the Company has thus far been successful in attracting and retaining qualified personnel for its business, there can be no assurance that experienced and qualified management level personnel will be available to the Company in the future on terms satisfactory to the Company. Ralph Eckler and the Company entered into an employment agreement effective May 23, 1995 for a term of seven years which is automatically renewable for successive two-year terms unless otherwise terminated. The Company has no other employment agreements with its other management personnel. See "Management -- Employment Agreement."

IMPLEMENTATION OF GM AGREEMENT. The Company executed a Reproduction and Service Part Tooling License Agreement (the "GM Agreement") with General Motors Corporation ("GM") in December 1993 and made advances to GM against future royalties, which royalties will be payable to GM as a result of sales by the Company of licensed GM Restoration Parts. Until recently, no GM Restoration Parts covered by the GM Agreement had been manufactured by the Company or purchased from GM, although the Company sold parts from its own inventory under the GM Restoration Parts label. While the Company's recent private and public financings have permitted it to commence manufacturing parts and acquiring additional inventory from GM, no assurances can be given as to when the Company will fully implement the GM Agreement. See "Business -- General Motors Agreement."

SEASONALITY. The Company's operations are highly seasonal. The Company has historically derived, on average, in excess of 70% of its revenues during the period from March through August. See "Business -- Seasonality."

COMPETITION. The GM Agreement grants to the Company the exclusive license to use certain GM tools and tooling as designated by GM and accepted by the Company for Corvette parts declared obsolete (i.e., discontinued by GM) (provided there are no pre-existing GM license agreements or written GM policies which conflict with or prohibit such and that the tools are not common to other non-licensed parts not yet declared obsolete by GM), the right to use certain GM trademarks and GM technology and the right of first refusal to purchase any inventory of discontinued Corvette parts. However, the GM Agreement does not prohibit the Company's competitors from manufacturing and selling parts that are

compatible and/or nearly identical to those manufactured and sold by the Company. See "Business -- Competition."

RECENT DECLINE IN SALES. Over the past several years the Company experienced a decline in sales. The Company believes the primary reason for this trend is due to the Company's decision to deploy Company capital to satisfy the other financial needs of Ralph H. Eckler rather than to maintain a high level of parts inventory. The decrease in inventory resulted in a loss in sales and profitability. The capital infusion from the Company's initial public offering allowed the Company to increase inventory and obtain better terms from vendors for future inventory acquisitions; however, there can be no assurances that such replenishment of capital and increase of inventory will result in increased sales and profitability. See "Management Discussion and Analysis of Financial Condition and Results of Operations" and "Certain Transactions."

FLUCTUATING MARKET FOR COLLECTIBLES. The market for Corvette automobiles (especially the collectible models) fluctuates generally with the demand for other collectibles and the sales of the Company's products may correspond to the demand of the Corvette automobile. Accordingly, no prediction of the continued market for the Company's products can be made.

DEBT OBLIGATIONS. The Company's property is encumbered by a $2.4 million mortgage in favor of Barnett Banks which refinanced a prior debt obligation of the Company. The Company also obtained a $1 million revolving line of credit from Barnett Banks, secured by certain personal property of the Company. The loan documents contain cross-default provisions pursuant to which the bank could accelerate payment of both loans in the event of a default under one of the loans. If the Company subsequently defaults in its obligations to Barnett Banks, the bank may foreclose on the property which would have a material adverse affect on the Company's operations. See "Business -- Property."

NO PROCEEDS TO THE COMPANY FROM THE OFFERING. Unless the Warrants, the Unit Purchase Option, the Bridge Warrants, and/or the Consultant Option are exercised, the Company will not receive any proceeds of this Offering to be applied to its working capital. On November 11, 1996, the last sales price reported on Nasdaq for a share of the Company's Common Stock was $4 1/4 per share. Due to the fact that the exercise price of the Warrants is $6.50 per share and the exercise price of the Unit Purchase Option is $6.00 per share, it is unlikely that any of such warrants or option will be exercised without a significant increase in the market price of the Company's Common Stock. Even though the exercise prices of the Bridge Warrants, currently at $3.63 and the Consultation Option at $2.50, are below the current market price of the Common Stock, it is impossible to predict how many of such warrants and options will be exercised and the magnitude of the proceeds, if any, realizable therefrom.

COMPLETE DISCRETION IN APPLICATION OF PROCEEDS. Upon exercise of any of the Warrants, the Unit Purchase Option, the Underwriters' Warrants, the Bridge Warrants and/or the Consultant Option, all of the net proceeds to the Company therefrom have been designated for general corporate and working capital purposes and may be expended at the discretion of the Company's management. As a result of the foregoing, any return on investment to investors will be substantially dependent upon the discretion and judgment of the Company's management with respect to the application and allocation of the net proceeds, if any, to the Company of the Offering. See "Risk Factors -- No Proceeds to Company Upon Failure to Exercise Warrants."

PRIOR S CORPORATION STATUS AND OTHER TAX MATTERS. From October 1, 1989 until September 20, 1995, the Company was treated as an S Corporation for federal (and most state) tax purposes. Unlike a C Corporation, an S Corporation is generally not subject to income tax at the corporate level. In the event that the Internal Revenue Service were to deny such S Corporation status for periods during which the Company was treated as an S Corporation by reason of the failure to satisfy the S Corporation requirements of the Internal Revenue Code of 1986, as amended (the "Code"), the Company would be subject to income tax as a C Corporation. See "S Corporation Status."

NO ASSURANCE OF CONTINUED MARKET FOR SECURITIES. Although the Company's Class A Common Stock and Public Warrants are listed on the NASDAQ SmallCap Market, there can be no assurances that a public trading market for the securities will be sustained. If for any reason the Company fails to maintain sufficient qualifications for continued listing on the NASDAQ SmallCap Market, purchasers of the securities may have difficulty in selling their securities should they desire to do so. In any event, because certain restrictions may be placed upon the sale of securities at prices under $5, unless such securities qualify for an exemption from the "penny stock" rules,

such as a listing on the NASDAQ SmallCap Market, some brokerage firms will not effect transactions in the securities if they trade below $5 and it is unlikely that any bank or financial institution will accept the securities as collateral, which could have an adverse

effect in developing or sustaining any market for the securities. See "Risk Factors -- Listing Maintenance Criteria for NASDAQ System; Penny Stock Regulations."

CONTROL BY MANAGEMENT. Under the provisions of the Company's governing instruments, a director may be removed only for cause by a 66 2/3% vote of the outstanding common shares. A director may not be removed without cause. See "Management -- Governing Instruments."

CONTROL BY PRINCIPAL SHAREHOLDER. Ralph H. Eckler beneficially owns and/or controls approximately 40.75% of the outstanding shares of the Company's Common Stock. Thus, Mr. Eckler controls a substantial block of voting shares and is thereby in a position to influence the policies of the Company. See "Security Ownership of Certain Beneficial Owners and Management."

DILUTION AND ADVERSE EFFECT ON STOCK PRICE FROM FUTURE ISSUANCE OF ADDITIONAL SHARES. As of the date of this Prospectus, the Company granted options for 175,000 shares of Class A Common Stock to employees, officers and directors of the Company, 130,000 of which options are first exercisable at $2.50 per share in August, 1997, 45,000 of which are first exercisable at $3.00 to $3.30 per share in January, 1997, and 40,000 of which are first exercisable in April, 1997. The Company also issued an option for 200,000 shares of Class A Common Stock to the Underwriter and an option to Ralph H. Eckler for 200,000 shares Class A Common Stock, which options are exercisable at $2.88 per share commencing in August 1996 and January 1997, respectively. Additionally, there is an outstanding option for 20,000 shares of Common Stock issued to a consultant, exercisable at $4.20 per share. Further, 1,570,000 shares of Common Stock underlying outstanding warrants and options are included in this Prospectus. The issuance of any additional shares by the Company in the future may result in a reduction of the book value or market price of the then-outstanding Class A Common Stock. Issuance of additional shares of Class A Common Stock may reduce the proportionate ownership and voting power of then-existing shareholders. As of October 30, 1996, the Company had outstanding 1,646,750 shares of Class A Common Stock and 510,375 shares of Class B Common Stock (convertible into 1,020,750 Class A shares on a 2 for 1 basis), of which 1,367,000 shares were freely tradable. 495,375 Class B shares (convertible into 990,750 Class A shares) are subject to a lock-up agreement, but once released, may be sold subject to volume and other limitations of Rule 144 under the Securities Act (unless such shares are subsequently registered under the Securities Act, in which case they would be free from the Rule 144 limitations). See "Risk Factors -- Impact on Market of Warrant Exercise", "-- Underwriters' Unit Purchase Option", "-- Adverse Impact of Significant Number of Shares Eligible For Future Sale"; "Plan of Distribution" "Selling Shareholders"; "Management -- Management and Employee Stock Option Plans"; "Description of Securities"; and, "Shares Available for Future Sale."

IMPACT ON MARKET OF WARRANT EXERCISE. The Company's Public Warrants are subject to redemption by the Company, at any time after November 9, 1996 at a price of $.05 per warrant if the average closing price for the Class A Common Stock equals or exceeds $8.75 per share for the twenty consecutive trading days ending on the third day prior to the date of the notice of redemption. In the event that the Public Warrants are called for redemption by the Company, warrantholders will have thirty days during which they may exercise their rights to purchase shares of Class A Common Stock. In the event a current prospectus is not available, the warrants may not be exercised and the Company will be precluded from redeeming the warrants. As a result of an exercise of the Public Warrants, existing shareholders could be diluted and the market price of the Class A Common Stock may be adversely affected. In the event of the exercise of a substantial number of warrants within a reasonably short period of time after the right to exercise commences, the resulting increase in the amount of Class A Common Stock of the Company in the trading market could substantially affect the market price of the Class A Common Stock. See "Description of Securities -- Warrants."

NO DIVIDENDS ANTICIPATED. Although the Company paid dividends on its

common stock through 1995, it does not intend to pay dividends thereon in the foreseeable future. Any earnings which the Company may realize in the foreseeable future will be retained to finance the growth of the Company. See "Dividend Policy."

POSSIBLE RESTRICTIONS ON MARKET MAKING ACTIVITIES IN THE SECURITIES. Although it has no legal obligation to do so, Argent Securities, Inc. ("Argent"), the Company's underwriter of its initial public offering which closed on November 15, 1995, and other broker-dealer firms from time to time may act as market makers and otherwise effect transactions in the Company's securities. Unless granted an exemption by the Commission from Rule 10b-6 under the Exchange Act, the broker-dealers will be prohibited from engaging in any market making activities or solicited brokerage activities with respect to the Company's securities for the period from nine business days prior to any solicitation of the exercise of any Warrant or nine business days prior to the exercise of any Warrant based on a prior solicitation until the later of the termination of such solicitation activity or the termination (by waiver or otherwise) of any right Argent and other broker-dealers may have to receive such a fee for the exercise of the Warrants following such solicitation. As a result, such firms may be unable to continue to provide a market for the Company's securities during certain periods while the Warrants are exercisable. The prices and liquidity of the securities may be adversely affected by the cessation of such market making activities. In addition, there is no assurance that Argent and other firms will continue to be market makers in the Company's securities. The prices and liquidity of the Securities may be affected significantly by the degree, if any, of Argent's participation in the market. The market makers may voluntarily discontinue such participation at any time.

CIVIL LIABILITY OF SELLING SHAREHOLDERS. Under the Securities Act, a purchaser of securities sold under a registration statement may recover from the person from whom he bought the securities damages incurred as a result of material misstatements contained in, or material information omitted from the registration statement. The damages recoverable are the difference between the price the purchaser paid for the security (but not more than the public offering price) and the price at which the purchaser disposed of the security or (if he still owns it) its value at the time of suit.

Persons subject to liability under the Securities Act are certain officers and directors (including prospective directors) of the issuer of the securities, certain experts, and every underwriter who sold the securities. Under the Securities Act, the term "underwriter" is generally defined as any person who has purchased from an issuer (or from a control person of the issuer) with a view to, or offers or sells for an issuer in connection with, the distribution of any security. Thus, when a person has purchased securities directly from an issuer, and subsequently resells them, he may be deemed to have "purchased from an issuer with a view to distribution" and may be deemed an "underwriter" for purposes of imposing civil liability under the Securities Act. Therefore, selling shareholders who acquired securities from the Company, and subsequently resell those securities under this Prospectus (including the sale of common stock resulting from a conversion or exercise of those securities), may be deemed underwriters and therefore subject to civil liability for material misstatements contained in, or material omissions from, this Prospectus.

UNDERWRITERS' UNIT PURCHASE OPTION . In connection with its initial public offering, the Company sold to Argent, for nominal consideration, an option to purchase an aggregate of 84,000 units (the "Unit Purchase Option"), with each such unit consisting of one share of Class A Common Stock and one warrant. The Unit Purchase Option is exercisable for a period of four years, commencing November 15, 1996, at an exercise price of $6.00 per unit. The terms of the warrants underlying such Units (the "Underwriters' Warrants") are the same as the public warrants, except that they are not redeemable by the Company. The holder of the Unit Purchase Option will have the opportunity to profit from a rise in the market price of the Company's securities, if any, without assuming the risk of ownership. The Company may find it more difficult to raise additional equity capital if it should be needed for the business of the Company while the

Unit Purchase Option is outstanding. At any time when the holders thereof might be expected to exercise them, the Company would probably be able to obtain additional capital on terms more favorable than those provided by the Unit Purchase Option. The 84,000 shares of Common Stock issuable upon exercise of the Unit Purchase Option and the 84,000 shares of Common Stock issuable upon exercise of the Underwriters' Warrants are included for sale under this Prospectus.

LISTING MAINTENANCE CRITERIA FOR NASDAQ SYSTEM; "PENNY STOCK" REGULATIONS. The Company's Class A Common Stock and Public Warrants are listed on the Nasdaq SmallCap Market. Continued inclusion on the NASDAQ SmallCap Market currently requires two market makers and a minimum bid price of $1.00 per share; provided, however, if the Company falls below the minimum bid price, it will remain eligible for continued inclusion if the market value of the public float is at least $1,000,000 and the Company has $2,000,000 in capital and surplus. As of December 31, 1995, the minimum bid price of the Company's Class A Common Stock was $3.25 per share; the market value of the public float was $4,727,125, and the Company had $1,571,241 in capital and surplus. If the Company fails to maintain the NASDAQ minimum threshold requirements, it would lose NASDAQ listing and trading, if any, and trading in the securities would be conducted in the over-the-counter market known as the NASD OTC Electronic Bulletin Board, or more commonly referred to as "pink sheets." As a result, an investor may find it more difficult to dispose of, or to obtain accurate quotations as to the market value of, the Company's Class A Common Stock if it were to lose its NASDAQ SmallCap Market listing.

The Commission has adopted regulations which generally define "penny stock" to be any equity security that has a market price (as defined) less than $5 per share or an exercise price of less than $5 per share, subject to certain exceptions. Since the Securities have been accepted for quotation on NASDAQ, they will initially be exempt from the definition of "penny stock." If the Securities are later removed from listing by NASDAQ and are traded at a price below $5, the Securities may become subject to rules that impose additional sales practice requirements on broker-dealers who sell such Securities to persons other than established customers and institutional accredited investors. For transactions covered by these rules, the broker-dealer must make a special suitability determination for the purchase of such Securities and have received the purchaser's written consent to the transaction prior to the purchase. Additionally, for any transaction involving a penny stock, unless exempt, the rules require the delivery, prior to the transaction, of a disclosure schedule prepared by the Commission relating to the penny stock market. The broker-dealer also must disclose the commissions payable to both the broker-dealer and the registered representative, current quotations for the Securities, and, if the broker-dealer is the sole market-maker, the broker-dealer must disclose this fact and the broker-dealer's presumed control over the market. Finally, monthly statements must be sent disclosing recent price information for the penny stock held in the account and information on the limited market in penny stocks. Consequently, the "penny stock" rules may restrict the ability of broker-dealers to sell the Securities and may affect the ability of purchasers in this Offering to sell the Securities in the secondary market.

ADVERSE IMPACT OF SIGNIFICANT NUMBER OF SHARES ELIGIBLE FOR FUTURE SALE. No assurance can be given as to the effect, if any, that future sales of Common Stock, or the availability of shares of Common Stock for future sales, will have on the market price of the Common Stock from time to time. Sales of substantial amounts of Common Stock (including shares issued upon the exercise of warrants or stock options), or the possibility that such sales could occur, could adversely affect the market price of the Common Stock and could also impair the Company's ability to raise capital through an offering of its equity securities in the future. Assuming exercise of all the warrants and the Consultant Option, the underlying shares of Common Stock of which are included for sale under this Prospectus, upon completion of the Offering the Company will have 3,217,250 shares of Common Stock outstanding, of which the approximately 3,192,000 will be transferable without restriction under the Securities Act. The remaining 510,375 shares of Class B Common Stock (convertible into 1,020,750 shares of Class A Common Stock) to be outstanding on

completion of this Offering are "restricted securities" (as that term is defined in Rule 144 promulgated under the Securities Act) which may be publicly sold only if registered under the Securities Act or if sold in accordance with an applicable exemption from registration, such as Rule 144.

The 510,375 shares of Class B Common Stock (and the 1,020,750 Class A Common Stock into which the Class B shares are convertible) are "restricted securities" as that term is defined by Rule 144 under the Securities Act, and, in the future, may be sold in compliance with Rule 144 or pursuant to an effective registration statement. However, of the 510,375 shares, Mr. Ralph Eckler owns 495,375 shares which are further subject to the provisions of a

lock-up agreement between him and Argent Securities, Inc. ("Argent"), the Company's underwriter for its initial public offering). Ordinarily, under Rule 144, a person who is an affiliate of the Company (as that term is defined in Rule 144) and has beneficially owned restricted securities for a period of two years is entitled to sell in brokerage transactions (together with any person with whom such individual is required to aggregate sales), within any three-month period, an amount that does not exceed the greater of (i) 1% of the outstanding number of shares of a particular class of such securities, or (ii) the average weekly trading volume in such securities on all national exchanges and/or reported on Nasdaq during the four calendar weeks preceding the sale. A person who has not been an affiliate of the Company for at least the immediately preceding three months, and who has beneficially owned restricted securities for at least three years, is entitled to sell such shares under Rule 144 without regard to any of the limitations described above. In the future, sales of restricted stock pursuant to Rule 144 may have an adverse effect on the market price of the Company's Class A Common Stock. Under Rule 144, Mr. Eckler may sell his shares immediately, subject to the aforementioned timing and volume limitations. However, Mr. Eckler has agreed with Argent in writing not to sell, assign or transfer any of his shares of Class B Common Stock (or the Class A Common Stock into which such shares are convertible) without the consent of Argent for periods ranging from 24 to 60 months from November 15, 1995, subject to earlier incremental release upon the achievement of specified performance goals. See "Shares Available for Future Sale."

COSTS RESULTING FROM NECESSITY OF CONTINUING POST-EFFECTIVE AMENDMENTS TO THE COMPANY'S REGISTRATION STATEMENT AND STATE BLUE SKY REGISTRATION; EXERCISE OF WARRANTS DEPENDENT ON CURRENT REGISTRATION STATEMENT; COSTS RESULTING FROM OBLIGATIONS TO SELLING STOCKHOLDERS. Although the Warrants were not knowingly sold by the Company to purchasers in jurisdictions in which the Warrants were not registered or otherwise knowingly were sold to purchasers in jurisdictions in which the Warrants are not registered or otherwise qualified for sale, purchasers may buy Warrants in the after-market or may move to jurisdictions in which the Warrants and the Common Stock underlying the Warrants are not so registered or qualified. In this event, the Company would be unable to issue Common Stock to those persons desiring to exercise their Warrants unless and until the Warrants and the underlying Common Stock are qualified for sale in jurisdictions in which such purchasers reside, or an exemption from such qualification exists in such jurisdictions. In addition, any additional financing may result in further dilution to Company stockholders resulting from the issuance of Common Stock or securities exercisable for or convertible into Common Stock. There can be no assurance that the Company will be able to effect any required qualification.

The Warrants will not be exercisable unless the Company maintains a current Registration Statement on file with the Commission through post-effective amendments to the Registration Statement containing this Prospectus. Although the Company has agreed to file appropriate post-effective amendments to the Registration Statement containing this Prospectus, and to maintain a current Registration Statement on file with the Commission relating to the Warrants, there can be no assurance that such will be accomplished or that the Warrants will continue to be so registered. See "Description of Securities -- Warrants."

The Selling Shareholders' Shares are included in this Prospectus for offer and sale pursuant to certain registration obligations of the Company. The obligation to maintain a current registration statement may impose a financial burden on the Company and create a contractual liability of the Company to the Selling Shareholders.

POSSIBLE COMBINATION OF THE COMPANY. On October 28, 1996, the Company entered into a letter of intent with Smart Choice Holdings, Inc., a newly organized, privately held Delaware corporation ("Smart Choice") for the purpose of combining the two companies. The combination would be effected by the holders of Smart Choice securities exchanging all of their securities for 6.5 million shares of the Company's Class A Common Stock. To the extent the Company does not have a sufficient number of Class A Common Stock authorized, unissued and unreserved, the Company will issue one-half share of the Company's Class B Common Stock for every share of Class A Common Stock it is unable to issue. Following the completion of the transaction, the Company would seek shareholder approval to change its name to Smart Choice Holdings, Inc. (or other name) ("Smart Choice Holdings"). Following the combination, the combined companies would be comprised of four divisions: corvette parts and accessories (the "Eckler Division"), which would continue to be headquartered in Titusville, Florida, new car sales, used car sales,

insurance, auto finance and leasing. The primary focus of the combined companies would be the establishment of a network of neighborhood stores for the financed sales of new and used cars, with a specific focus on sub-prime borrowers. The resultant company would be acquiring various used car dealerships and finance companies for purposes of offering a full-service package to customers for one-stop transportation shopping encompassing automobiles, warranties, service, financing, leasing and insurance. Although Smart Choice Holdings has entered into several purchase contracts, letters of intent and/or oral agreements in principle to acquire certain new and used car sales and finance companies, there can be no assurance that the acquisitions will be successfully completed and closed. Further, there is no assurance that, given the highly competitive nature of the industry and the need for significant additional capital to fund the acquisitions, that the new public company will be successful in meeting its goals.

The proposed combination would result in substantial share dilution for existing shareholders. Further, although Ralph H. Eckler would continue to be Chairman of the Eckler Division, it is anticipated that new management will be responsible for the overall direction of the new public company. In addition, under the terms of the Smart Choice letter of intent, the Company would become one of four divisions of the new company. Initially, the combined companies will benefit from the income provided by the Company, as well as the proceeds from the exercise of any of the Public Warrants, Unit Purchase Option, Underwriters' Warrants, Bridge Warrants and Consultant Option. It is anticipated that a substantial portion of such proceeds would be used by the combined companies to fund various planned acquisitions. Although the companies that Smart Choice intends to acquire have had ongoing operations, Smart Choice itself has no independent history of operations or revenues. Because of its aggressive growth plans (i.e., to establish a network of automobile and automobile finance stores through the acquisition of on-going businesses), it can be vulnerable to a variety of business risks generally associated with young, rapidly growing companies, such as the inability to achieve continued profitability. Outside factors, such as the economic, regulatory, and judicial environments in which it would operate, will also have an effect on the new combined companies' business. The combined companies' inability to achieve any or all of its goals could have a material adverse effect on its operation, profitability and growth.

There is no assurance that the Company will consummate the proposed stock exchange with Smart Choice. The consummation of the transaction is contingent upon the satisfaction and performance of various conditions, including, but not limited to: (a) the negotiation and execution of a definitive stock exchange agreement on or before November 30, 1996; (b) the closing of a definitive stock exchange agreement on or before December 31, 1996; (c) opinions of counsel for the Company and Smart Choice Holdings, Inc. as are customary for a transaction of the type proposed; and (d) fairness

opinions from the parties' respective investment bankers as to the transaction from a financial perspective. There is no assurance that the transaction will be consummated, or if consummated, that the resulting new public company will be able to meet projected aggressive growth goals and profitability. See "Business -- Letter of Intent for Consolidation of the Company with Smart Choice Holdings, Inc."

A vote of the Company's shareholders is not required for approval of the consolidation and if the consolidation is consummated, the Company's shareholders would become shareholders of the newly organized Smart Choice Holdings, a public company, which, but for the Eckler Division, would have no history of sales or other measure of performance on which to base an investment decision.

S CORPORATION STATUS

From October 1, 1989 to September 20, 1995, the Company was treated for federal and certain state tax purposes as an S Corporation under the Code and comparable state tax laws. As a result, the Company's earnings during that time were taxed, with certain exceptions, for federal and certain state income tax purposes, directly to Ralph H. Eckler, the Company's sole shareholder during that time period. Since September 20, 1995, the Company has not been treated as an S Corporation and, accordingly, is fully taxable pursuant to federal and state income tax laws. Upon converting from S Corporation status, the Company recorded a charge of $ 447,300 to income tax expense to recognize deferred income tax liabilities as of that date.

USE OF PROCEEDS

On the assumption that all of the Warrants, the Unit Purchase Option, the Bridge Warrants and the Consultant Option are exercised, the net proceeds which the Company will receive from such exercise, after deduction of expenses of this Offering, will be approximately $9,448,575. The Company intends to utilize the net proceeds of the Offering for working capital and general corporate purposes. To the extent that less than all of the Warrants, Unit Purchase Option, Bridge Warrants and Consultant Option are exercised and the Company receives less than $9,448,575 of net proceeds of the Offering, such net proceeds will still be added to working capital and used for general corporate purposes, including additional inventory and catalogue production. Unless any of such warrants and options are exercised, the Company will not receive any proceeds of this Offering. The Company will not receive any proceeds from the resale by the holder of any of the Warrants or shares of Common Stock issuable upon exercise of such warrants or options or shares held by Selling Shareholders. The Company has entered into a letter of intent regarding the proposed consolidation of the Company with Smart Choice Holdings, Inc., a newly formed Delaware corporation, that intends to establish and operate a network of one-stop used automobile stores. The proposed transaction is subject to various contingencies. However, if consummated and the Company receives proceeds from the exercise of the Warrants, etc., a majority of the proceeds would be used to finance the newly public company's acquisition plans. However, since the transaction is subject to various contingencies, including the execution and closing of a definitive exchange agreement between the Company and Smart Choice Holdings, Inc. before the end of calendar 1996, it is impossible to predict how and when such proceeds, if available, would be used. See "Risk Factors -- Possible Consolidation of the Company", and "Business -- Letter of Intent For Combination of the Company with Smart Choice Holdings, Inc."

On November 11, 1996, the last sales price reports on Nasdaq for a share of the Company's Common Stock was $4 1/4 per share. Due to the fact that the exercise price of the Warrants is $6.50 per share, the exercise price of the Unit Purchase Option is $6.00 per share, it is unlikely that any of such warrants and option will be exercised without a significant increase in the market price of the Company's

Common Stock. Although it is possible that the Bridge Warrants and the Consultant Option will be exercised, insofar as the Bridge Warrants are exercisable until December 31, 1996 at $3.63 per share and the Consultant Option is exercisable at $2.50 per share, it is impossible to predict how many of such warrants and options will be exercised and the magnitude of the proceeds, if any, realizable therefrom. See "Risk Factors - No Proceeds to Company upon Failure to Exercise Warrants and Options", "Management's Discussion and Analysis of Financial Condition and Results of Operations - Liquidity and Capital Resources."

PLAN OF DISTRIBUTION

Common Stock issuable upon exercise of the Warrants is distributed when and as such Warrants are exercised by Warrant holders. No Warrants have been exercised as of the date indicated on the cover of the Prospectus. The Company may solicit the exercise of the Warrants (except the Underwriters' Warrants) at any time provided certain conditions are met. The Company may also reduce the exercise price of the Warrants in order to encourage their exercise. See "Description of Securities - The Warrants."

In November 1995, Argent Securities, Inc. (the "Underwriter") acted as the underwriter of the Company's Public Offering in which the Company sold 840,000 shares of Class A Common Stock and 1,200,000 Public Warrants, and a selling securityholder sold 360,000 shares of Class A Common Stock. In partial consideration for its services, the Underwriter received a Unit Purchase Option, exercisable for 84,000 Units, exercisable at $6.00 per Unit. Each such Unit consists of 84,000 shares of Common Stock and 84,000 Underwriters' Warrants exercisable at $6.50 per share. The exercise price and the other terms of the Warrants were determined by negotiation between the Company and the Underwriter.

The Selling Shareholders may effect sales of their Selling Shareholders' Securities by selling such Shares to or through broker-dealers, and such broker-dealers may receive compensation in the form of underwriting discounts,

concessions or commissions from the Selling Shareholders and/or purchasers of shares for whom they may act as agent (which compensation may be in excess of customary commissions).

The sale of such Shares will be subject to state securities laws of states in which a transaction is sought to be effected and cannot be sold in a particular state unless such securities have been registered or qualified for sale in such state or an exemption from registration or qualification is available and complied with.

The registration of the shares hereby covers the exercise of the option and warrants held by certain Selling Shareholders as well as the shares of Class A Common Stock issuable upon such exercise. See "Selling Shareholders."

DETERMINATION OF OFFERING PRICE. The Company's Class A Common Stock is traded on the NASDAQ SmallCap Market and The Boston Stock Exchange ("BSE"). Such shares of Common Stock may be offered by or on behalf of the Selling Shareholders from time to time in or through transactions or distributions in the NASDAQ SmallCap Market, the BSE, on any other stock exchange on which such shares are listed, or in privately negotiated transactions, or otherwise at prices prevailing in such market or exchange or as may be negotiated at the time of sale. As of November 11, 1996, the per share high and low bid prices for the Company's Class A Common Stock on the NASDAQ SmallCap Market were $4 1/4 and $4, respectively.

EXPENSES OF OFFERING. The Company will receive proceeds from the exercise of the Warrants, Unit Purchase Option, Bridge Warrants and Consultant's Option, if any of them are exercised. The Company will receive none of the proceeds of the sale of the Selling Shareholders' Shares. Expenses in connection with the registration with the SEC of the shares offered hereby will be paid by the Company, including expenses involved with "blue sky" filings in up to ten (10) states as may be required under the terms of the Registration Rights Agreement between the Company and investors who purchased shares in the Company's private placement in September, 1995 (the "Private Placement Investors"). The Company will also incur further expenses associated with any continuing responsibilities to maintain the effectiveness of the registration statement with the SEC and various states, including amending and supplementing the registration statement from time to time as required by applicable federal and state securities laws. Such additional expenses are not capable of being estimated, but the Company does not expect them to be material. The Company is obligated to pay these expenses and register the shares offered hereby pursuant to the terms of the Registration Rights Agreement and the Consultant Option. The expenses to be paid by the Company are estimated at $23,500. The Selling Shareholders will be responsible for payment of transfer taxes and broker/dealer commissions or underwriter discounts, if any are payable.

CAPITALIZATION

The following table sets forth the capitalization of the Company as of June 30, 1996. Insofar as the Company will not receive the proceeds from the sales of shares by Selling Stockholders, and it is impossible to predict the number of Warrants, Bridge Warrants, Underwriters' Warrants, Unit Purchase Option, and Consultant Options that will be exercised and the proceeds therefrom received by the Company, there is no way to predict the amount of net proceeds to be received by the Company as a result of this Offering. Therefore, it is similarly impossible to give effect to the anticipated use of any proceeds from this Offering which may be received by the Company. See "Use of Proceeds" and "Business - Letter of Intent re: Consideration and Management Discussion and Analysis of Financial Condition and Results of Operations - Liquidity and Capital Resources." This table should be read in conjunction with the Company's Financial Statements and the notes thereto which are included elsewhere in this Prospectus.

	June 30, 1996 (Unaudited)

Current portion of long-term liabilities	$1,003,700
Long Term Debt	1,692,907
Class A Common Stock $.01 par value; authorized 10,000,000 shares; 1,516,500 issued and outstanding	15,165
Class B Common Stock, $.01 par value authorized 5,000,000 shares; issued and outstanding 523,000 shares	5,230
Additional paid-in capital	2,514,865
Accumulated deficit	(545,610)
Total stockholders' equity	1,989,650
Total Capitalization	$4,686,257

SELLING SHAREHOLDERS

The following table sets forth certain information with respect to persons for whom the Company is registering the Selling Shareholders' Shares for resale to the public. The Company will not receive any of the proceeds from the sale of the Selling Shareholders' Shares by such Selling Shareholders.

NAME	CLASS A SHARES(1)(2)
Gary R. Ostoski/Thomas DeRita/Louis V. Cianfrongna, as tenants in common(3)	19,000
Daryl Leehaug(3)	7,000
Quad Capital Partners (3)	3,500
OK Associates, Inc.(3)	3,500
R. William Timberman(3)	14,000
Caldwell Johnson Winston & Massengill, PC Profit Sharing Trust Account M(3)	3,500
Caldwell Johnson Winston & Massengill, PC Pension Trust Account M(3)	3,500
Alex Theriot, Jr.(3)	3,500
Paul Wall Farm Service Center, Inc.(3)	3,500
Kitty Geldrich(3)	17,500
Putich Sales, Inc. Defined Benefit Pension Plan, Frank Pultich, Trustee(3)	14,000
George J. Hoffman & Kimberly B. Hoffman(3)	3,500
Edward M. Kalinowski, Sr.(3)	3,500
David M. Ford(3)	3,500
Howard S. Leyser(3)	7,000
Craig S. Jennings(3)	3,500
Baywood Pension Plan & Trust, Charles Fletcher, Trustee(3)	3,500

Charles Fletcher(3)	3,500
Myers Massengill(3)	7,000
Dolores Hamrick(3)	3,500
James R. Pinke, M.D.(3)	7,000
David Dueffley(3)	3,500
Frank J. Todora(3)	3,500
M. Jenkins Cromwell, Jr.(3)	3,500
Revel L. Anderson, Jr.(3)	3,500
Greyhouse Services Corporation(4)	100,000
Jerry Brown(5)	75,000
Thomas Brown(5)	75,000
Ralph H. Eckler(6)(8)	10,000
Ronald V. Mohr(6)(8)	10,000
G. Edward Mills(6)(8)	10,000
Michael G. Wilson(6)(8)	10,000
Robert M. Eckler(7)(8)	15,000
TOTAL	457,000

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(1) All shares are issued and outstanding unless otherwise indicated in a footnote.

(2) Since the Selling Shareholders may offer all or part of the shares of Class A Common Stock which they hold pursuant to this Prospectus or may hold upon exercise of options or warrants, and since this offering is not being underwritten on a firm commitment basis, no estimate can be given as to the amount of shares of Class A Common Stock to be offered for sale by the Selling Shareholders nor the amount of such shares of Class A Common Stock that will be held by the Selling Shareholders upon termination of this offering. See "Plan Of Distribution".

(3) Pursuant to a registration rights agreement with the Company, commencing May 15, 1996 and for a period of three months thereafter, these Selling Shareholders could sell up to 25% of their Selling Shareholders' Shares. In each subsequent three-month period, they may sell an additional 25% of such shares (in addition to any unsold shares from the previous quarter(s).

(4) Represents 100,000 shares of Class A Common Stock issuable upon exercise of an option.

(5) Represents 37,500 issued and outstanding shares of Class A Common Stock and 37,500 shares of Class A Common Stock issuable upon exercise of Bridge Warrants.

(6) Represents 5,000 issued and outstanding shares of Class A Common Stock and 5,000 shares of Class A Common Stock issuable upon exercise of Bridge Warrants.

(7) Represents 7,500 issued and outstanding shares of Class A Common Stock and

7,500 shares of Class A Common Stock issuable upon exercise of Bridge Warrants.

(8) Pursuant to an agreement with the Company, and further, none of these shares may be sold by these Selling Shareholders for less than $6.00 per share.

MARKET PRICE OF COMMON STOCK AND RELATED STOCKHOLDERS MATTERS.

MARKET INFORMATION. The Company's Class A Common Stock and Public Warrants are listed on the NASDAQ SmallCap Market and the Boston Stock Exchange. Since the Company has been listed on the NASDAQ SmallCap Market only since mid November, 1995, quarterly information is provided for quarters since that date.

	High	Low
Class A Common Stock		
December 31, 1995	3 15/32	3 1/8
March 31, 1996	4 1/4	4 1/8
June 30, 1996	3 3/4	3 5/8
September 30, 1996	4	3 11/16
Warrants		
December 31, 1995	5/8	7/16
March 31, 1996	9/16	9/16
June 30, 1996	21/32	19/32
September 30, 1996	23/32	21/32

The quotations represent prices between dealers in securities; they do not include retail mark-ups, mark-downs, or commissions, and do not necessarily represent actual transactions.

HOLDERS. As of September 30, 1996, there were approximately 107 holders of record of the Class A Common Stock and 29 holders of record of Public Warrants. The Company's management estimates that there are over 1,200 beneficial owners of the Company's Common Stock and 500 beneficial owners of the Company's Public Warrants.

DIVIDENDS. Historically the Company as an S Corporation periodically paid cash distributions to its then sole shareholder. Upon becoming a C Corporation, the Company has not declared or paid any cash dividends on its common stock and has no present plans to pay cash dividends in the foreseeable future and intends to retain earnings for the future operation and expansion of the business. Any determination to declare or pay dividends in the future will be at the discretion of the Company's Board of Directors and will depend upon the Company's results of operations, financial condition, any contractual restrictions, considerations imposed by applicable law and other factors deemed relevant by the Board of Directors. Pursuant to an underwriting agreement between the Company and Argent Securities, Inc. (the "Underwriter"), the Underwriter has certain approval rights respecting the Company's issuance of dividends until November 15, 1997.

SELECTED FINANCIAL DATA

The following table presents selected financial data for the two years ended September 30, 1995, which have been derived from the Company's audited financial statements included elsewhere in this Prospectus, and unaudited historical financial data for the nine months ended June 30, 1996 and June 30, 1995. The information should be read in conjunction with "Management's Discussion and Analysis of Financial Condition and Results of Operations" and the Financial Statements and the related notes thereto. Since 1989, the Company had been treated as an S Corporation for federal and certain state income tax purposes. As a result, the Company's earnings through September 20, 1995, the termination date of S Corporation status were taxed, with certain exceptions for federal and certain income tax purposes, directly to the Company's founding shareholder. Upon closing of the Private Placement offering on September 20, 1995, the Company's status as an S Corporation terminated and the Company became

subject to federal and state income taxes. See "S Corporation Status" and Note 6 to Notes to Financial Statements.

BALANCE SHEET DATA:

	JUNE 30	SEPTEMBER 30	
	1996	1995	1994
<S>	<C>	<C>	<C>
Current assets	$3,200,402	$ 1,983,516	$ 2,016,088
Total assets	6,551,560	5,950,042	5,539,650
Current liabilities.	2,869,003	3,585,543	2,489,590
Long term debt	1,692,907	2,351,130	3,198,757
Total liabilities.	4,561,910	6,288,173	5,688,347
Shareholders' equity (deficit)	1,989,650	(1,027,004)	(148,697)
Working capital (deficit).	331,399	(1,602,027)	(473,502)

INCOME STATEMENT DATA:

	NINE MONTHS ENDED JUNE 30		YEARS ENDED SEPTEMBER 30	
	1996	1995	1995	1994
<S>	<C>	<C>	<C>	<C>
Net sales.	$11,144,484	$10,178,889	$12,932,450	$13,942,936
Cost of goods sold	7,247,478	6,642,539	8,443,912	9,074,824
Gross profit	3,897,006	3,536,350	4,488,538	4,868,112
Operating expenses	3,880,145	3,165,099	4,136,322	4,508,770
Income (loss) from operations.	16,861	371,251	352,216	359,342
Net income (loss).	(17,636)	139,673	(444,600)	22,010
Net income (loss) per share(2)	(.23)			
Pro forma net income (loss) (1).		92,173	924	146,510
Pro forma net income (loss) per share (1)(2)		$.04	($.05)	$.07
Average number of common shares outstanding (2).	2,525,000	2,117,500	2,117,500	2,117,500

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(1) Reflects reductions in stockholder compensation of $200,000 for the year ended September 30, 1994. Also reflects expenses of $47,500, $476, and $75,500 for the nine months ended June 30, 1995, and the years ended September 30, 1995, and 1994, respectively, for income taxes as if the Company had not been an S Corporation.

(2) Pro forma net income (loss) per share of Class A Common Stock is based on pro forma net income (loss) and the weighted average of shares of Class A Common Stock and common stock equivalents outstanding during each period after giving retroactive effect to the Company's recapitalization. Shares of Class B Common Stock become convertible into shares of Class A Common Stock on a 1 for 2 basis and are considered to be Class A Common Stock equivalents.

Pursuant to requirements of SEC Staff Accounting Bulletin No. 83, common shares issued by the Company during the twelve months immediately preceding the initial public offering (242,500 shares) at a price below the initial public offering price plus the number of common shares subject to the grant of common stock options and warrants and convertible preferred stock issued during such period (375,000 shares) having exercise or conversion prices below the initial public offering price have been included in the calculation of the shares used in computing net income per share as if they were outstanding for all periods prior to the November 15,1995 closing date of the Company's initial public offering.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

THE FOLLOWING ANALYSIS OF THE COMPANY'S FINANCIAL CONDITION AS OF AND THE COMPANY'S RESULTS OF OPERATIONS SHOULD BE READ IN CONJUNCTION WITH THE COMPANY'S FINANCIAL STATEMENTS AND NOTES THERETO INCLUDED ELSEWHERE IN THIS PROSPECTUS.

RESULTS OF OPERATIONS

NINE MONTHS ENDED JUNE 30, 1996 COMPARED TO NINE MONTHS ENDED JUNE 30, 1995

SALES. Sales increased $965,595 or 9% for the nine months ended June 30, 1996, compared to the same period in 1995 primarily due to increased inventory which allowed the Company to fill customer orders and decrease lost sales, and the implementation of an aggressive marketing strategy which included free shipping, guaranteed lowest price, and ten percent discount for items not in stock.

COSTS AND EXPENSES. Costs of sales increased $604,939 or 9% for the nine months ended June 30, 1996, compared to the same period in 1995, due primarily to the increase in sales. Gross profit as a percentage of sales remained constant at 35% during the nine months ended June 30, 1996 and 1995.

Selling, general and administrative expenses increased by $715,046, or 23% compared to the same period in 1995. This resulted primarily from increases in advertising costs associated with the production and mailing of the Company's catalog, and the hiring of additional sales personnel in order to increase sales. In addition, general overhead increased due to the compliance and reporting requirements of being a public company.

Other expense consisted of interest income and expense and miscellaneous income at a net expense amount of $40,997 for the nine months ended June 30, 1996, compared to $231,578 for the same period in 1995. Interest expense decreased by $70,557, or 24%, for the nine months ended June 30, 1996 compared to the same period in 1995 primarily due to $900,000 in principal reductions of long-term debt made during the first quarter of 1996. Miscellaneous income increased by $109,429 or 188% for the nine months ended June 30, 1996 compared to the same period in 1995 primarily due to income generated by the Company's affinity charge card program which began in the second quarter of 1995.

Benefit from income taxes increased $6,500 for the nine months ended June 30, 1996. This is mainly due to a decrease in net deferred tax liabilities. Benefit from income taxes for the nine months ended June 30, 1996 increased $54,000 as compared to pro forma income tax expense for the nine months ended June 30, 1995.

In connection with the Company's completion of a private placement on September 20, 1995, the excess of the $950,000 of cash paid and Class A Common Stock issued (which was valued at $60,000) to redeem and convert the preferred stock issued, over the private placement proceeds assigned to preferred stock ($363,265) is being accreted from the issuance date to the redemption date (November 15, 1995). This resulted in a decrease in net earnings applicable to common stock of $533,032 during the first quarter of 1996.

YEAR ENDED SEPTEMBER 30, 1995 COMPARED TO YEAR ENDED SEPTEMBER 30, 1994

SALES. Sales decreased $1,010,486 or 7% for the year ended September 30, 1995, compared to the same period in 1994 primarily due to the inability to purchase inventory to fill customer orders as a result of marginal working capital. The marginal working capital position did not allow the Company to take full advantage of favorable terms offered by its vendors and in some cases the Company was not able to supply product to its customers due to the lack of open terms with its vendors.

COST AND EXPENSES. Costs of sales decreased $630,912 or 7%, for the year ended September 30, 1995 compared to the same period in 1994 due primarily to the decrease in sales. Gross profit as a percentage of sales remained constant at 35% during the years ended September 30, 1995 and 1994.

Selling, general and administrative expenses decreased by $72,448 or 8% compared to the same period in 1994. This decrease resulted primarily from reductions in advertising and general overhead.

Other expense consisted of interest income and expense and miscellaneous income and expense at a net expense amount of $350,816 for the year ended September 30, 1995 compared to $337,332 for the same period in 1994. Interest expense increased by $8,203, or 7%, for the year ended September 30, 1995 compared to the same period in 1994 primarily due to interest paid and accrued on investor notes.

Deferred income taxes increased $446,000 for the year ended September 30, 1995. This is due to the automatic revocation of the company's S election effective with the completion of a private placement of securities on September 20, 1995.

In connection with the Company's private placement on September 20, 1995, the excess of the fair value of the $1,000,000 of consideration issued over the private placement proceeds assigned to preferred stock ($363,265) is being accreted from the issuance date to the redemption date (November 15, 1995). This resulted in a decrease in net earnings applicable to common stock of $113,703 and $523,032 during 1995 and the first quarter of 1996, respectively

LIQUIDITY AND CAPITAL RESOURCES.

The following table sets forth the major components of the increase (decrease) in cash:

<TABLE>
<CAPTION>

	NINE MONTHS ENDED JUNE 30		YEARS ENDED SEPTEMBER 30,	
	1996	1995	1995	1994
			(dollar amounts in thousands)	
<S>	<C>	<C>	<C>	<C>
Net cash provided by (used for) operating activities	$(1,515)	$ 893	$ 551	$ 1,000
Net cash provided by (used for) investing activities	496	(109)	(144)	163
Net cash provided by (used for) financing activities	$ 1,180	(784)	$ (407)	(1,280)
Net increase (decrease) in cash	$ 161	$ ---	$ ---	$ (117)

</TABLE>

The Company's net cash provided by operating activities in the periods indicated above, except for the nine months ended June 30, 1996, has been significantly greater than its net loss. Included in net cash provided by operating activities is net income (loss) plus non-cash adjustments aggregating $747,170 and $376,800 for the fiscal years ended September 30, 1995 and 1994, respectively and $250,722 and $253,651 for the nine months ended June 30, 1996 and 1995, respectively. Depreciation expense of $301,170 and deferred income taxes of $446,000 represented the components of non-cash

adjustments during the fiscal year ended September 30, 1995. Depreciation expense represented the major component of non-cash adjustments during the fiscal year ended September 30, 1994.

Inventory levels decreased by $116,126 and $327,392 for the years ended September 30, 1995 and 1994, respectively, and increased by $675,633 and decreased by $25,681 for the nine months ended June 30, 1996 and 1995, respectively. The primary reason for the changes in the levels of inventory was the Company's working capital position. Prior to the initial public offering which closed on November 15, 1995, the Company was unable to replenish inventory, as needed, due to marginal working capital. This is also the reason for the increase in accounts payable of $273,583 for the year ended September 30, 1995 and $481,103 for the year ended September 30, 1994. The capital infusion from the initial public offering accounts for the decrease in accounts payable of $198,662 for the nine months ended June 30, 1966 compared to an increase of $687,576 for the nine months ended June 30, 1995.

Prepaid expenses increased by $452,495 for the year ended September 30, 1994. This increase was primarily due to the consummation of the GM Agreement for $1,000,000. Of this amount, $825,000 had been paid by September 30, 1995 and the remaining $175,000 was paid in November 1995. Prepaid expenses increased by $474,537 and $167,756 for the nine months ended June 30, 1996 and 1995, respectively. This was primarily due to additional costs associated with catalog production and mailing, and prepayment of consulting fees for the nine months ended June 30, 1996.

Cash provided by investing activities exceeded cash used for investing activities by $163,323 for the year ended September 30, 1994 primarily due to payments received on notes from a stockholder of $361,214 for the period.

Cash used for investing activities exceeded cash provided by investing activities by $143,719 for the year ended September 30, 1995, primarily due to advances to affiliated companies in the amount of $143,339.

Cash used for investing activities exceeded cash provided by investing activities by $109,071 for the nine months ended June 30, 1995 primarily due to advances made to affiliates of $97,732.

Cash provided by investing activities exceeded cash used for investing activities by $496,169 for the nine months ended June 30, 1996, primarily due to repayments of notes and advances by affiliates in the amount of $561,850 during the period.

Financing activities used cash of $1,280,666 for the year ended September 30, 1994 primarily due to repayment of long term debt of $960,666 and payment of distributions from S Corporation earnings in the amount of $412,883.

Financing activities used cash of $407,309 for the year ended September 30, 1995. This resulted from the excess of repayments of long-term debt of $387,017, payments on capital lease obligations of $46,375, deferred public offering costs of $463,081, deferred financing costs of $61,500, and distributions of S Corporation earnings of $320,004 over proceeds from sale of common stock of $211,905, proceeds of sale of preferred stock of $363,265, and issuance of long term debt of $295,498.

Financing activities used cash of $784,093 for the nine months ended June 30, 1995 primarily due to payment of distributions from S Corporation earnings in the amount of $270,000 and deferred public offering costs of $412,883.

Financing activities provided cash of $1,179,586 for the nine months ended June 30, 1996. This resulted from the excess of proceeds from the sale of common stock of $3,219,075 over repayments of long-term debt of $1,025,044, payments on capital lease obligations of $26,272, redemption of preferred stock of $950,000, and dividends paid to preferred stockholders of $18,106.

The Company had negative working capital at September 30, 1995 in the amount of $1,602,027 which resulted primarily from a 1993 forgiveness of debt on loans due from the stockholder. The Company had working capital at June 30, 1996 in the amount of $331,399. The management of the Company has developed and implemented strategies to meet future liquidity needs. These strategies include (i) an initial public offering of the Company's Class A Common Stock which was completed on November 15, 1995; (ii) refinancing of the Company's mortgage to obtain more favorable terms, and arranging a revolving line of credit to finance its seasonal increase in inventory and annual catalogue production costs, which

was accomplished in September, 1996; and (iii) a tighter control on overall costs. The management of the Company believes that these actions, in addition to the improved working capital position at June 30, 1996, will allow the Company to meet its future liquidity needs.

In the past, the Company advanced funds to Mr. Eckler (its then sole shareholder) for his use to invest in other, unrelated business ventures. Mr. Eckler, through various entities, purchased real property and entered into mortgage commitments with certain financial institutions. As a condition of the mortgages, the Company was required to guarantee such loans. The Company funded these advances through its working capital by reducing inventory levels. This resulted in the Company's inability to adequately fill sales orders thereby reducing sales and cash flow.

The Company renegotiated with various lenders to eliminate guarantees on the related entities' loans. The Company further terminated lease contracts with related entities thereby decreasing occupancy costs. The Company is no longer advancing funds to Mr. Eckler or his affiliated entities. Mr. Eckler repaid outstanding balances on loans from the Company to him and his affiliated entities upon completion of the initial public offering. The Company does not anticipate any new transactional activity between the Company and Mr. Eckler or his affiliated entities. However, in the event any such transactions were proposed, they would be subject to full disclosure to and authorization by a majority of Board members or Board-appointed committee not having an interest in the transaction, full disclosure to and approval of a majority of the shareholders who do not have an interest in the transaction, or the transaction is fair and reasonable as to the Company under Florida law at the time it is authorized by the Board or the shareholders. Further, affiliated transactions having fair market values exceeding certain statutory amounts are required to be approved by holders of two-thirds of the voting shares other than the shares beneficially owned by the shareholder interested in the transaction, unless the transaction is approved by majority vote of disinterested directors.

In September, 1996, the Company refinanced the $2.1 million NationsBank loan, which was secured by the Company's real and personal property, matured on October 1, 1997, and carried an interest rate of 3% above the prime rate quoted by NationsBank. The Company's monthly interest payments under the NationsBank note were $22,000 and an interim balloon payment of $750,000 was due in October, 1996. In replacement thereof, the Company obtained a $2.4 million loan from Barnett Banks, Inc. ("Barnett Banks") in September, 1996, secured by the Company's real and personal property, on terms the Company's management believes are more favorable to the Company. The new Barnett Banks loan matures on September 30, 1999. The Company is obligated to make monthly payments of $13,333 principal plus interest at the rate of 1.5% above the prime rate quoted by Barnett Banks from time to time. After using the loan proceeds to pay off the NationsBank loan in the amount of $2,197,623, a first mortgage on certain real property owned by the Company in the amount of $130,902,

and loan closing costs in the amount of $54,009, the Company received net loan proceeds of approximately $17,466.

In September, 1996, the Company also obtained a $1 million revolving line of credit from Barnett Banks. Any outstanding principal balance will bear interest at 1.5% above the prime rate quoted by Barnett Banks. Interest is payable monthly and any unpaid principal balance, plus accrued and unpaid interest, is due on demand. After payment of closing costs in the amount of $143,823, the Company had an available line of credit at September 30, 1996 of $856,176. Included in the closing costs of $143,823 was approximately $130,00 to pay off capital leases secured by computer equipment. However, the total principal balance outstanding on the line of credit at any time shall not exceed, prior to or after a request for a draw or advance, the lesser of (i) $1,000,000, (ii) 70% of the Company's accounts receivable that meet certain criteria, (iii) 50% of the Company's inventory that meet certain criteria, (iv) 25% of work in process in molds.

The capital infusion from the Company's initial public offering permitted the Company to commence increasing inventory levels to enhance more favorable terms with its lenders and take advantage of quantity and cash discounts. Similarly, the Company's management believes that the addition of the new line of credit available from Barnett Banks will enhance the Company's management of cash flow, and further facilitate the Company's ability to build inventory for its peak marketing season and fund catalog production costs which approximate

$950,000 annually. The Company believes that this will facilitate improvement of its sales and gross margins. Prior to obtaining the line of credit, the Company was required to utilize its own cash in the approximate amount of $1,200,000 for costs associated with the publication and mailing of its catalogue in preparation for its peak selling season. This affected the Company's cash flow and Company's ability to keep on hand sufficient inventory to meet product demand during the peak selling season. The Company's management believes that the availability of the line of credit will also further enhance the Company's ability to purchase and manufacture inventory under the GM Agreement which will also result in an increase in sales and cash flow. The Company believes that its refinancing of bank debt and the obtaining of a revolving line of credit will provide the Company with sufficient cash to meet its needs for the foreseeable future.

S CORPORATION ELECTION

Effective October 1, 1989, the Company elected to become an S Corporation for Federal and Florida income tax purposes. As such, the Company generally had not been subject to Federal or certain state income taxes, but its income had been taxable to its shareholders. The Company's status as an S Corporation was terminated upon the closing of the Private Placement on September 20, 1995 and the issuance of the Class A Common and preferred stock.

The Board of Directors authorized distributions to the sole shareholder of the Company in the amount of $320,004 and $450,000 for the years ended September 30, 1995 and 1994, respectively.

SEASONALITY

The business of the Company is subject to seasonal fluctuations. Historically, the business has realized a higher portion of its revenues in the third and fourth quarters of the Company's fiscal year and the lowest portion of its revenues in the first quarter. The business of the Company is particularly dependent on sales to Corvette enthusiasts during the spring and summer months. This is the time of year that Corvette enthusiasts are preparing for upcoming car shows that are held in the late summer and early fall.

INFLATION

Although the effects of inflation on the Company cannot be accurately determined, the Company does believe that inflation has had a significant impact on the Company's results of operations for the periods presented. Historically, the Company has been generally unable to pass price increases on to customers due to the competitive environment in which the Company operates. Management believes it has been able to minimize the effect of inflation by decreasing its operating costs, increasing its employee productivity and fully utilizing its marketing capabilities.

BUSINESS

GENERAL. The Company, also known as "Eckler's", was incorporated in Florida in 1973. The Company is a major manufacturer and supplier of aftermarket parts for Corvettes. The Company's marketing tool is its catalogue offering approximately 17,000 items of Corvette maintenance and restoration parts, accessories, and gift and apparel items. The Company entered into an agreement with General Motors affording it a right of first refusal to purchase Corvette parts discontinued from manufacture by GM and to acquire exclusive rights to tooling for the discontinued parts. The Company and General Motors are currently implementing the agreement which the Company anticipates will result in substantial increases in sales revenue.

Until September 20, 1995, the Company had been a Subchapter S Corporation wholly-owned by Ralph H. Eckler. On that date, the Company converted to a C Corporation as a result of a private placement of $1,000,000 of Class A Common and Preferred Stock. Further, in November 1995, the Company became a public company upon the closing of its initial public offering of 840,000 Units, each Unit consisting of one share of Class A Common Stock and one redeemable Class A Common Stock Purchase Warrant (the "Public Warrants") for gross proceeds to the Company of $4,200,000. The Class A Common Stock and the Public Warrants are separately tradable and are listed on the NASDAQ SmallCap Market and the Boston Stock Exchange.

Included in the Company's initial public offering were 360,000 Shares of Class A Common Stock sold by Ralph H. Eckler, the Company's then majority

shareholder, for gross proceeds of $1,800,000, from which he repaid the Company $570,000 representing the remaining outstanding balances of loans the Company had in previous years made to Mr. Eckler and various entities owned by Mr. Eckler.

As a result of the foregoing private and public financings, the Company was able to decrease balances on long term debt, reduce trade payables, increase inventory, complete advance royalty payments under the GM Agreement, commence implementation of the GM Agreement, and purchase additional equipment. Prior to the public financing, the Company experienced cash flow deficiencies and was unable to meet many of its obligations as they became due. During that time period, the Company made substantial loans and distributions to Mr. Eckler and his affiliated entities for other projects resulting in a decrease in inventory and sales. Although the Company anticipates increased sales volume and a profitable level of operations, there is no assurance that the Company's efforts will be successful. There are many events and factors impacting the Company's business over which the Company has little or no control including, without limitation, economic conditions generally affecting the public's ability and willingness to purchase collectible vehicles and parts, delays in obtaining product, and competitors' products. There can be no assurance that future operations will be profitable or will satisfy future cash flow requirements. See "Management's Discussion and Analysis of Financial Condition and Results of Operations."

PRODUCTS AND MARKETS. For the fiscal years ended September 30, 1995 and 1994, the Company's sales mix of its basic product lines was 49.5% and 48%, respectively, for accessories; 38% and 37%, respectively, for restoration parts; 9.5% and 11%, respectively, for maintenance items; and, 3% and 4%, respectively, for gift and apparel items.

ACCESSORIES. The accessory items sold by the Company are primarily those products that enhance the appearance and/or functionality of the Corvette. These items can generally be readily installed by the end user and are typically purchased by retail customers. Examples of popular accessory items include car covers, floor mats, nosemasks, radios and car care products. The Company also includes its manufactured, customized fiberglass parts in this category.

RESTORATION PARTS. These parts are items that restore the Corvette to its original condition. Such products may require certain skills and tools to install and are purchased primarily by dealers and repair shops as opposed to retail customers. Restoration parts include body panels, interior trim (seats, seat covers, dash boards), wheels, emblems and moldings. Some Company-manufactured fiberglass parts are included in this classification if the part is manufactured to resemble the original part as opposed to custom made parts which are considered accessories. The Company's management anticipates this product line to increase substantially with the implementation of the Company's license agreement with GM. Under that agreement, the Company is licensed to manufacture, sell, distribute and market numerous parts discontinued by GM which the Company can sell under the GM Restoration Parts trademark for various Corvette model years. The model years of the Corvettes for which GM will declare parts obsolete and whether a particular part for any model year is declared obsolete are discretionary with GM. See "General Motors Agreement."

MAINTENANCE ITEMS. The Company offers an array of items which enable Corvette owners to maintain their cars in optimum condition. These are items that are generally considered do-it-yourself type products and are typically purchased by retail customers. They include carburetors, valves, engine parts, and chrome parts that enhance the overall appearance of the car.

GIFT AND APPAREL ITEMS. Such items include T-shirts, jackets, key rings, clocks, cup holders, luggage and other novelty items. These products are principally purchased by retail customers.

GENERAL MOTORS AGREEMENT. In December 1993, the Company entered into a Reproduction and Service Part Tooling License Agreement with General Motors Corporation, Service Parts Operations ("GM") (the "GM Agreement"). Under the GM Agreement, the Company is licensed to manufacture, market, sell and distribute a wide variety of Corvette automotive parts under the GM trademark "GM Restoration Parts" for restoration of Corvettes, pursuant to which the Company will pay GM royalties on licensed parts the Company sells. Corvette restoration parts licensed by GM to the Company are parts that have been discontinued by GM and include body panels, interior trim, convertible tops, wheels, moldings, lights, brackets, grilles, headlight mechanisms, bumpers, inner fenders and miscellaneous similar parts. Pursuant to the GM Agreement, the Company is required to meet and maintain GM's quality standards for all licensed Corvette

parts manufactured and sold by the Company.

Due to the complexity of licensing such a broad range of parts, the Company has been working closely with GM to implement the GM Agreement in order to market the first group of licensed products to its existing customer base and to the approximately 4,500 Chevrolet dealerships worldwide. The initial term of the GM Agreement continues through July 31, 2000 with two consecutive five-year renewal options to July 31, 2010. As consideration for the GM Agreement, the Company paid GM an advance of $1,000,000 against future royalties on sales of licensed parts through July 31, 1997 ("Advance Payment"). The renewal options are subject to the Company making certain minimum net royalty payments to GM of at least

$750,000 during the 12 months immediately preceding the first renewal term and at least $1,000,000 during the 12 months immediately preceding the second renewal term.

For each twelve month period commencing August 1, 1997 through July 31, 2000, and annually thereafter during any renewal term, the Company is obligated to pay to GM a percentage royalty up to a maximum of 8% on net sales, with a minimum of $500,000 annually in royalties for net sales of the licensed parts (i.e., gross sales of licensed parts less quantity discounts and returns for damaged goods); provided, however, if during the period December 1, 1993 through July 31, 1997 aggregate royalties of $1,000,000 are not achieved, then the guaranteed minimum for the period August 1, 1997 to July 31, 1998 shall be reduced (up to a maximum of $200,000) by an amount equal to the difference between the $1,000,000 Advance Payment and actual royalties paid. The guaranteed minimum royalties beginning after August 1, 1997 are payable in quarterly installments.

GM LICENSED PARTS AND GM TOOLING. Based upon its discussions with GM, the Company's management estimates that GM will be discontinuing thousands of Corvette parts during the term of the GM Agreement. As each part covered by the GM Agreement is discontinued by GM, the Company will also have the right of first refusal to use the same tooling, when available, which GM and/or its authorized suppliers have been using to produce the parts (provided there are no pre-existing GM license agreements or written GM policies which conflict with or prohibit such and that the tools are not common to other non-licensed, not yet GM obsolete parts). If the Company elects to utilize the tooling, the Company will in most cases have the option of submitting manufacturing requests to and contracting with the present manufacturer where the tooling is housed to produce the parts or to have the tooling moved to another manufacturer. The primary expense in utilizing the tooling will be in relocating and refurbishing the equipment, if necessary. In addition, in the event that the part is discontinued and GM has maintained an inventory of a particular part, the Company will have a right of first refusal to purchase the existing inventory on terms that the Company believes are favorable. The Company believes that the purchase and resale of this inventory will give the Company a substantial market advantage for those particular parts insofar as the competition will not have access to these particular parts utilizing the GM Restoration Parts trademark. In connection with manufacturing and marketing the licensed parts, the GM Agreement grants the Company a license to use the GM trademark, "GM Restoration Parts," and GM part numbers associated with the licensed parts. To date, GM has identified various parts that are subject to the GM Agreement, and has transferred to the Company various technology and tooling for certain parts declared obsolete by GM. As a result of the Company's recent influx of capital, the Company has commenced manufacturing such parts through third party manufacturers and has commenced purchasing inventory of discontinued GM parts. Although prior to the Company's IPO, it had not yet manufactured parts with GM tooling nor purchased inventory of discontinued parts from GM, the Company had sold parts from its own inventory under the GM Restoration Parts label since 1993.

BENEFITS. Among the benefits of this program, in addition to utilization of the GM tooling as previously described, is the use of the GM Restoration Parts trademark on each restoration part sold by the Company. When GM discontinues a Corvette automotive part covered by the GM Agreement and licenses the part to the Company, GM dealers, including Chevrolet dealerships, upon inquiry about the discontinued part, will be directed to the Company for that part through GM's computerized parts directory and the GM Restoration Parts Reference Guide. As a result, the Company will have a built-in prospective customer base with GM dealerships. In addition, independent body and repair shops will also be able to purchase licensed Corvette Restoration Parts directly from the Company.

CORVETTE MODEL YEARS. Under the GM Agreement, the Company is presently licensed to sell a variety of discontinued parts for Corvettes for various model years. The model years of the Corvettes for

which GM will declare parts obsolete and whether a particular part for any model year is declared obsolete are discretionary with GM.

SALES, AND DISTRIBUTION METHODS. The Company typically generates its revenues through three different mediums: catalog sales, showroom sales and mail-in orders.

CATALOG. The Company markets its products primarily through the distribution of the "Eckler's" catalog which markets approximately 17,000 items and historically has generated most of the Company's revenues. The Company has printed its catalog annually since 1972 and currently prints 400,000 catalogues for distribution in February of each year. In each of February 1994 and February 1995, the Company distributed over 270,000 copies of its catalog to existing and prospective customers, both retail and wholesale. The remaining catalogues were distributed pursuant to individual requests.

The Company's telemarketing staff is principally an inbound, order-taking department. During the fiscal years ended September 30, 1994 and 1995, catalog sales accounted for approximately 93% of the Company's revenues. The Company's sales force specializes in selling Corvette parts and accessories. This group handles in excess of 600 inquiries daily and processes an average of 285 orders daily. Through the Company's Management Information System ("MIS"), management is able to evaluate sales performance daily as well as track the Company's total sales, back orders, inventory levels, price and product changes, and other related statistics.

SHOWROOM SALES. For the fiscal years ended September 30, 1995 and September 30, 1994, the Company generated approximately 6.5% and 6%, respectively, of its total revenue through its 5,000 square foot Titusville showroom where it displays over 3,000 items from its product line. Annually, more than 20,000 people visit the Company's Titusville showroom.

OTHER ADVERTISING AND PROMOTIONS.. In addition to its catalog, the Company advertises in magazines and trade publications that are directed toward the Corvette owner or dealer. The primary purpose of the ads is to introduce the Company to new Corvette owners and shops who are not already familiar with the Company name as well as promote actual product sales.

The Company also sponsors various promotional programs including a program that matches a competitor's price if lower than the Company's, a Restoration Club program pursuant to which customer-members are given discounts on specified products, and an annual "Corvette Reunion" held at the Company's main facilities where, during one weekend in October, thousands of Corvette enthusiasts gather to participate in or view a Corvette car show and auction, tour the Company's facilities, and purchase products sold by the Company and various automotive parts vendors.

GEOGRAPHIC CONCENTRATION OF SALES. In fiscal years ended September 30, 1995 and September 30, 1994, domestic sales accounted for approximately 97% and 96.5%, respectively, of the Company's total, with the states of Florida, Pennsylvania, New Jersey, New York, Indiana, Illinois, Ohio, Texas, Michigan and California constituting approximately 50% of total sales. International sales accounted for 3% and 3.5% of total sales in fiscal 1995 and 1994, respectively. The international market will be a new area of concentration for the Company. The Company currently distributes parts in Japan, and is increasing distribution of its products in Europe. To continue expanding this market, the Company prints order blanks in three different foreign languages (French, German, and Japanese) and has added the Language Line from AT&T which allows access to interpreters in any language.

SOURCING AND PRODUCTION. A substantial majority of the Company's products are obtained from many independent manufacturers who produce parts to Corvette specifications to the extent such items are

standard equipment on Corvettes. In the case of accessories and gift and

apparel items, such items are purchased by the Company from various manufacturers and distributors.

In addition, the Company recently added to its product line the GM restoration parts licensed to the Company under the GM Agreement. The Company is sourcing its GM restoration parts by having them made by third party manufacturers and by purchasing inventory of discontinued parts directly from GM. In those cases where the Company has the restoration parts manufactured, the Company selects manufacturers that can produce the restoration parts most economically while meeting delivery requirements and maintaining product quality. Through such relationships, the Company anticipates continuing sources for the supply of its products, thereby accommodating variations in market demand.

The Company owns all of the tooling for its exclusive products, such as Corvette fiberglass molds. All of the Company's manufacturing employees are cross-trained to perform each production step for a particular product. In addition, individual production stations can be easily retooled to respond to market demands.

CERTAIN TRADEMARKS AND LICENSES. The Company does business under the name of "Eckler's" which is a registered trademark of the Company in the United States and Japan. In addition to the license granted to the Company under the GM Agreement discussed above, the Company entered into the following license agreements with GM.

TRADEMARK LICENSE AGREEMENT FOR ACCESSORIES. Effective October 13, 1992, the Company and General Motors Corporation, Service Parts Operations, entered into a Trademark License Agreement pursuant to which the Company has the non-exclusive right to use certain GM trademarks in connection with the manufacture, sale, promotion and distribution of pre-approved accessory items. Some of the licensed trademarks utilized by the Company for accessory items are "CORVETTE," "VETTE," and Corvette body designs. For this right, the Company pays GM a percentage royalty on net sales of licensed products, with a guaranteed minimum of $7,500 annually. The agreement terminated on December 31, 1995, and the Company is in the process of renewing the agreement.

TRADEMARK LICENSING AGREEMENT FOR GIFT AND APPAREL ITEMS. Effective October 14, 1992, the Company and Chevrolet Motor Division, General Motors Corporation, entered into another Trademark Licensing Agreement pursuant to which the Company has the non-exclusive right to use certain GM trademarks in connection with the manufacture, sale, promotion and distribution of pre-approved novelty, gift and apparel items. The Company pays GM a percentage royalty on net sales of licensed products, with a guaranteed minimum of $1,500 annually. The agreement terminates April 30, 1997, but is subject to renewal at the expiration date if the parties mutually agree.

COMPETITION. The Company competes directly with a number of local, regional and national suppliers of aftermarket Corvette automotive parts. Some of the Company's competitors have greater financial, marketing and other resources than the Company. The Company has identified nine competitors, five of which are located in the mid-west, one in California, one in Texas, one in Pennsylvania and one in Virginia. Although the Company believes that its prices are competitive for similar products, certain competitors may have greater financial resources than the Company so as to permit more aggressive pricing.

The Company has over 500 product suppliers with no single source accounting during each of the fiscal years 1995 and 1994 for more than 5% of purchases. Of the Company's 75,000 customers, no single customer accounts for more than 5% of total revenues during the Company's most recent fiscal year.

SEASONALITY. The Company has historically recorded losses during its first and second fiscal quarters October 1 through March 31. Historically, the Company's prime selling season has been March through August, and the largest portion of the Company's revenues are realized in the third and fourth quarters of the Company's fiscal year.

EMPLOYEES. As of October 30, 1996, the Company employed approximately 70 individuals on a full-time basis.

PROPERTY.

The Company's main facilities are located at 5200 South Washington Avenue, Titusville, Florida, on approximately 5.57 acres (the "Main Facility"). Three buildings comprise the Company's Main Facility as follows: one building of

approximately 33,000 square feet housing the Company's main office, showroom and a warehouse; a building of approximately 29,750 square feet housing the Company's manufacturing facilities where the Company manufactures Corvette body parts; and a third building of approximately 24,825 square feet serving as an additional warehouse and the Company's shipping and receiving department. The Company also owns additional undeveloped acreage adjacent to its Main Facility, comprising approximately 5.3 acres (the "Undeveloped Property").

The Main Facility and the Undeveloped Property are subject to a mortgage and security agreement in favor of Barnett Bank, N.A., with an outstanding principal balance of $2.4 million, which loan was obtained in September, 1996 and which refinanced an existing mortgage on the Company's property held by NationsBank. The Barnett Bank loan is also secured by the Company's machinery, equipment, fixtures, and other personal property, including trade names. The loan bears interest at 1.5% above the prime rate as periodically quoted by Barnett Bank. Commencing in October, 1996, and monthly thereafter, until August 30, 1999, the Company is obligated to make monthly payments of $13,338 principal plus interest at the rate of 1.5% above the prime rate as quoted by Barnett Bank from time to time. The loan matures on September 30, 1999, when the outstanding principal balance, and accrued and unpaid interest, is due and payable.

Concurrently with refinancing its mortgage debt in September, 1996, the Company obtained a $1 million revolving line of credit from Barnett Bank. Any outstanding principal will bear interest at 1.5% above the prime rate quoted by Barnett Bank. Interest on the outstanding principal balance is paid monthly and any unpaid principal balance, plus accrued and unpaid interest, is due on demand. The outstanding principal balance of the line of credit as of September 30, 1996 was $143,823, leaving an available line of credit of $856,176. However, the total principal balance at any time outstanding on the line of credit note shall not exceed, prior to or after a request for a draw or advance, the lesser of (i) $1,000,000, (ii) 70% of the Company's accounts receivable that meet certain criteria, (iii) 50% of the Company's inventory that meet certain criteria, (v) 25% of work in process in molds. The line of credit is secured by the Company's accounts receivable, inventory, chattel paper, equipment and general intangibles.

Each of the mortgage loan and line of credit facility contain cross-default provisions pursuant to which a default under one loan will trigger a default under the terms of the other loan. There are various financial and other covenants of the Company contained in the loan documents, including the covenant of prompt payment. If the Company defaults under one of the loans, Barnett Banks may accelerate the amounts due under both loans, which would have a material adverse affect on the Company's business.

The Company leases approximately 10,680 square feet of one of its buildings to Titusville Chevrolet-GEO, Inc., which utilizes the space as offices and a service center. The lease is a one year lease commencing February 15, 1996 and is subject to renewal for two consecutive additional one year

terms. The annual rent for the first year is $31,020, and if renewed for a second and third year, $43,020 and $53,020, respectively. The Company also leases to Titusville Chevrolet-GEO, Inc. approximately 10,500 square feet of land pursuant to a three-year land lease commencing on February 15, 1996. The annual rent for the first year is $12,000, and increases $500 per year for each of the second and third years. Titusville Chevrolet-GEO, Inc., formerly owned by an affiliate of Ralph H. Eckler, was sold to a third party unrelated to Mr. Eckler, the Company or any of their affiliates.

LETTER OF INTENT FOR COMBINATION OF THE COMPANY WITH SMART CHOICE HOLDINGS, INC.

On October 28, 1996, the Company entered into a letter of intent with Smart Choice, a newly organized, privately held Delaware corporation for the purpose of combining the two companies. The combination would be effected by the holders of Smart Choice securities exchanging all of their securities for 6.5 million shares of the Company's Class A Common Stock. To the extent the Company does not have a sufficient number of Class Common Stock authorized, unissued and unreserved, the Company will issue one-half share of the Company's Class B Common Stock for every share of Class A Common Stock it is unable to issue. The resulting company would be known as Smart Choice Holdings, Inc. (or other name)(previously defined as "Smart Choice Holdings") which would be comprised of four divisions: corvette parts and accessories (the "Eckler Division"), new car sales, used car sales, insurance, auto finance and leasing. The primary focus of the combined companies would be

the establishment of a network of neighborhood stores for the financed sales of new and used cars, with a specific focus on sub-prime borrowers. The combined companies would be acquiring various used car dealerships and finance companies for purposes of offering a full-service package to customers for one-stop transportation shopping encompassing automobiles, warranties, service, financing, leasing and insurance. Although Smart Choice Holdings, Inc. has entered into several purchase contracts, letters of intent and/or oral agreements in principal to acquire certain new and used car sales and finance companies, there can be no assurance that the acquisitions will be successfully completed and closed. Further, there is no assurance that, given the highly competitive nature of the industry and the need for significant additional capital to fund the acquisitions, that the resultant company will be successful in meeting its goals.

In order to complete the transaction contemplated by the letter of intent, the parties must satisfy and perform certain conditions, including, but not limited to: (a) the negotiation and execution of a definitive stock exchange agreement on or before November 30, 1996; (b) the closing of a definitive stock exchange agreement on or before December 31, 1996; (c) opinions of counsel for the Company and Smart Choice as is customary for a transaction of this type; and (d) fairness opinions from the parties' respective investment bankers as to the transaction from a financial point-of-view. Following is a summary of certain provisions of the letter of intent. However, there is no assurance that a definitive agreement will be entered into by the Company and Smart Choice, or if entered into, that it will contain the same terms as described below. The approval of the consolidation is not required by the Company's shareholders, however, the Company's Board of Directors has an obligation to act in the best interests of the Company's shareholders.

As a result of the combination, the Company will be reorganized into a holding company, known as Smart Choice Holdings, Inc. (previously defined as "Smart Choice Holdings"), or other name designated by Smart Choice, that will encompass four divisions: Corvette parts and accessories, new car sales, used car sales, insurance, and auto finance and leasing. The reorganized company will operate as a division of Smart Choice Holdings (the "Eckler Division") and would continue to be headquartered in Titusville, Florida. The primary focus of Smart Choice Holdings would be the establishment of a network of neighborhood stores for the financed sales of new and used cars, with a specific focus on sub-prime borrowers. It is anticipated that the combined companies would acquire various car dealerships and finance companies for purposes of offering a full-service package to

customers for one-stop transportation shopping encompassing automobiles, warranties, service, financing, leasing and insurance. Although Smart Choice has entered into several purchase contracts, letters of intent and/or oral agreements in principle to acquire certain used car sales and finance companies, there can be no assurance that the acquisitions will be successfully completed and closed.

The letter of intent provides for a stock for stock exchange whereby the holders of Smart Choice's outstanding common stock and securities convertible into common stock shall exchange their shares and/or rights to acquire Smart Choice stock for 6,500,000 shares of the Company's Class A Common Stock. To the extent that there are insufficient authorized, unissued and unreserved Class A shares, the Company shall issue one-half shares of its Class B Common Stock for every share of Class A Common Stock that it is not able to issue as a result of such unavailability. Thus, the Company's shareholders will become shareholders of the resulting reorganized public company, Smart Choice Holdings.

The letter of intent provides that upon the consummation of the consolidation, Ralph H. Eckler would surrender certain warrants, options and other contract rights to acquire the Company's shares that he holds (except for options he holds under the Company's stock option plans or issued to him in his capacity as a director) in exchange for 5 year options to acquire 100,000 shares of the Company's Class A Common Stock at $8.75 per share and 5 year options to acquire 50,000 shares of the Company's Class A Common Stock at $10.00 per share. Mr. Eckler's employment agreement will be modified pursuant to which he will relinquish all existing salary and bonus provisions and in lieu thereof, he would be entitled to receive (i) $800,000 ($200,000

of which would be placed in escrow and made payable January 15, 1997, and the balance of which would be payable upon the earlier of the completion of a secondary public offering or April 30, 1997), and (ii) an annual salary of $125,000 through September 30, 1998 and $150,000 for each fiscal year beginning October 1, 1998 and ending September 30, 2002, and a performance bonus equal to 4% of the profits of the Eckler Division before deductions for interest, depreciation, and taxes. Mr. Eckler would continue to serve as the Chairman of the Eckler Division; however, representatives of Smart Choice would have the right to appoint new officers of the new holding Company. The new company would also indemnify Mr. Eckler against liabilities arising as a result of his guarantees of various Company loans. Mr. Eckler would continue to receive a 2% annual fee, payable quarterly, calculated on the outstanding principal balance of loans of the Company guaranteed by Mr. Eckler. See "CERTAIN TRANSACTIONS."

If the combination is consummated, the Board of Directors of the new public company, Smart Choice Holdings, would be expanded to seven members, three of whom would be appointed by representatives of Smart Choice and three of whom would be appointed by representatives of the Company, all of whom would in turn appoint the seventh director.

LEGAL PROCEEDINGS

The Company was a named defendant in two foreclosure actions filed by banks pertaining to mortgaged commercial properties owned by affiliates of the Company. These proceedings were settled in September 1995 and the Company was released as a guarantor and from certain master leases. See "Certain Transactions." The Company is not involved in any litigation or legal proceeding the outcome of which would materially adversely affect the Company. There can be no assurance that any future legal proceedings will not have a material adverse effect on the Company's business, reputation or financial condition.

MANAGEMENT

DIRECTORS AND EXECUTIVE OFFICERS

The following table sets forth the names, ages, addresses and positions with the Company as of the date of this Prospectus of all of the officers and directors of the Company. Also set forth below is information as to the principal occupation and background for each person in the table.

NAME	AGE	POSITION AND OFFICE
Ralph H. Eckler	53	President, Chief Executive Officer, Secretary, Treasurer, Director and Founder
Ronald V. Mohr	44	Vice President of Finance and Administration; Director
Donald A. Wojnowski, Jr.	36	Director
Joseph Yossifon	50	Director
G. Edward Mills	51	Senior V.P. -- Operations
Michael G. Wilson	47	Vice President Sales and Marketing
Ernest Restina	37	Controller

Ralph H. Eckler has served as President, Chief Executive Officer and as a Director of the Company since its inception in 1973. Prior thereto, Mr. Eckler was the principal and served as the product designer to the Company's predecessors which were Eckler's Corvette Shop (founded in 1961 in Illinois) and Eckler's Corvette Custom Center (founded in 1966 in Illinois). Concurrent with his management of the Company, Mr. Eckler also identified market opportunities and established new business operations in the automotive, property management and marine industries. Mr. Eckler has also served as President and a director and is a majority shareholder of Eckler Enterprises, Inc. since 1990, Eckler Development, Inc. since 1988, and Eckler Water Sports, Inc. (a manufacturer of pleasure boats) since 1993.

Ronald V. Mohr, a Director and officer, serves as the Vice President of Finance and Administration of the Company and has served as the Company's Chief Financial Officer since June 1982. Prior to that time, Mr. Mohr had eight years of financial and management experience. He was the sole

proprietor of Mohr Construction from 1980 to 1982, which primary business was housing remodeling. From 1975 to 1980, Mr. Mohr served as Controller of Kusel Equipment Company, a food processing equipment manufacturer located in Watertown, Wisconsin, and from 1974 to 1975 he was a staff accountant at Livesey Enterprises, a commercial developer located in Madison, Wisconsin. Mr. Mohr obtained his B.B.A. in Accounting from the University of Wisconsin in 1974.

Donald A. Wojnowski, Jr. has been a director of the Company since February 12, 1996. Since 1992 he has been a stockbroker and registered principal of Empire Financial Group, an NASD registered broker dealer. From 1987 to 1992, Mr. Wojnowski was a stockbroker with Dean Witter Reynolds in Cocoa Beach, Florida, and was a stockbroker in 1987 with Royall Alliance (Intergrated Resources), located in Cocoa Beach, Florida, and from 1982 to 1987 he was a stockbroker with E.F. Hutton & Co., located in Cocoa Beach, Florida.

Joseph Yossifon has been a director of the company since February 12, 1996 and since 1985 has been self-employed as an independent investor in real estate and securities. From 1976 to 1985 he was the president of A-1-A Discounts, an appliance retailer located in Orlando, Florida.

G. Edward Mills has served as Senior Vice President of Operations for the Company since April 1992 and is responsible for the Company's manufacturing, engineering/tooling, warehousing, fulfillment

requirements, and quality control activities. From January 1973 to April 1992, Mr. Mills served as General Manager for the Company. Before being hired by the Company in January 1973 as its General Manager, Mr. Mills worked as a printer with Wagoner Printing Company located in Illinois.

Michael G. Wilson serves as Vice President of Marketing and Sales for the Company and has held this responsibility since joining the Company in May 1981. Prior thereto, from January 1979 to May 1981, Mr. Wilson was the Director of Advertising and Sales Promotion for Autotronic Controls Corporation, an aftermarket automotive parts manufacturer, a division of General Dynamics. Prior to his employment with Autotronic, Mr. Wilson spent two years promoting convention sales for the City of El Paso, Texas. Mr. Wilson holds a B.B.A. degree in Marketing from the University of Texas.

Ernest Restina joined the Company in November 1995 as the Company's Controller. Prior to his employment with the Company, from 1994 to 1995, Mr. Restina was a senior accountant with Berman Shapiro Hopkins & Company, Certified Public Accountants and business consultants, located in Merritt Island, Florida. From 1988 to 1994, he was a senior accountant with Retz Baker P.A., CPAs Titusville, Florida. From 1986 to 1988, Mr. Restina served as Business Manager for Jon-Glenn Chevrolet, Inc., Titusville, administering that firm's accounting, payroll and inventory management system. Mr. Restina was General Manager and Vice President of Bob Restina Chevrolet, Inc., Titusville, from 1983 to 1986. Mr. Restina is a Certified Public Accountant and holds a B.S.B.A. degree in accounting from the University of Central Florida.

EXECUTIVE COMPENSATION

Only Ralph H. Eckler, the Company's President and its chief executive officer, received compensation in excess of $100,000 during the fiscal years ended September 30, 1995 and 1994. Except as set forth in the table below, no bonuses or other compensation were paid during fiscal year ended September 30, 1995.

SUMMARY COMPENSATION TABLE

	ANNUAL COMPENSATION			
NAME AND PRINCIPAL POSITION	FISCAL YEAR ENDED 9/30	SALARY	BONUS	OTHER ANNUAL COMPENSATION

RALPH H. ECKLER, PRESIDENT (CEO)	1995	$105,776	--	--
	1994	$300,000	$13,385	--

EMPLOYMENT AGREEMENT

The Company entered into an employment agreement with its sole shareholder, Ralph H. Eckler, effective as of May 23, 1995. Under the employment agreement, Mr. Eckler shall serve as Chief Executive Officer and President of the Company. The term of the agreement is seven years. The agreement is automatically renewable for two successive two-year terms, unless notice of termination is given prior to a renewal period. The agreement provides that Mr. Eckler shall receive an initial annual base salary of $100,000. Such base salary increases to $150,000 for the second and third years of the agreement, and to

$175,000 and $200,000 for the fourth and fifth years of the agreement, respectively. The base salary increases to $250,000 for the sixth, seventh and eighth years, and is subject to automatic renewal options thereafter. On each January 1, the annual base salary shall be increased to reflect the change in the cost of living, based upon the change, from the preceding January 1, in the Consumer Price Index for All Urban Consumers, as published by the U.S. Bureau of Labor Statistics.

The agreement also provides Mr. Eckler with stock options that will enable him to acquire Class A Common Stock of the Company annually for the first seven years following the closing of this Offering. The exercise of the stock options is contingent upon the Company achieving either a specified earnings per share level or a specified stock price level (the "performance threshold"), for the corresponding fiscal year-end. Commencing with fiscal year ended September 30, 1996 and at each of the six fiscal year ends thereafter, provided the performance threshold is met, Mr. Eckler may acquire, in specified annual increments, Class A Common Stock aggregating over such seven year period a total of (a) 160,000 shares at an exercise price of $2.50 per share, and (b) 320,000 shares at an exercise price of $5.00 per share. The stock option grants are cumulative. Accordingly, for the year in which the Company attains either of the performance thresholds, stock options for prior years not previously granted shall be granted in addition to the stock options granted for the applicable year. See the table under "Management and Employee Stock Option Plans -- Chief Executive Officer Stock Option Plan."

As additional compensation, Mr. Eckler shall participate in a management bonus pool ("Bonus Pool") to be established by the Company. Certain other officers of the Company shall also participate in the Bonus Pool. The Company shall cause up to ten percent (10%) of its annual pre-tax profit to be paid into the Bonus Pool. The Board of Directors shall determine the allocation of Bonus Pool funds, if any. Further, Mr. Eckler will receive annual fixed bonuses payable in quarterly installments, provided the Company achieves either of the above-mentioned performance thresholds. The annual bonus shall be $250,000 for each of the fiscal years ended September 30, 1996 through September 30, 2002.

The agreement contains a covenant pursuant to which Mr. Eckler will not compete with the Company during the term of the agreement and for two years following termination of the agreement.

RETIREMENT AND SAVINGS PLAN

The Company has a Retirement and Savings Plan (the "401(k) Plan") for the benefit of eligible employees. Pursuant to the 401(k) Plan, employees may elect to contribute a percentage of their salaries to the 401(k) Plan subject to certain limits. The 401(k) Plan permits, but does not require additional matching contributions and profit sharing contributions to the 401(k) Plan by the Company on behalf of all eligible participants in the Plan. The Company's contributions vest over seven years. During 1995 and 1994, the Company made no contributions to the 401(k) Plan for its employees.

MANAGEMENT AND EMPLOYEE STOCK OPTION PLANS

COMBINED QUALIFIED AND NON-QUALIFIED STOCK OPTION PLAN. The Company maintains a Combined Qualified and Non-Qualified Employee Stock Option Plan (the "Combined Plan" or the "Plan"). The purpose of the Combined Plan is to enable the Company to encourage key employees and directors to contribute to the success of the Company by granting "incentive stock options" (as defined in Section 422 of the Internal Revenue Code ("ISOs"), as well as

non-qualified stock options ("NQSOs").

The Combined Plan provides for administration by the Board of Directors or a committee appointed by the Board of Directors (the "Committee") which determines in its discretion, among other things, the recipients of grants, whether a grant will consist of ISOs or NQSOs or a combination thereof,

and the number of shares to be subject to such options. The Combined Plan provides for the granting of ISOs to purchase Class A Common Stock at an exercise price to be determined by the Board of Directors or the Committee of not less than the fair market value of the Class A Common Stock on the date the option is granted. NQSOs may be granted with an exercise price to be determined by the Board of Directors or the Committee.

The total number of shares with respect to which options may be granted under the Combined Plan is 475,000. ISOs may not be granted to an individual to the extent that in the calendar year in which such ISOs first become exercisable the shares subject to such ISOs have a fair market value on the date of grant in excess of $100,000. No option may be granted under the Plan after August 24, 2005 and no option may be outstanding for more than ten years after its grant. Additionally, no ISO can be granted with a term of more than five years to a shareholder owning 10% or more of the combined voting power of all classes of stock of the Company.

Upon the exercise of an option, the holder must make payment of the full exercise price. Such payment may be made in cash or in shares of Class A Common Stock (based on the fair market value of the Class A Common Stock on the date prior to exercise), or in a combination of both. Subject to certain exceptions, options may be exercised any time up to three months after termination of the holder's employment.

The Combined Plan may be terminated or amended at any time by the Board of Directors, except that, shareholder approval will be necessary for material modifications such as any material increase of the number of shares authorized for issuance under the Plan or a material change in the requirements of Plan eligibility.

There are currently outstanding options for 140,000 shares of the Company's Common Stock issued to employees and officers under the Combined Plan, of which options for 95,000 shares are exercisable at $2.50 per share from August 25, 1997 until August 25, 2000, options for 25,000 shares are exercisable at $3.00 to $3.30 per share commencing in January 1997 and terminating in July 2001, and options for 20,000 shares are exercisable at $3.00 to $3.30 per share commencing in April 1997 and terminating in October 2001.

NON-QUALIFIED STOCK OPTION PLAN. The Company also established a non-qualified stock option plan in 1995 for the purpose of granting options to management employees. The Company reserved 35,000 shares of its Class A Common Stock for issuance pursuant to such options, all of which are subject to options granted to executive officers of the Company. The options expire on August 25, 2000 and are first exercisable on August 27, 1997 at an exercise price of $2.50 per share.

CHIEF EXECUTIVE OFFICER STOCK OPTION PLAN. Ralph Eckler's employment agreement (as previously described), provides Mr. Eckler with stock options that will enable Mr. Eckler to acquire stock of the Company annually until 2002. The granting of the stock options is contingent upon the Company achieving either a specified earnings per share level or a specified stock price level (the "performance threshold") for the corresponding fiscal year-end. Commencing with fiscal year ended September 30, 1996 and at each of the six fiscal year ends hereafter, provided the performance threshold is met for the corresponding years, Mr. Eckler may acquire the number of shares at the corresponding exercise prices as follows:

FYE 9/30	NO. SHARES	EXERCISE PRICE PER SHARE
1996	10,000	$2.50
	20,000	$5.00
1997	15,000	$2.50
	30,000	$5.00
1998	20,000	$2.50
	40,000	$5.00
1999	25,000	$2.50
	50,000	$5.00
2000	30,000	$2.50
	60,000	$5.00
2001	30,000	$2.50
	60,000	$5.00
2002	30,000	$2.50
	60,000	$5.00

The stock options are cumulative. Accordingly, for any year in which the Company attains either of the performance thresholds, stock options for prior years not previously granted shall be granted in addition to the stock options granted for the applicable year. The Company has reserved 480,000 shares of its Class A Common Stock for issuance under Mr. Eckler's employment agreement.

OTHER OPTIONS. Until September 30, 2002, all future grants of options to directors, officers and employees of the Company not disclosed in this Prospectus shall be at exercise prices of at least 85% of the fair market value of the stock at the time of grant. In July, 1996, the Company granted stock options outside of its stock option plans to Ralph H. Eckler (for 200,000 shares of Common Stock) and to Argent Securities, Inc., the Company's Underwriter for its initial public offering and a consultant (for 200,000 shares of Common Stock). The exercise price of both options is $2.88 per share, representing the last trade as quoted by Nasdaq on the date of grant. Mr. Eckler's option is exercisable commencing in January 1997 and expires in July 2001. Argent's option is currently exercisable and expires in July 2001. The Company also issued options to its independent directors which is discussed under "Director Compensation," below.

DIRECTOR COMPENSATION. The Company pays its directors annually in the form of stock options for shares of the Company's Class A Common Stock. In August 1996, the Company granted stock options to Messrs. Don Wojnowski and Joseph Yossifon for 20,000 shares of Class A Common Stock each, 10,000 of which are exercisable commencing in February 1997 at $3.00 per share and terminating in August 2001, and 10,000 of which are exercisable commencing April 1997 at $3.00 per share and terminating in October 2001. The $3.00 per share represented the last trade as quoted by Nasdaq on the date of grant. These options were granted independently of the Company's Combined Plan. The Company also granted an option for 10,000 shares to each of Ralph H. Eckler and Ronald V. Mohr under the Company's Combined Plan in respect of their service as directors, at per share exercise prices of $3.30 and $3.00, respectively.

OPTION GRANTS IN LAST FISCAL YEAR

The following table sets forth information concerning options granted during the fiscal year ended September 30, 1995 to those persons named in the preceding Summary Compensation Table.

Name	Numbers of Securities Underlying Options Granted	% of Total Options Granted to Employees in Fiscal Year	Exercise Price ($/share)	Expiration Date
Ralph H. Eckler	35,000(1)	25.93%	$2.50	8/25/2000

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(1) Granted under the Company's 1995 Combined Qualified and Non-Qualified Employee Stock Option Plan. The option may not be exercised until August 25, 1997.

AGGREGATED OPTIONS IN LAST FISCAL YEAR AND FISCAL YEAR END OPTION VALUES

The following table sets forth information concerning the value of unexercised stock options at September 30, 1995 for those persons named in the Summary Compensation Table.

Name	Number of Securities Underlying Unexercised Options at Fiscal Year End Exercisable/Unexercisable	Value of Unexercised In-The-Money Options at fiscal Year End Exercisable/Unexercisable
Ralph H. Eckler	0/35,000	0/$87,500(1)

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(1) There was no public or established trading market for the underlying securities on September 30, 1995. Therefore, the initial public offering price of $5.00 per share is used for value calculations for purposes of this table.

CONSULTING AGREEMENTS

In August 1994, the Company retained the consulting services of Greyhouse Services Corporation ("Greyhouse") in connection with certain of the Company's activities, including but not limited to the renegotiation of the Company bank loans and related obligations, and the Company's reorganization and operational matters relating thereto. The agreement provides for payment at the rate of $150 per hour, not to exceed $7,500 per month without prior approval of the Company through May 31, 1998. The compensation arrangement includes an option to purchase 100,000 shares of Class A Common Stock of the Company at a per share exercise price of $2.50, exercisable until August 29, 1997, which shares are included in this Offering. Pursuant to a shareholder voting agreement, Greyhouse granted to Ralph H. Eckler its proxy to vote all shares acquired by Greyhouse, if any, under the option.

The Company entered into a consulting agreement with the underwriters of its initial public offering, Argent Securities, Inc. ("Argent") on March 31, 1995, pursuant to which various executive and staff personnel of Argent provide financial and investor relations services, public relation services and corporate communications services for a period of three years at the rate of $4,166 per month. Monthly payments accrued until November 15, 1995. At that time, the payment terms were amended to provide for payment in three installments of $50,000 each on November 15, 1995 (paid upon closing of the initial public offering), January 15, 1996 and April 1, 1996. The agreement includes certain provisions regarding the payment of out of pocket expenses, indemnification of Argent, and arbitration. Argent acted as the Company's underwriter for its initial public offering. Argent received Unit Purchase Option to acquire 84,000 units, exercisable during a four year period commencing November 15, 1996 at an exercise price of $6.00 per unit. Each unit consists of one share of Class A Common Stock and one Underwriters' Warrant exercisable at $6.50 per share. Argent has certain "piggyback" and demand registration rights with respect to the Class A Common Stock and Underwriters' Warrants underlying the Unit Purchase Option for a period of four years commencing November 9, 1996. The Common Stock issuable upon exercise of the Unit Purchase Option and the Underwriters' Warrants are included in this Offering.

In January 1996, the Company entered into a marketing services agreement with an independent consultant for consulting services regarding on-going public relations with market makers, brokers, and shareholders in the after-market. The Company paid for such services with 62,000 shares of its Class A Common Stock (valued at $3.50 per share, which approximated the then market price) which shares were issued pursuant to a Registration Statement on Form S-8 filed with the Securities and Exchange Commission on January 18, 1996.

In July 1996, the Company entered into a financial consulting services agreement with another independent consultant regarding on-going public relations with existing and potential market makers, analysts, brokers, the media; services in connection with shareholder communications and meetings; the enlistment of additional market makers; and various other services in

connection with public relations activities in connection with the Company's management and products. The Company agreed to pay compensation in the form of 35,000 shares of Class A Common Stock and options to purchase an additional 275,000 shares of Class A Common Stock at exercise prices ranging from $3.00 per share (which approximated the then market price) to $4.00 per share. The consulting agreement was terminated in October 1996 and the Company had issued a total of 105,000 shares of Class A Common Stock to the consultant pursuant to the consulting agreement and exercise of stock options, which shares were issued pursuant to a Registration Statement on Form S-8 filed with the Securities and Exchange Commission on August 28, 1996.

GOVERNING INSTRUMENTS

AMENDED AND RESTATED ARTICLES OF INCORPORATION. On August 31, 1995, the Company filed with the Florida Secretary of State Amended and Restated Articles of Incorporation. Unless otherwise provided in its articles of incorporation, Florida law generally requires the affirmative vote of holders of a majority of the outstanding voting stock for approval of mergers, consolidations, and certain other transactions. The Amended and Restated Articles of Incorporation contain anti-takeover provisions to discourage attempts by other corporations or groups to acquire control of the Company without negotiating with the Company's Board of Directors, and attempt to ensure that such transactions are on terms favorable to all of the Company's shareholders. Such acquisitions, however, may or may not be generally in the best interest of the Company and its shareholders.

The anti-takeover provisions require an affirmative vote of no less than two-thirds of the outstanding shares (with Class B shares having 2 votes per share) of the Company's voting stock for the approval or authorization of certain mergers, consolidations or sales of all or substantially all of the properties and assets of the Company. However, such super-majority vote of the shareholders does not apply to any merger or other transaction and such transaction requires only such affirmative vote as required by law or otherwise if: (a) the Board of Directors approves the transaction by a resolution adopted by the affirmative vote of a majority of the disinterested Directors at any time prior to its consummation, or (b) if the shareholders receive a "fair price".

The determination of "fair price" would be based on the fair market value of the stock as may be determined, if applicable, by an exchange or public quotation system, or if no such quotations are available, by a majority vote of the disinterested Directors then on the Board. Such a fair price provision would make it more difficult and costly for a purchaser to acquire control of the Company. Therefore, the likelihood of a tender offer is decreased and, as a result, that may adversely affect those shareholders who would desire to participate in a tender offer. Further, such a fair price provision may give veto power to the holders of a minority of the voting stock with respect to a tender offer which is opposed by the Board but which a voting majority may believe to be desirable and beneficial.

The overall effect of such anti-takeover provisions is to render more difficult the accomplishment of mergers or the assumption of control by a principal shareholder, and thus to make difficult the removal of management. However, the Company believes that the advantages to the Company and its shareholders of such anti-takeover provisions would outweigh any disadvantages and afford the Board of Directors greater flexibility in the management of the Company.

The Amended and Restated Articles of Incorporation set forth the rights, preferences and limitations respecting Preferred Stock. However, all outstanding Preferred Stock of the Company was redeemed or converted on November 15, 1995.

The Amended and Restated Articles of Incorporation authorize 10 million shares of Class A Common Stock, $.01 par value and 5 million shares of Class B Common Stock, $.01 par value, and set forth the voting rights with respect to each class of common stock and provisions regarding the conversion of Class B shares into Class A shares. See "Description of Securities -- Common Stock."

The Amended and Restated Articles provide that the shareholders may not remove a director without cause and require a super-majority vote of the common shareholders to remove a director for cause. A super-majority vote is also required to amend the Amended and Restated Articles of Incorporation. Certain procedures for the nomination and election of directors, the consideration of proposals at annual

meetings, and the calling of special meetings of the stockholders are also set forth in the Amended and Restated Articles.

The Amended and Restated Articles of Incorporation do not provide shareholders with any preemptive rights or cumulative voting rights.

AMENDED AND RESTATED BYLAWS. The Company's Amended and Restated Bylaws provide for the removal of a director for cause upon the affirmative vote of at least 66 2/3% of the outstanding shares of Class A and Class B Common Stock at any annual or special meeting of stockholders. The Bylaws also specifically provide that a director may not be removed without cause. The Company's Amended and Restated Articles of Incorporation contains a similar provision, as discussed above. The super-majority vote requirement for removal of a director (or the entire Board) makes it difficult for shareholders to remove and replace management.

The Amended and Restated Bylaws also provide for indemnification of directors, officers, employees or agents of the Company (as well as their heirs or personal representative) against certain liabilities to the fullest extent permitted by Florida law. Generally, the Florida Business Corporation Act (the "Florida Act") provides that a corporation shall have the power to indemnify any director, officer, employee or agent, and to advance related expenses with respect to, any threatened, pending or completed action or proceeding to which such person is made, or threatened to be made a party by reason of the fact that he is or was a director, officer, employee or agent of the corporation, if he acted in good faith and in a manner he reasonably believed to be in, or not opposed to, the best interests of the corporation, and, with respect to any criminal action or proceeding, had no reasonable cause to believe his conduct was unlawful. The Florida Act also allows a corporation to make any other or further indemnification or advancement of expenses of any of its directors, officers, employees, or agents, under any bylaw, agreement, vote of shareholders or disinterested directors, or otherwise, except under certain enumerated circumstances.

SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT

The following table sets forth information with respect to the number of shares of Class A Common Stock beneficially owned by (i) each director of the Company, (ii) the executive officer named in the "Summary Compensation Table" (the "Named Officer"), (iii) all directors and officers of the Company as a group and (iv) each shareholder known by the Company to be a beneficial owner of more than 5% of any class of the Company's voting securities as of November 10, 1996. The Company believes that except as otherwise noted, each individual named has sole investment and voting power with respect to the shares of Common Stock indicated as beneficially owned by such individual. As of November 10, 1996, one stockholder was known by the Company to beneficially own five percent (5%) or more of the outstanding voting securities of the Company.

Name of Individual or Number of Persons in Group	Amount and Nature of Beneficial Ownership(1)(2)	Percentage of Class(2)
Ralph H. Eckler	1,126,000(3)(4)	40.68%
Ronald V. Mohr	10,000(5)	.38%
Donald A. Wojnowski, Jr.	0(6)	0%
Joseph Yossifon	0(6)	0%
All Directors and Executive Officers as a group (7 persons)	1,166,000(7)	42.12%

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(1) For purposes of calculating beneficial ownership percentages, 2,668,220 shares of Class A Common Stock were deemed outstanding, which includes 1,020,750 shares of Class A Common Stock issuable upon conversion of

510,375 shares of outstanding Class B Common Stock on a 2 for 1 basis. However, for purposes of calculating Mr. Eckler's percentage ownership and that of officers and directors as a group, 2,768,220 shares were deemed outstanding which includes the 100,000 Shares of Class A Common Stock issuable upon exercise of the Consultant Option for which Mr. Eckler holds a voting proxy.

(2) In accordance with Rule 13d-3 promulgated under the Exchange Act, the percentage calculations were made on the basis of the amount of outstanding securities plus, for each person or group, any securities that person or group has the right to acquire within 60 days pursuant to options, warrants, conversion privileges or other rights. If the director or officer does not own shares, or options or warrants exercisable within the next 60 days, percentage ownership is deemed to be zero. No officer or director has options or warrants exercisable within the next 60 days; however, Ralph H. Eckler holds a voting proxy for 100,000 Class A Shares issuable upon exercise of an option currently exercisable by Greyhouse Services Corporation, which shares were included in calculating Mr. Eckler's beneficial ownership.

(3) Includes 495,375 shares of Class B Common Stock as though converted on a 2 for 1 basis into Class A Common Stock for a total of 990,750 shares of Class A Common Stock. Mr. Eckler previously owned 555,000 Class B shares but on March 29, 1996, made a capital contribution to the Company of 47,000 Class B shares. Mr. Eckler also converted 12,625 Class B shares into 25,250 Class A shares for purposes of pledging such shares to a bank as security for a personal obligation. Mr. Eckler's 495,375 shares of Class B Common Stock are subject to a Lock-Up Agreement between him, the Company, and Argent Securities, Inc., the Company's Underwriter for its initial public offering. Also includes (i) 5,000 shares of Class A Common stock issuable upon exercise of a Bridge Warrants and included in this Offering, (ii) 100,000 shares of Class A Common Stock issuable upon exercise of the Consultant Option and for which Ralph H. Eckler holds a voting proxy as to all such shares. The Consultant Option is exercisable within the next 60 days and the shares of Class A Common Stock into which it is convertible are registered as part of this Offering. Does not include 55,000 Class A Shares subject to options which are not exercisable within the next 60 days.

(4) All of Mr. Eckler's Class B shares are subject to a lock-up agreement with Argent Securities, Inc. from 2 to 5 years, which shares may be released incrementally over the term of the lock-up agreement if certain performance targets are met. Those shares not incrementally released will be subject to a proxy to be given to Argent if the targets are not met. Any proxy held by Argent would expire on September 30, 2000. The effect of the banks exercising their rights under their respective pledge agreements and Argent exercising its rights under the lock-up agreement at a subsequent date may result in a change in control of the Company.

(5) Includes 5,000 Class A Shares issuable upon exercise of a Bridge Warrant and included in this Offering. Does not include 47,500 Class A Shares subject to options which are not exercisable within the next 60 days.

(6) Does not include stock options for 20,000 Class A Shares issued to each of Mr. Yossifon and Wojnowski which are not exercisable within the next 60 days.

(7) The Company's executive officers were subject to one-year lock-up agreements between them and the Company pursuant to which they could not sell, encumber or otherwise transfer any securities of the Company owned by them until November 15, 1996. The agreement provides that for a period of six months after such date, the sales price for any shares sold by them shall not be less than $6.00 per share.

LOCK-UP AGREEMENTS

Ralph H. Eckler and Argent entered into an Amended and Restated Lock-Up Letter Agreement dated October 12, 1995 (the "Lock-Up Agreement") which places certain restrictions on the transferability of Mr. Eckler's shares of Class B Common Stock and the Class A Common Stock into which it is convertible. Under the agreement, approximately 60% of his Class B shares are subject to a two-year absolute lock-up subject to incremental release annually commencing in 1997 if certain cumulative earnings per share or price per share targets are met. Mr. Eckler's remaining shares of Class B Common Stock are subject to five year lock-up subject to incremental release each year if the Company meets certain criteria based on gross sales, earnings and price earnings ratio calculations. Those shares not incrementally released under the Lock-Up Agreement will be subject to a proxy to be held by Argent in the event that the performance targets are not met. However, any such proxies shall expire on September 30, 2000. The Lock-Up Agreement permits Mr. Eckler to transfer 15,000 of his Class B shares to a former spouse, which transaction was effected in January 1996.

Further, Mr. Eckler and certain other executive officers of the Company are subject to a one-year lock-up agreement with the Company under which they may not sell or otherwise transfer any securities of the Company until November 9, 1996. The Agreement also provides for the six month period after November 9, 1996, they may not sell any securities of the Company for less than $6.00 per share.

CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS

GUARANTEE OF BANK LOANS TO AFFILIATES. The Company guaranteed certain leases and/or bank loans made to various entities owned and controlled by Ralph H. Eckler. The Company was released from various leases and guaranties in September 1995 and March 1996, pursuant to agreements among the banks, Ralph H. Eckler and various affiliates of Mr. Eckler.

(i) SUNBANK LOAN. At September 30, 1990, under the terms of a master lease, the Company became a guarantor of a loan by SunBank to Eckler Enterprises, (a general partnership, of which Mr. Eckler and Eckler Enterprises, Inc. are the partners), and Eckler Development, Inc., which owned and operated commercial property in Titusville, Florida. SunBank required the Company to enter into a master lease (the "Master Lease") pursuant to which the Company guaranteed the payment of rental income up to $165,120 per year less any amounts received under subleases. In September 1995, the Master Lease was terminated and the Company was released from all obligations under the Master Lease. As part of his agreement with SunBank, Mr. Eckler assumed certain obligations and in connection therewith is obligated to pledge 25,250 Class A Shares (which will be converted from 12,625 of his Class B Shares).

(ii) FIRST UNION LOAN. The Company guaranteed a loan from First Union National Bank of Florida ("First Union") to Eckler Development, Inc. ("Eckler Development"), which loan encumbered Eckler Development's commercial property in Titusville. The Company had also entered into a warehouse lease with Eckler Development, Inc. pursuant to which it leased 20,000 square feet of space from Eckler Development, Inc. for $9,500 per month. Pursuant to an agreement among First Union, Ralph H. Eckler and various Eckler-affiliated entities, the guaranty of the Company and the warehouse lease were terminated and the Company was released from any obligations thereunder.

(iii) NATIONSBANK LOAN. The Company was a guarantor of a mortgage loan made by NationsBank of Florida, N.A. ("NationsBank") to Eckler Properties, Inc., which owned commercial property adjacent to the Company's main facility, which commercial property housed a GM car dealership owned and operated by an affiliate of Ralph H. Eckler. The approximate amount of the original loan was

$850,000 with a remaining balance as of August 31, 1995 of approximately $780,000. The dealership franchise was sold in October 1995 and the real estate securing the NationsBank loan was sold in March 1996. Upon the closing of the sale of the real property, the bank released a lien it held on 120,000 shares of Mr. Eckler's Class B Common Stock and released the Company from its guaranty.

LOAN FROM ECKLER INDUSTRIES, INC. RETIREMENT AND SAVINGS PLAN. On October 22, 1992, the Company borrowed $265,000 at an interest rate of 8% per annum from Eckler Industries, Inc.'s Retirement and Savings Plan secured by a first mortgage on real property owned by the Company located adjacent to the Company's headquarters in Titusville, Florida. The loan was amortized over

three years and the final payment was made in October 1995.

OTHER TRANSACTIONS WITH AFFILIATES. Until February 1996, the Company sold products to Eckler Service Center, Inc., a company wholly owned by Ralph H. Eckler ("Service Center"), which specialized in mechanical work on and restoration of Corvettes. Transactions with Service Center were conducted at arm's length and accounted for approximately $60,000 to $70,000 in orders from the Company annually. Service Center also leased approximately 6,800 square feet of space from the Company at its Main Facility at a monthly rental of $1,587.46 per month, subject to annual increases of four percent (4%). However, in February 1996, Mr. Eckler sold Service Center to Titusville Chevrolet-GEO, Inc., the dealership that acquired the automobile dealership and real property from affiliates of Mr. Eckler. The Company leases certain space and land to Titusville Chevrolet-GEO, Inc. Titusville Chevrolet-GEO, Inc. is not related to Mr. Eckler, the Company or any of their affiliates. See "Business - Property."

During fiscal years ended September 30, 1994 and 1995, the Company provided engineering services to and manufactured fiberglass boat hulls and decks for Eckler Water Sports, Inc., a corporation owned by Ralph H. Eckler. The revenue from these transactions during such time period approximated $160,000, and $112,213, respectively.

For approximately 18 months, to August 1995, the Company leased 20,000 square feet of warehouse space in Titusville from Eckler Development, Inc., owned by Ralph H. Eckler, at a monthly rent of approximately $9,500. The lease was terminated in September 1995. See "Certain Transactions -- First Union Loan."

The Company acquired certain undeveloped property (approximately 1.7 acres) from Ralph H. Eckler in 1995. The property was subject to a note and first mortgage in favor of the original seller in the principal amount of $130,000, payable interest only at 10% per annum, which note was paid in full from the loan proceeds from a refinancing of the Company's property. The property was also subject to a second mortgage in favor of Ralph H. Eckler in the principal amount of $33,873, which mortgage was paid off in 1996.

In prior years the Company had made various loans and advances to Mr. Eckler and his affiliated entities. Prior to the closing of the Company's initial public offering, there remained an outstanding balance of approximately $536,000 which was paid in full by Mr. Eckler from the proceeds he received as a selling shareholder in the initial public offering.

In calendar 1995 the Company received $205,000 in respect of loans made by various investors to Ralph H. Eckler (the "Investor Loans") who in turn loaned the funds to the Company. Of that amount, $55,000 was loaned by certain officers of the Company. In November 1995, the Company issued an aggregate of 27,500 restricted Class A Shares and Bridge Warrants for an aggregate of 27,500 Class A shares to Messrs. Ralph H. Eckler, Ronald V. Mohr, G. Edward Mills, Michael G. Wilson and Robert M. Eckler in respect of cancellation of obligations owed by the Company to them in the aggregate amount of

$55,000. The Bridge Warrants became exercisable on November 9, 1996 at $6.00 per share. The remaining $150,000 of the Investor Loans was made by a private investor not affiliated with the Company or its officers or directors, and was converted into 75,000 Class A shares and Bridge Warrants for 75,000 Class A shares, which warrants became exercisable as of March 15, 1996 at $6.00 per share. The Bridge Warrants provide that the Company's Board of Directors may change the exercise price from time to time. To encourage investment in the Company and increase working capital, on October 9, 1996 the Company's Board of Directors approved a decrease in the exercise price of the Bridge Warrants to $3.63 per share, the closing bid price reported by Nasdaq on such date. The revised exercise price will remain in effect until December 31, 1996, after which any unexercised Bridge Warrants will be exercisable at $6.00 per share, unless again adjusted by the Board of Directors. The 102,500 Class A shares and the 102,500 Class A shares underlying the Bridge Warrants are included for resale under this Prospectus. See "Selling Shareholders."

Effective November 15, 1995, pursuant to Ralph H. Eckler's employment agreement with the Company, he is paid a 2% annual fee, payable quarterly,

which fee is based on the outstanding principal of loans of the Company which he has personally guaranteed. During the fiscal year ended September 30, 1996, Mr. Eckler was paid $38,459 in such fees.

TRANSACTIONS WITH UNDERWRITER. The Company entered into an underwriting agreement with Argent Securities, Inc. ("Argent"), the Underwriter of its initial public offering which closed on November 15, 1995. The underwriting agreement provides that the Company will pay to Argent a warrant solicitation fee (the "Warrant Solicitation Fee") equal to 5% of the exercise price of the Public Warrants exercised beginning November 9, 1996. Such Warrant Solicitation Fee will be paid to Argent if (a) the market price of the Class A Common Stock on the date that any Public Warrant is exercised is greater than the exercise price of the Public Warrant; (b) the exercise of such Public Warrant was solicited by Argent; (c) prior specific written approval for exercise is received from the customer if the Public Warrant is held in a discretionary account; (d) disclosure of this compensation agreement is made prior to or upon the exercise of such Public Warrant; (e) solicitation of the exercise is not in violation of Rule 10b-6 of the Exchange Act; (f) Argent provided bona fide services in exchange for the Public Warrant Solicitation Fee; and (g) Argent has been specifically designated in writing by the holders of the Public Warrants as the broker. In addition, unless granted an exemption by the Commission from Rule 10b-6 under the Exchange Act, Argent will be prohibited from engaging in any market making activities or solicited brokerage activities with respect to the Company's securities for the period from nine business days prior to any solicitation of the exercise of any Public Warrant or nine business days prior to the exercise of any Public Warrant based on a prior solicitation until the later of the termination of such solicitation activity or the termination (by waiver or otherwise) of any right Argent may have to receive such a fee for the exercise of the Public Warrants following such solicitation. As a result, Argent, a market maker for the Company's registered securities, may be unable to continue to provide a market for the Securities during certain periods while the Public Warrants are exercisable.

Argent has been given certain "piggyback" and demand registration rights with respect to the Class A Common Stock and warrants underlying the Unit Purchase Option for a period of four years commencing November 9, 1996. The exercise of any of such registration rights by Argent may result in dilution to the interest of the Company's shareholders, hinder efforts by the Company to arrange future financing of the Company and/or have an adverse effect on the market price of the Securities.

The Company has agreed with Argent that for a period of 24 months commencing on November 9, 1995, it will not issue or sell, directly or indirectly, any shares of its capital stock, or sell or grant options, warrants or rights to purchase any shares of its capital stock, without the written consent of Argent, except for issuances pursuant to (i) the Company's initial public offering, (ii) the exercise of the Unit Purchase Option and the warrants issuable thereunder, (iii) outstanding convertible securities or contractual obligations existing on November 9, 1995, (iv) the grant of options and the issuance of shares issued upon exercise of options to be granted under the Company's Stock Option Plans, and (v) an acquisition, merger or similar transaction provided that the acquirer of such capital stock does not receive, and will not be entitled to demand, registered securities during such 24-month period and such issuance of shares has the approval

of Argent. The Company has granted Argent a three-year preferential right with respect to future financing relating to the offering of the Company's securities.

Under the terms of a lock-up agreement between Ralph H. Eckler and Argent, Mr. Eckler's 495,375 Class B shares (990,750 Class A Shares on an as converted basis) are subject to lock-up for periods ranging from two to five years, subject to incremental release annually if and when certain performance targets are met. Those shares not released will be subject to a proxy to be held by Argent in the event that the performance targets are not met. However, any such proxy expires on September 30, 2000. See "Security Ownership of Certain Beneficial Owners and Management-Lock-Up Agreements."

DESCRIPTION OF SECURITIES

COMMON STOCK

CLASS A

The Company is authorized to issue up to 10,000,000 shares of Class A Common Stock, $.01 par value, of which 1,646,750 shares of Class A Common Stock are issued and outstanding. The holders of Class A Common Stock are entitled to one vote per share. The holders of common stock are entitled to receive ratably such dividends, if any, as may be declared by the Board of Directors out of legally available funds.

CLASS B

The Company is authorized to issue up to 5,000,000 shares of Class B Common Stock, $.01 par value. Ralph H. Eckler holds 495,375 shares of Class B Common Stock which are subject to a lock-up agreement. A former spouse of Mr. Eckler holds 15,000 Class B shares pursuant to a recent marital settlement agreement, which shares are not subject to lock-up. Pursuant to the terms of Mr. Eckler's employment agreement and the Lock-Up Agreement, his Class B shares are subject to incremental release from the terms of the lock-up agreement and subsequent conversion to Class A stock upon achieving certain performance goals; provided, however, all Class B shares not previously released from the lock-up will be released on September 30, 2000. Each share of Class B Common Stock shall have two (2) votes per share and shall be entitled to all of the rights of the Class A shares on a two for one basis including, but not limited to, stock splits, dividends and dissolution rights. The Class B Common Stock may be converted to Class A Common Stock, (on a basis of one share of Class B Common Stock for two shares of Class A Common Stock) after any lock-up terms are satisfied between Mr. Eckler and Argent See, "Security Ownership of Certain Beneficial Owners and Management-Lock-Up Agreements."

The current policy of the Board of Directors is to retain earnings, if any, for the operation and expansion of the Company. Upon liquidation, dissolution or winding up of the Company, the holders of Class A Common Stock are entitled to share ratably (Class B participating on a two for one basis with the Class A shares) in all assets of the Company which are legally available for distribution, after payment of or provisions for all debts and liabilities. The holders of Class A and Class B Common Stock have no preemptive, subscription, or redemption rights. Class B Common Stock is convertible into Class A Common Stock on a basis of one share of Class B Common Stock for two shares of Class A Common Stock, subject to certain restrictions contained in the Lock-Up Agreement. Holders of Class A Common Stock do not have conversion rights.

PREFERRED STOCK

The Company is authorized to issue up to 100,000 shares of non-voting preferred stock, par value $10.00 per share, with a cumulative dividend of 12% per annum (the "Preferred Stock") all of which stock was issued and outstanding as of November 15, 1995. In the event of a liquidation of the Company, the Preferred Stock has the right to receive, prior to any distribution being made to holders of shares of all classes of common stock, $10.00 in cash per share plus accrued and unpaid dividends. The Preferred Stock is not be entitled to any further distributions. At the conclusion of its initial public offering, the Company redeemed 95,000 shares of the Preferred Stock and the holders of the remaining 5,000 shares of Preferred Stock converted these shares into 12,000 shares of Class A Common Stock. There are no outstanding shares of Preferred Stock.

WARRANTS

REDEEMABLE CLASS A COMMON STOCK PURCHASE WARRANTS (THE "PUBLIC WARRANTS"). As of the date of this Prospectus, there are issued and outstanding 1,200,000 publicly traded warrants (the "Public Warrants"). The Public Warrants were issued pursuant to the terms and conditions of a Warrant Agreement between the Company and American Stock Transfer & Trust Company dated November 15, 1995 (the "Warrant Agreement"). Each Public Warrant entitles the holder thereof to purchase one share of Class A Common Stock at

a price of $6.50 per share for a period of four years commencing on the first anniversary of the effective date of this Offering (the "First Exercise Date"). Each Public Warrant is redeemable by the Company for $.05 per Warrant, at any time after the First Exercise Date, upon thirty days' prior written notice to the holders thereof, if the average closing price of the Class A Common Stock, as reported by the principal exchange on which the Class A Common Stock is traded, NASDAQ, or the National Quotation Bureau Incorporated, as the case may be, equals or exceeds $8.75 per share for the twenty consecutive trading days ending three days prior to the date of the notice of redemption. In the Warrant Agreement, "closing price" is defined as: (i) the last sale price regular way as reported on the principal national securities exchange on which the Class A Common Stock is listed or admitted to trading, or (ii) if the Class A Common Stock is not listed or admitted to trading on any national securities exchange, the average of the closing bid and asked prices regular way for the Class A Common Stock as reported by the Nasdaq National Market or Nasdaq SmallCap Market of the Nasdaq Stock Market, Inc. ("NASDAQ") or (iii) if the Class A Common Stock is not listed or admitted for trading on any national securities exchange, and is not reported by NASDAQ, the average of the closing bid and asked prices in the over-the-counter market as furnished by the National Quotation Bureau, Inc. or if no such quotation is available, the fair market value of the Class A Common Stock as determined in good faith by the Board of Directors of the Company. Pursuant to applicable federal and state securities laws, in the event a current prospectus is not available, the Public Warrants may not be exercised by the holders thereof and the Company will be precluded from redeeming the Public Warrants. There can be no assurance that the Company will not be prevented by financial or other considerations from maintaining a current prospectus. Any Public Warrant holder who does not exercise prior to the redemption date, as set forth in the Company's notice of redemption, will forfeit the right to purchase the Class A Common Stock underlying the Public Warrants, and after the redemption date or upon conclusion of the exercise period any outstanding Public Warrants will become void and be of no further force or effect, unless extended by the Board of Directors of the Company.

The number of Class A shares that may be purchased is subject to adjustment upon the occurrence of certain events including a dividend distribution to the Company's shareholders, or a subdivision, combination or reclassification of the outstanding Class A shares. Further, the Public Warrant exercise price is subject to adjustment in the event the Company issues to all holders of Class A Common Stock additional stock or rights to acquire stock at a price per share that is less than the current market price per share of

Class A Common Stock on the record date established for the issuance of additional stock or rights to acquire stock. The term "current market price" is defined as the average of the daily closing prices for the 20 consecutive trading days ending three days prior to the record date. However, the Public Warrant exercise price will not be adjusted in the case of the issuance or exercise of options pursuant to the Company's stock option plans, the issuance of the Underwriters' Unit Purchase Option or any other options or warrants outstanding as of November 9, 1995. The Warrant exercise price is also subject to adjustment in the event of a consolidation or merger where a distribution by the Company is made to its stockholders of the Company's assets or evidences of indebtedness (other than cash or stock dividends) or pursuant to certain subscription rights or other rights to acquire Class A shares.

The Company may at any time, and from time to time, extend the exercise period of the Public Warrants, provided that written notice of such extension is given to the Public Warrant holders prior to the expiration date then in effect. Also, the Company may reduce the exercise price of the Public Warrants for limited periods or through the end of the exercise period if deemed appropriate by the Board of Directors or the Company, in addition to the adjustments to the exercise price arising from certain events as discussed above. Any extension of the term and/or reduction of the exercise price of the Public Warrants will be subject to compliance with Rule 13e-4 under the Exchange Act including the filing of a Schedule 13E-4. Notice of any extension of the exercise period and/or reduction of the exercise price will be given to the Public Warrant holders. The Company does not presently contemplate any extension of the exercise period nor does it contemplate any reduction in the exercise price of the Warrants. The Public Warrants are also

subject to price adjustment upon the occurrence of certain events including subdivisions or combinations of the Class A Common Stock.

NONREDEEMABLE STOCK PURCHASE WARRANTS. The Company issued nonredeemable stock purchase warrants (the "Bridge Warrants") to holders of $205,000 in notes who elected to convert the outstanding principal balance of those notes to Class A Common Stock and warrants to purchase Class A Common Stock. The Company issued to holders in the aggregate 102,500 Class A shares and warrants for another 102,500 Class A shares exercisable at $6.00 per share. The Bridge Warrants provide that the Company's Board of Directors may change the exercise price from time to time. To encourage investment in the Company and increase working capital, on October 9, 1996 the Company's Board of Directors approved a decrease in the exercise price of the Bridge Warrants to $3.63 per share, the closing bid price funded by Nasdaq on such date. The revised exercise price will remain in effect until December 31, 1996, after which any unexercised Bridge Warrants will be exercisable at $6.00 per share, unless again adjusted by the Board of Directors. All Bridge Warrants are currently exercisable and expire on November 9, 2001. These Bridge Warrants contain the same share and price adjustment provisions as the Public Warrants, discussed above. Further, as with the Public Warrants, the Company may reduce the exercise price of the Bridge Warrants for limited periods or through the end of the exercise period if deemed appropriate by the Board of Directors of the Company. The Company has included the Class A Shares underlying the Bridge Warrants for sale in this Offering pursuant to certain "piggy-back" registration rights contained in the Bridge Warrants. Of the 102,500 Class A shares subject to the Bridge Warrants, certain officers of the Company hold Bridge Warrants for 27,500 shares, and two individuals not affiliated with the Company hold Bridge Warrants for 75,000 shares. All 102,500 shares issuable upon exercise of the Bridge Warrants are included for resale in this Prospectus. The Company also issued a nonredeemable stock purchase warrant to a consultant for 20,000 Class A shares, which warrant has the same terms as the other nonredeemable warrants except it is exercisable for a term of five years commencing March 31, 1996 at $4.20 per share, which reflects the average of the high/low price of the Company's Class A Common Stock as quoted by NASDAQ SmallCap Market on March 31, 1996.

OPTIONS

In addition to the stock options issued to its employees, officers, and directors, the Company issued to the underwriter of its initial public offering, Argent Securities, Inc. ("Argent"), a Unit Purchase Option to purchase up to 84,000 units. The Unit Purchase Option is exercisable during a four-year period commencing November 15, 1996. The Unit Purchase Option may not be assigned, transferred, sold or hypothecated by Argent until November 9, 1996, except to officers or partners of Argent, to a successor to Argent, to a purchaser of substantially all of the assets of Argent, or by operation of law. The exercise price of the units issuable upon exercise of the Unit Purchase Option during the period of exercisability is $6.00 per unit. Each such unit consists of one share of Class A Common Stock and one nonredeemable warrant exercisable at $6.50 per share (the "Underwriter's Warrant(s)"). The exercise of the Unit Purchase Option and the number of shares of Class A Common Stock covered thereby and under the Underwriters' Warrants are subject to adjustment in certain events to prevent dilution. The Unit Purchase Option contains certain "piggyback" and demand registration rights with respect to the Class A Common Stock and Underwriters' Warrants underlying the Unit Purchase Price Option for a period of four years commencing November 9, 1996. The Class A shares underlying the Unit Purchase Option and the Underwriters' Warrants are included for resale in this Prospectus.

The Company issued an option (the "Consultant Option") for 100,000 shares of Class A Common Stock to Greyhouse Services Corporation in connection with a consulting agreement. The Consultant Option is exercisable until August 14, 1997 at $2.50 per share. The 100,000 shares of Class A Common Stock underlying the Consultant Option are included for sale in this Prospectus. Ralph H. Eckler holds a proxy for voting the Shares issuable upon exercise of the Consultant Option.

Additionally, in July 1996, the Company issued an option to Argent for 200,000 shares of Class A Common Stock and an option to Ralph H. Eckler for 200,000 shares of Class A Common Stock, each exercisable for a period of five

years at an exercise price of $2.88 per share (which on the date of grant was the market price of a share of the Company's Common Stock). Mr. Eckler's option is first exercisable in January 1997 and expires in July 2001. Argent's option is currently exercisable and expires in July 2001.

TRANSFER AGENT AND REGISTRAR

The transfer agent and registrar for the Company's securities is American Stock Transfer & Trust Company, 40 Wall Street, New York, New York.

SHARES AVAILABLE FOR FUTURE SALE

Assuming exercise of all warrants and options for which the underlying shares of Class A Common Stock are included for resale in this Prospectus, there will be 3,217,200 shares of Class A Common Stock outstanding, of which 1,367,000 are currently tradeable without restriction. Further, there are issued and outstanding a total of 510,375 shares of Class B Common Stock which are convertible into 1,020,750 shares of Class A Common Stock. There are also outstanding additional stock options and warrants for another 615,000 shares of Class A Common Stock, which shares are not included for resale in this Prospectus. No predictions can be made as to the effect, if any, that sales of such shares will have on the market, if any, prevailing from time to time. Sales of substantial amounts of the Class A Common Stock pursuant to this registration statement may adversely affect the market price of the securities offered hereby. See "Plan of Distribution."

Shares issued pursuant to option exercise which are not registered would be "restricted securities" within the meaning of Rule 144 under the Securities Act and would be eligible for sale in the public market in reliance upon Rule 144 or pursuant to a registration statement. In general, under Rule 144 as currently in effect, a person (or persons whose shares are aggregated), including persons who may be deemed to be "affiliates" of the Company as that term is defined under Rule 144, is entitled to sell within any three-month period a number of shares beneficially owned for at least two years that does not exceed the greater of (i) one percent of the then outstanding shares of Class A Common Stock (16,417 shares as of October 31, 1996) or (ii) the average weekly trading volume in the Class A Common Stock during the four calendar weeks preceding such sale. Sales under Rule 144 are also subject to certain requirements as to the manner

of sale, notice and the availability of current public information about the Company. However, a person who is not an affiliate and has beneficially owned such shares for at least three years is entitled to sell such shares without regard to the volume, manner of sale or notice requirements.

In addition to the restrictions under Rule 144, the Company and certain of the Company's officers are restricted from disposing of securities of the Company pursuant to the terms of certain outstanding option agreements between the officers and the Company and pursuant to the terms of lock-up agreements. See "Management -- Management and Employee Stock Option Plans," and, "-- Lock-Up Agreements."

LEGAL MATTERS

Certain legal matters in connection with the issuance of shares of Class A Common Stock will be passed upon by Greenberg Traurig Hoffman Lipoff Rosen & Quentel, P.A., Orlando, Florida. Randolph H. Fields, Esq., a shareholder in the law firm, holds a warrant to purchase 20,000 shares of the Company's Class A Common Stock, at an exercise price of $4.20 per share. See "Description of Securities - Nonredeemable Stock Purchase Warrants."

EXPERTS

The financial statements included in this Prospectus have been audited by BDO Seidman, LLP, independent certified public accountants, to the extent and for the periods set forth in their report appearing elsewhere herein, and are included in reliance on such report given upon the authority of said firm as experts in auditing and accounting.

CHANGES IN ACCOUNTANTS

On December 27, 1994, the Company executed an engagement letter with the certified public accounting firm of BDO Seidman, LLP ("BDO") formalizing their relationship, and detailing the scope of work to be performed by BDO for the next fiscal year. After executing the letter agreement with BDO to serve as independent auditors for the Company, the Company terminated its relationship with the certified public accounting firm of Graham & Cottrill, P.A. ("G&C"). G&C's report on the Company's financial statements for the fiscal year ended September 30, 1993, did not contain an adverse opinion or a disclaimer of opinion, nor were they qualified or modified as to audit scope, or accounting principles. Since G&C was engaged by the Company in 1980 through the date of G&C's dismissal, there were no disagreements with G&C on any matter of accounting principles or practices, financial statement disclosure, or auditing scope or procedure, which disagreements, if not resolved to the satisfaction of G&C, would have caused it to make a reference to the subject matter of the disagreements in connection with its reports.

INDEMNIFICATION OF DIRECTORS AND OFFICERS

Section 607.0850(1) of the Florida Business Corporation Act, ("FBCA") permits a Florida corporation to indemnify any person who was or is a party to any third party proceeding by reason of the fact that he is or was a director, officer, employee or agent of the corporation or is or was serving at the request of the corporation as a director, officer, employee or agent of another corporation, partnership, joint venture, trust, or other enterprise, against liability incurred in connection with such proceeding, including any appeal thereof, if he acted in good faith and in a manner he reasonably believed to be in, or not opposed to, the best interests of the corporation and, with respect to any criminal action or proceeding, had no reasonable cause to believe his conduct was unlawful.

Section 607.0850(2) of the FBCA permits a Florida corporation to indemnify any person, who was or is a party to a derivative action if such person acted in any of the capacities set forth in the preceding paragraph, against expenses and amounts paid in settlement not exceeding, in the judgment of the board of directors, the estimated expense of litigating the proceeding to conclusion, actually and reasonably incurred in connection with the defense or settlement of such proceeding, including any appeal thereof. Such indemnification shall be authorized if such person acted in good faith and in a manner he reasonably believed to be in, or not opposed to, the best interests of the corporation, except that no indemnification shall be made under this subsection in respect of any claim, issue, or matter as to which such person shall have been adjudged to be liable unless, and only to the extent that, the court in which such proceeding was brought, or any other court of competent jurisdiction, shall determine upon application that, despite the adjudication of liability, but in view of all circumstances of the case, such person is fairly and reasonably entitled to indemnification for such expenses which such court deems proper.

Section 607.0850(4) of the FBCA provides that any indemnification made under the above provisions, unless pursuant to a court determination, may be made only after a determination that the person to be indemnified has met the standard of conduct described above. This determination is to be made by a majority vote of a quorum consisting of the disinterested directors of the board of directors, by independent legal counsel, or by a majority vote of the disinterested shareholders. The board of directors also may designate a special committee of disinterested directors to make this determination. Section 607.0850(3), however, provides that to the extent that any officer, director, employee or agent of a corporation has been successful on the merits or otherwise in defense of any proceeding referred to in subsection 607.0850(1) or subsection 607.0850(2), or in defense of any claim, issue, or matter therein, the Corporation must indemnify him against expenses actually and reasonably incurred by him in connection therewith.

Section 607.0850(7) provides further that the indemnification and advancement of expenses provided in Section 607.0850 are not exclusive, and a corporation may make any other or further indemnification of advancement of expenses of any of its directors, officers, employees or agents under any bylaw, agreement, vote of shareholders or disinterested directors, or otherwise, both as to action in his official capacity and as to action in another capacity while holding such office. However, a corporation cannot indemnify or advance expenses to or on behalf of such person if a judgment or other final adjudication establishes that his actions, or omissions to act, were material to the cause of action so adjudicated and the director, officer, employee or agent (a) violated criminal law, unless he had reasonable cause to believe his conduct was not unlawful, (b) derived an

improper personal benefit from a transaction, (c) was or is a director in a circumstance where liability under Section 607.0834 (relating to unlawful distribution) applies, or (d) engages in willful misconduct or conscious disregard for the best interests of the corporation in a proceeding by or in right of the corporation to procure a judgment in its favor or in a proceeding by or in right of a shareholder.

The Company's Amended and Restated Bylaws ("Bylaws") provide for indemnification of directors, officers and others. The general effect of the Bylaws provision is to indemnify any officer, director, employee or agent against any liability arising from any action or suit to the fullest extent permitted by the FBCA. Advances against expenses may be made under the Bylaws, and indemnity coverage provided thereunder includes liabilities under federal securities laws as well as in other contexts. Specifically, Article V provides that any person, his heirs, or personal representative, made, or threatened to be made, a party to any threatened, pending, or completed action or proceeding, whether civil, criminal, administrative, or investigative, because he is or was a director, officer, employee or agent of this Corporation or serves or served any other corporation or other enterprise in any capacity at the request of this Corporation, shall be indemnified by the Corporation, and the Corporation shall advance his related expenses to the full extent permitted by Florida law. In discharging his duty, any director, officer, employee or agent, when acting in good faith, may rely upon information, opinions, reports, or statements, including financial statements and other financial data, in each case prepared or presented by (1) one or more officers or employees of the Corporation whom the director, officer, employee or agent reasonably believes to be reliable and competent in the matters presented, (2) counsel, public accountants, or other persons as to matters that the director, officer, employee or agent believes to be within that person's professional or expert competence, or (3) in the case of a director, a committee of the board of directors upon which he does not serve, duly designated according to law, as to matters within its designated authority, if the director reasonably believes that the committee is competent. The foregoing right of indemnification or reimbursement shall not be exclusive of other rights to which the person, his heirs, or personal representatives may be entitled. The Corporation may, upon the affirmative vote of a majority of its full board of directors, purchase insurance for the purpose of indemnifying these persons. The insurance may be for the benefit of all directors, officers, or employees.

The Company, Ralph H. Eckler and Argent Securities, Inc. ("Argent") entered into an Underwriting Agreement pursuant to which Argent sold the Company's securities on a firm commitment basis in an initial public offering which closed on November 15, 1995. The Underwriting Agreement provides for reciprocal indemnification between the Company, Mr. Eckler and Argent against certain liabilities in connection with the registration statement, including liabilities under the Securities Act.

The Company, Argent and the Private Placement Investors entered into a Registration Rights Agreement in connection with the Company's private placement of securities which closed in September 1995. The Registration Rights Agreement also provides for reciprocal indemnification against certain liabilities in connection with the registration statement, including liabilities under the Securities Act.

Insofar as indemnification for liabilities arising under the Securities Act may be provided to officers, directors or persons controlling the Company, the Company has been informed that in the opinion of the Securities and Exchange Commission, such indemnification is against public policy as expressed in the Securities Act and is therefore unenforceable.

INDEX TO FINANCIAL STATEMENTS

AUDITED FINANCIAL STATEMENTS

REPORT OF INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS

To the Board of Directors
Eckler Industries, Inc.

We have audited the accompanying balance sheet of Eckler Industries, Inc. as of September 30, 1995 and the related statements of operations, stockholders' equity (deficit) and cash flows for each of the two years in the period ended September 30, 1995. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audits.

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

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Eckler Industries, Inc. as of September 30, 1995 and the results of its operations and its cash flows for each of the two years in the period ended September 30, 1995 in conformity with generally accepted accounting principles.

BDO Seidman, LLP

Orlando, Florida
December 20, 1995

ECKLER INDUSTRIES, INC.

BALANCE SHEET

SEPTEMBER 30,	1995

ASSETS (Note 7)	
CURRENT:	
Accounts receivable - trade, less allowance for possible losses of $2,335	$ 108,660
Due from affiliates (Note 4)	561,850
Inventories (Note 2)	697,388
Prepaid expenses (Note 3)	615,618
TOTAL CURRENT ASSETS	1,983,516
PROPERTY, PLANT AND EQUIPMENT, less accumulated depreciation and amortization (Note 5)	2,597,428
OTHER ASSETS:	
Deferred public offering costs	463,081
Deferred financing costs	61,500
Prepaid royalty expense (Note 3)	776,455
Other	68,062
TOTAL OTHER ASSETS	1,369,098
	$5,950,042

SEE ACCOMPANYING SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO FINANCIAL STATEMENTS.

ECKLER INDUSTRIES, INC.

BALANCE SHEET
(CONTINUED)

SEPTEMBER 30,	1995
LIABILITIES AND STOCKHOLDERS' DEFICIT	
CURRENT LIABILITIES:	
Accounts payable	$ 1,598,994
Royalties payable (Note 3)	175,000
Accrued wages	117,629
Other accrued expenses	358,727
Current maturities of long-term debt (Note 7)	1,208,853
Current portion of obligations under capital leases	31,840
Deferred income taxes (Note 6)	94,500
TOTAL CURRENT LIABILITIES	3,585,543
LONG-TERM DEBT, less current maturities (Note 7)	2,338,108
OBLIGATIONS UNDER CAPITAL LEASES, less current portion	13,022
DEFERRED INCOME TAXES (Note 6)	351,500
TOTAL LIABILITIES	6,288,173
COMMITMENTS AND CONTINGENCIES (Notes 8 and 12)	
REDEEMABLE PREFERRED STOCK; $10 par value; 100,000 shares authorized, issued and outstanding (Note 9)	476,968
CLASS A COMMON STOCK SUBJECT TO RESCISSION OFFER, 140,000 shares (Note 9)	211,905
STOCKHOLDERS' DEFICIT (Notes 10 and 13):	
Class A common stock; $.01 par value; 10,000,000 shares authorized; 360,000 issued and outstanding	3,600
Class B common stock; $.01 par value; 5,000,000 shares authorized; 570,000 issued and outstanding	5,700
Additional paid-in capital	(923,939)
Deficit	(112,365)
TOTAL STOCKHOLDERS' DEFICIT	(1,027,004)

	$5,950,042

SEE ACCOMPANYING SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO FINANCIAL STATEMENTS.

ECKLER INDUSTRIES, INC.

STATEMENT OF OPERATIONS

YEAR ENDED SEPTEMBER 30,	1995	1994
NET SALES	$ 12,932,450	$13,942,936
COST OF SALES	8,443,912	9,074,824
Gross profit	4,488,538	4,868,112
SELLING, GENERAL AND ADMINISTRATIVE EXPENSES	4,136,322	4,508,770
Income from operations	352,216	359,342
OTHER INCOME (EXPENSE):		
Interest expense	(434,589)	(406,386)
Interest income	6,050	6,842
Gain (loss) on sale of assets	-	(9,383)
Miscellaneous income	77,723	71,595
	(350,816)	(337,332)
Income before taxes on income	1,400	22,010
TAXES ON INCOME - DEFERRED (Note 6)	446,000	-
NET INCOME (LOSS)	$ (444,600)	$22,010
PRO FORMA (UNAUDITED):		
Historical income before taxes on income	$ 1,400	$22,010
Pro forma adjustment to eliminate compensation in excess of $100,000 received by the stockholder (Note 12)	-	200,000
Pro forma income before taxes on income	1,400	222,010
Pro forma taxes on income (Note 6)	476	75,500
PRO FORMA NET INCOME	924	146,510
ACCRETION OF REDEMPTION VALUE OF REDEEMABLE PREFERRED STOCK (Note 9)	(113,703)	-
PREFERRED STOCK DIVIDENDS	(3,288)	-
NET INCOME (LOSS) APPLICABLE TO COMMON STOCK	$ (116,067)	$146,510
PRO FORMA EARNINGS (LOSS) PER SHARE	$ (.05)	$ .07
WEIGHTED AVERAGE NUMBER OF SHARES AND SHARE EQUIVALENTS OUTSTANDING	2,117,500	2,117,500

SEE ACCOMPANYING SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO FINANCIAL STATEMENTS.

ECKLER INDUSTRIES, INC.

STATEMENT OF STOCKHOLDERS' EQUITY (DEFICIT)

<TABLE>
<CAPTION>

	CLASS A COMMON STOCK		CLASS B COMMON STOCK			
	NUMBER OF SHARES	PAR VALUE	NUMBER OF SHARES	PAR VALUE	ADDITIONAL PAID-IN CAPITAL	RETAINED EARNINGS (DEFICIT)
<S>	<C>	<C>	<C>	<C>	<C>	<C>
BALANCE, September 30, 1993	200,000	$2,000	650,000	$6,500	$156,504	$520,693
Dividends	-	-	-	-	-	(856,404)
Net income	-	-	-	-	-	22,010
BALANCE, September 30, 1994	200,000	2,000	650,000	6,500	156,504	(313,701)
Conversion of Class B shares into Class A shares	160,000	1,600	(80,000)	(800)	(800)	-
Dividends	-	-	-	-	-	(320,004)
Transfer of accumulated deficit as of September 20, 1995 as a result of conversion from an S Corporation to a C Corporation	-	-	-	-	(1,079,643)	1,079,643
Accretion of redemption value of redeemable preferred stock (Note 9)	-	-	-	-	-	(113,703)
Net loss	-	-	-	-	-	(444,600)
BALANCE, September 30, 1995	360,000	$3,600	570,000	$5,700	$(923,939)	$(112,365)

</TABLE>

SEE ACCOMPANYING SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO FINANCIAL STATEMENTS.

ECKLER INDUSTRIES, INC.

STATEMENT OF CASH FLOWS

YEAR ENDED SEPTEMBER 30,	1995	1994
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net income (loss)	$(444,600)	$ 22,010
Adjustments to reconcile net income (loss) to net cash provided by operating activities:		
Depreciation and amortization	301,170	367,417
(Gain) loss on sale of assets	-	9,383
Deferred income taxes	446,000	-
Cash provided by (used for):		
Accounts receivable	70,892	209,632
Inventories	116,126	327,392
Prepaid expenses	(45,547)	(452,495)
Accounts payable	273,583	481,103
Royalties payable	(175,000)	-
Accrued expenses	8,404	35,497
Net cash provided by operating activities	551,028	999,939

CASH FLOWS FROM INVESTING ACTIVITIES:		
Notes and advances to affiliates	(143,339)	(216,685)
Purchases of property, plant and equipment	(23,303)	(58,352)
Proceeds from disposal of property and equipment	-	37,000
Payments received on notes from stockholder	-	361,214
Decrease in other assets	22,923	40,146
Net cash provided by (used for) investing activities	(143,719)	163,323
CASH FLOWS FROM FINANCING ACTIVITIES:		
Proceeds from issuance of long-term debt	295,498	130,000
Principal payments of long-term debt	(387,017)	(960,666)
Payments on capital lease obligations	(46,375)	-
Proceeds from sale of common stock	211,905	-
Proceeds from sale of preferred stock	363,265	-
Deferred public offering costs	(463,081)	-
Deferred financing costs	(61,500)	-
Dividends	(320,004)	(450,000)
Net cash used for financing activities	(407,309)	(1,280,666)
NET DECREASE IN CASH	-	(117,404)
CASH, beginning of year	-	117,404
CASH, end of year	$ -	$ -

SEE ACCOMPANYING SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO FINANCIAL STATEMENTS.

ECKLER INDUSTRIES, INC.

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

INVENTORIES

Inventories are priced at the lower of cost or market with costs being determined by the use of the last-in, first-out (LIFO) method.

PREPAID EXPENSES AND ROYALTIES

The Company capitalizes catalog costs and amortizes the costs on the straight-line method over the life of the catalog which is usually one year. Total catalog costs expensed during the years ended September 30, 1995 and 1994 were approximately $907,000 and $988,000, respectively.

The Company amortizes the cost of advance royalties paid under the GM agreement when sales of GM products are made at rates specified in the agreement. (See Note 3).

PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment are carried at cost. Depreciation is computed over the estimated useful lives of the assets by the straight-line method for financial reporting and by accelerated methods for income tax purposes.

DEFERRED OFFERING COSTS

Fees, costs and expenses related to the Company's anticipated initial public offering (see Note 13) are being deferred and will be charged against the proceeds therefrom.

DEFERRED FINANCING COSTS

Deferred financing costs related to notes payable to a bank are capitalized and amortized over the term of the loan (see Note 7).

REVENUE RECOGNITION

Sales are recognized upon shipment of products to customers.

INCOME TAXES

Through September 20, 1995, the Company, with the consent of its stockholder, elected under certain provisions of the Internal Revenue Code to be treated as an S Corporation. Effective with the completion of the private placement of securities (see Note 9), the Company automatically revoked this election.

Upon terminating the S Corporation election, the Company was required to adopt Statement of Financial Accounting Standards No. 109 ("SFAS 109"), "Accounting for Income Taxes" which requires, among other things, a

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liability approach to calculating deferred income taxes. This method uses an asset and liability approach that requires the recognition of deferred tax assets and liabilities for the expected future tax consequences of events that have been recognized in the Company's financial statements or tax returns. Measurement of deferred income tax is based on enacted tax laws including tax rates, with the measurement of deferred income tax assets being reduced by available tax benefits not expected to be realized. The effect of adopting SFAS 109 was a charge to deferred tax expense of $447,300 resulting from temporary differences at September 20, 1995, the date of the revocation of the Company's S election.

PRO FORMA AMOUNTS

STATEMENT OF OPERATIONS

The Company has entered into employment arrangements with its President that provide for a base annual salary of $100,000 in 1995 and increases in future years. A pro forma adjustment for the year ended September 30, 1994 was presented for the difference between the current compensation and the actual compensation paid during 1994.

Pro forma adjustments are also presented to reflect a provision for income taxes based upon pro forma income before taxes as if the Company had been a C Corporation for each of the years presented (see Note 6).

EARNINGS (LOSS) PER SHARE

Pro forma earnings (loss) per share of Class A common stock is based on pro forma net income less accretion of redemption value of redeemable preferred stock and dividends thereon and the weighted average number of shares of Class A common stock and common stock equivalents outstanding during each period after giving retroactive effect to the Company's recapitalization discussed in Note 10. Shares of Class B common stock become convertible into shares of Class A common stock on a 1-for-2 basis and are considered to be Class A common stock equivalents.

Pursuant to the requirements of SEC Staff Accounting Bulletin No. 83, common shares issued by the Company during the twelve months immediate-

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ly preceding the initial public offering (242,500 shares) at a price below the initial public offering price plus the number of common shares subject to the grant of common stock options and warrants and convertible preferred stock issued during such period (375,000 shares) having exercise or conversion prices below the initial public offering price have been included in the calculation of the shares used in computing net income (loss) per share as if they were outstanding for all periods presented.

RECENT ACCOUNTING PRONOUNCEMENTS

The FASB has issued SFAS No. 121, "Accounting for the Impairment of Long-Lived Assets and Long-Lived Assets Being Disposed of," which provides guidance on how and when impairment losses are recognized on long-lived assets. This statement, when adopted, is not expected to have a material impact on the Company.

The FASB has issued SFAS No. 123, "Accounting for Stock-Based Compensation," which establishes a fair value based method of accounting for stock-based compensation plans. This statement provides a choice to either adopt the fair value based method of accounting or continue to apply APB Opinion No. 25, which would require only disclosure of the pro forma net income and earnings per share, determined as if the fair value based method had been applied. The Company plans to continue to apply APB Opinion No. 25 when adopting this statement, and accordingly, this statement is not expected to have a material impact on the Company.

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1. NATURE OF OPERATIONS

Eckler Industries, Inc. (the Company) is an aftermarket supplier of Corvette automotive parts and accessories throughout the United States. The Company has four basic product lines which include accessories, Corvette restoration parts, maintenance items and gift and apparel items.

2. INVENTORIES

Inventories consist of the following:

Raw materials and supplies	$ 67,749
Work in progress	43,620
Finished goods	3,320
Total manufactured inventories	114,689
Inventory purchased for resale	582,699
	$697,388

If the first-in, first-out (FIFO) method had been used, inventories would have been higher by $135,530 at September 30, 1995.

3. PREPAID EXPENSES

Prepaid expenses consist of the following:

Prepaid royalties	$ 919,685
Catalog costs	404,504
Other prepaid expenses	67,884
	1,392,073
Less noncurrent portion of prepaid royalties	776,455
	$ 615,618

On December 22, 1993, the Company entered into a reproduction and service part tooling licensing agreement (the "GM Agreement") with General Motors Corporation ("GM"), whereby the Company has the right to use the licensed GM trademarks, technology and tools to manufacture, sell, distribute and market GM parts solely for the restoration or repair of older model GM

vehicles. The GM Agreement became effective December 1, 1993 and expires July 31, 2000. The Company has the right to two successive five-year renewal terms, subject to the satisfaction of certain minimum royalty payment requirements during the 12-month period preceding each renewal date. The terms of the GM Agreement provide that the Company pay a nonrefundable advance royalty in the amount of $1,000,000, of which $825,000 has been paid as of September 30, 1995 and the remaining $175,000 was paid on November 15, 1995. The maximum royalty rate to be paid by the Company is 8% of net sales of licensed GM parts.

For each 12-month period from August 1, 1997 through July 31, 2000, and annually thereafter during any renewal term, the Company is obligated to pay to GM a minimum of $500,000 annually in royalties for net sales of the licensed parts. However, if during the period from December 1, 1993 through July 31, 1997 aggregate royalties of $1,000,000 are not achieved, then the guaranteed minimum for the period August 1, 1997 to July 31, 1998 shall be reduced (up to a maximum of $200,000) by an amount equal to the difference between the $1,000,000 advance payment and actual royalties paid.

4. NOTES AND ACCOUNTS RECEIVABLE FROM AFFILIATES

At September 30, 1995, the Company had made advances to affiliated companies under accounts and notes receivable amounting to $561,850. These receivables may be offset against a note payable to the Company's stockholder (see Note 7). The stockholder paid these receivables in their entirety from proceeds of the sale of his shares in connection with the Company's initial public offering (see Note 13).

5. PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment consist of the following:

	USEFUL LIVES	
Land		$ 641,699
Buildings and improvements	10 - 40 years	2,674,989
Machinery and equipment	3 - 7 years	554,476
Molds	5 - 10 years	344,576
Equipment under capital leases	5 years	288,739
Vehicles	3 - 7 years	142,960
Furniture and fixtures	3 - 8 years	407,996
Computer hardware and software	4 - 5 years	1,399,265
		6,454,700
Less accumulated depreciation and amortization		3,857,272
		$2,597,428

Substantially all of the assets listed above have been pledged by the Company as collateral for various long and short-term borrowings (see Note 7).

Accumulated amortization on equipment under capital leases was $238,706 as of September 30, 1995.

6. INCOME TAXES

Effective as of the closing date of the private placement, September 20, 1995, the Company converted to a C corporation. Prior to this date, the Company had elected to be taxed as an S corporation pursuant to the Internal

Revenue Code with the consent of its stockholder. Under this arrangement, the stockholder included the taxable income of the corporation in his individual tax return.

The Company accounts for income taxes under the provisions of Financial Accounting Standards No. 109, "Accounting for Income Taxes" (FAS 109). Under the provisions of FAS 109, a net deferred tax liability of $447,300

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was recorded as of September 20, 1995 as a charge to earnings. The pro forma provision for income taxes represents the estimated income taxes that would have been reported had the Company been subject to income taxes for all periods presented.

Deferred income taxes arise from temporary differences between the tax basis of assets and liabilities and their reported amounts in the financial statements.

The components of the net deferred tax liabilities consist of the following:

Deferred tax assets:	
Provision for bad debts	$ 900
Accrued vacation	30,200
Accrued interest	5,900
Deferred compensation	19,800
Net operating loss carryforward	1,300
Gross deferred income tax assets	58,100
Deferred tax liabilities:	
Depreciation	(351,500)
Prepaid catalog costs	(152,600)
Gross deferred tax liabilities	(504,100)
Net deferred tax liabilities	(446,000)
Less current portion	(94,500)
Long-term deferred tax liabilities	$(351,500)

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7. LONG-TERM DEBT

Long-term debt consists of the following:

Notes payable to bank, collateralized by substantially all assets (see below)	$3,071,932
Note payable to the Company's employee pension plan, interest at 8%, due October 1995	7,733
Note payable to the Company's principal stockholder, interest at 18% per annum, due on demand, subject to offset against accounts and notes receivable from affiliates (see Note 4)	6,361
Note payable to the Company's principal stockholder, interest at 10%, principal and interest due monthly to September 30, 1998	33,873

Mortgage payable, interest at 10% per annum payable monthly, principal and accrued interest due November 1, 1997 collateralized by real estate.	130,000
Investor notes payable (see below)	205,000
Other	92,062
	3,546,961
Less current maturities	1,208,853
	$2,338,108

NOTES PAYABLE TO BANK

Among other provisions of these loan agreements, there are restrictions upon the Company with respect to additional borrowings, loans to related parties, lease commitments and payment of dividends or salaries above specified amounts to its principal stockholder. Such agreements also impose financial covenants requiring the Company to maintain specified leverage ratios which include debt to equity and liabilities to tangible net worth. The debt has been guaranteed by the Company's principal stockholder and certain of its affiliates. At September 30, 1995 and 1994, the Company was in default under the debt agreements.

On October 6, 1995, the Company renegotiated and consolidated its loans with the bank. The terms of the loan refinancing require a principal payment of $500,000 which was paid out of the proceeds of the initial public offering ("IPO") (see Note 13). The additional terms of the refinancing include principal repayments of $100,000 per month from October 1995 through January 1996. For the period from February 1996 through September 1996, payments under the terms of this refinancing will consist of interest only. In October 1996, the Company will pay an additional amount toward principal in the amount of $750,000. Thereafter, payments will include monthly principal payments of $25,600 per month until October 1, 1997, at which time the remaining balance on this note will be due and payable. Interest will accrue at the rate of 3% over prime and will be payable monthly.

INVESTOR NOTES

Through September 1995, the Company issued convertible investor notes to an outside investor and to its officers and controller in the amount of $205,000. The interest rate on these notes was 12%. Under the terms of these notes, as amended, upon closing of the IPO, the holders of such notes converted their notes into 102,500 shares of Class A common stock and 102,500 warrants to purchase shares of Class A common stock at 120% of the IPO price.

The aggregate amount of the maturities of long-term debt maturing in future years is as follows:

1996	$1,208,853
1997	1,083,537
1998	1,254,571

8. RETIREMENT BENEFIT PLAN

The Company sponsors a defined contribution pension plan for all employees meeting certain eligibility requirements. The plan provides for voluntary employee contributions and contributions by the Company to be determined at the discretion of the Board of Directors. The Company made no contribution to the plan for the years ended September 30, 1995 and 1994.

9. PRIVATE PLACEMENT

On September 20, 1995, the Company completed a private placement of $1,000,000 of securities consisting of 40 units. Each unit consisted of 2,500 shares of preferred stock, par value $10 per share with cumulative dividends at 12% per annum, and 3,500 shares of the Company's Class A common stock, par value $.01 per share. Proceeds from this offering, net of offering costs, were approximately $575,170. Of this amount, $363,265 was assigned to the preferred stock sold, and $211,905 was assigned to the common stock sold. Cumulative dividends in arrears as of September 30, 1995 amounted to $3,288. Concurrent with the IPO discussed in Note 13, the Company commenced an offer of rescission (which expired December 9, 1995) to all purchasers who purchased units in the private placement. Holders of such units were offered the right to rescind their purchases and receive a refund of the price paid by them plus interest at 12% per annum in exchange for the return to the Company of their Class A common stock and preferred stock. No purchasers accepted the rescission offer.

At the completion of the Company's IPO, the Company had the option to call the preferred stock sold in the private placement. The Company exercised this option, in which case the investor could either (i) require the Company to redeem his/her 2,500 shares of preferred stock

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for $25,000 plus any cumulative dividend or (ii) convert his/her 2,500 shares of preferred stock into 6,000 shares of Class A common stock. In either event, the investor would keep the 3,500 shares of Class A common stock that comprise a part of the unit. All holders of preferred stock required the Company to redeem such shares. The excess of the fair value of the $1,000,000 of consideration issued over the private placement proceeds assigned to the preferred stock ($363,265) is being accreted from the issuance date to the redemption date (November 15, 1995) and reduces net earnings applicable to common stock during that period.

10. CAPITAL STOCK

RECAPITALIZATION

In September 1995, the Company issued 200,000 shares of Class A common stock and 650,000 shares of Class B common stock to its stockholder in exchange for all previously outstanding shares of common stock. The financial statements give retroactive effect to this recapitalization. Subsequent to the recapitalization, 80,000 Class B shares were converted into 160,000 Class A shares. Shares of Class B common stock are entitled to the same rights as Class A shares on a 2-for-1 basis. Class B shares become convertible into Class A shares on a 1-for-2 basis. The dates upon which conversion of the remaining 570,000 Class B shares may be made range from 24 to 60 months from the completion of the Company's IPO (see Note 13). The Company has reserved 1,140,000 Class A shares for conversion of Class B shares.

CONSULTANT OPTION

In August 1994, pursuant to a consulting agreement (see Note 12), the Company granted to a consultant an option to purchase 100,000 shares of the Company's Class A common stock at an exercise price of $2.50 per share, which approximated the value of the Company's common stock at the date of grant. The option is exercisable for three years and is granted with certain "piggy back" registration rights.

EMPLOYEE STOCK OPTION PLAN

Effective August 25, 1995, the Company adopted the 1995 Employee Combined Qualified and Non-Qualified Employee Stock Option Plan (the "Combined Plan"), pursuant to which 475,000 shares of Class A common stock have been reserved for issuance upon the exercise of options designated as either "incentive stock options" or as "non-qualified stock options." These options may be granted to employees and consultants of the Company at terms stated in each option agreement. The Company granted 100,000 incentive stock options under the plan on August 25, 1995 at an exercise price of $2.50 per share (which the Company believes approximated fair value at the date of grant). Those options are exercisable for five years from the grant date and are subject to a 24-month exercise restriction.

MANAGEMENT STOCK OPTION PLAN

The Company established a non-qualified stock option plan in 1995 for the purpose of granting options to certain management employees. The Company reserved 35,000 shares of its Class A common stock for issuance pursuant to such options, all of which are subject to options granted to certain executives on August 25, 1995. The options are exercisable for five years at an exercise price of $2.50 per share (which the Company believes approximated fair value at the date of grant) and are subject to a 24-month exercise restriction.

SHARES RESERVED

At September 30, 1995, the Company has reserved Class A common stock for future issuance under the following arrangements:

Conversion of Class B common stock	1,140,000
Consultant option	100,000
Employee stock option plan	475,000
Management stock option plan	35,000
Investor notes (see Note 7)	205,000
Conversion of preferred stock (see Note 9)	240,000
Employment agreement (see Note 12)	480,000
	2,675,000

11. SUPPLEMENTAL CASH FLOW INFORMATION

YEAR ENDED SEPTEMBER 30,	1995	1994
Cash paid for interest	$374,360	$434,653
Non-cash investing and financing activities:		
Land acquired through assumption of mortgage payable	$163,873	$ -
Assets acquired through obligation under capital leases and note payable to stockholder	20,860	21,331
Dividend paid to stockholder through reduction of debt owed to the Company	-	406,404
Accretion of redemption value of redeemable preferred stock	113,703	-

12. COMMITMENTS AND CONTINGENCIES

LEASES

The Company leased approximately 20,000 square feet of warehouse space in an industrial park located in Titusville, Florida from Eckler Development, Inc., a corporation that is wholly owned by the Company's principal stockholder. The lease had an expiration date of January 31, 1998 and monthly rent of $9,499. Rent expense for the years ended September 30, 1995 and 1994 amounted to $62,727 and $113,988, respectively. As a part of the settlement with the bank on August 30, 1995, under foreclosure proceedings, the lease was terminated, and the Company was released from the lease obligation.

The Company leases approximately 6,800 square feet of warehouse space to Eckler Service Center, Inc., a corporation that is wholly owned by the Company's principal stockholder. The lease is for a term of five years and expires on August 31, 1996. The initial rent for the building is $1,440 per month, subject to annual increases at the rate of four percent (4%). Rental income for the years ended September 30, 1995 and 1994 amounted to $19,050.

GUARANTEES

The Company was a guarantor of a lease agreement between Eckler Properties, Inc. ("EPI") as lessor and Eckler Service Center, Inc. ("ESCI") as lessee, corporations owned 100% by the Company's principal stockholder. In addition, the property under this lease is subleased pursuant to a lease agreement between ESCI as lessor and Eckler Chevrolet GEO, Inc., a corporation owned 50% by the Company's principal stockholder. The lease and sublease provide for annual lease payments of $110,000 for a period of ten years. Lease payments due from Eckler Chevrolet GEO, Inc. are in arrears under the terms of the lease agreement. Furthermore, the Company was also a guarantor of up to $850,000 of EPI's debt incurred in connection with the acquisition and improvement of the subject property under the lease agreement. The balance of the debt was approximately $780,000 at September 30, 1995. EPI was in default under the terms of this loan. The Company's principal shareholder has pledged 120,000 shares of the Company's Class B common stock owned by him as additional collateral.

EPI is negotiating the sale of this property and plans to satisfy this mortgage with the proceeds therefrom. The Company's original guarantee of ESCI's lease obligation is secondary to the shareholder's pledge of additional collateral and will be completely eliminated upon the sale of the property.

LITIGATION

The Company is involved in legal and administrative proceedings and claims of various types. While any litigation contains an element of uncertainty, based upon the opinion of the Company's legal counsel, management presently believes that the outcome of such proceedings or claims which are pending or known to be threatened will not have a material adverse effect on the Company's financial position.

ENVIRONMENTAL MATTERS

Some of the Company's past and present operations involve activities which are subject to extensive and changing federal and state environmental regulations and can give rise to environmental issues. As a result, the Company is from time to time involved in administrative and judicial proceedings and administrative inquiries related to environmental matters. Based on advice of counsel, management believes that the outcome of these matters will not have a material impact on the Company's financial position.

EMPLOYMENT AGREEMENTS

The Company entered into an employment agreement with its President and CEO effective May 23, 1995. The term of the agreement is seven years and is automatically renewable for two successive two-year terms, unless notice of termination is given prior to a renewal period. The agreement provides that the employee shall receive an annual base salary of $100,000 with increases

to $150,000 for the second and third years of the agreement and to $175,000 and $200,000 for the fourth and fifth years of the agreement, respectively. The base salary increases to $250,000 for the sixth, seventh and any years subject to the automatic renewal options.

The agreement also provides the employee with incentive stock options to acquire 160,000 and 320,000 shares of the Company's Class A common stock at exercise prices of $2.50 and $5.00 per share, respectively. These options accumulate annually at varying amounts for the first seven years following the closing of the IPO (see Note 13) and are "earned" contingent upon the Company achieving either a specified earnings per share level or a specified stock price level (the "performance threshold") for the corresponding fiscal year end. To the extent that the common stock's fair market value exceeds the exercise prices at the grant dates, compensation expense will be recorded.

In addition, the employee will receive annual fixed bonuses which shall be paid quarterly, provided the Company achieves either of the above-mentioned performance thresholds. The annual bonuses shall be $250,000 for each of the fiscal years ending September 30, 1996 through September 30, 2002.

CONSULTING AGREEMENTS

The Company entered into a consulting agreement dated as of August 29, 1994 with a financial consultant. The agreement provides for payment at the rate of $150 per hour. The agreement further provides for minimum payments of $7,500 per month commencing June 1, 1995 through May 31, 1998 and a grant of stock options (see Note 10).

The Company entered into a consulting agreement with its underwriter dated March 31, 1995, pursuant to which the underwriter will provide financial and investor relation services, public relation services and corporate communications services for a period of three years. The agreement provides for prepayment of the consulting fees in three $50,000 installments on November 15, 1995 (which was paid upon closing of the IPO), January 15, 1996 and April 1, 1996. If the Company does not have stockholders' equity of at least $2 million by December 15, 1995, the agreement is null and void. The Company may terminate the agreement for any reason upon ten days written notice to the underwriter. However, if termination is after December 15, 1995, the underwriter shall not be required to perform any additional services under the agreement, and the remainder of the unpaid

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balance of funds due to the underwriter shall be earned and shall be immediately due and payable. The agreement also includes certain provisions regarding the payment of out-of-pocket expenses, indemnification of the underwriter and arbitration.

13. INITIAL PUBLIC OFFERING

On November 15, 1995, the Company completed its initial public offering of 1,200,000 units consisting of its Class A common stock and warrants at $5 per unit. Each unit consisted of one share of Class A common stock and one warrant to purchase one share of Class A common stock at a price equal to $6.50 per share. The Company sold 840,000 shares of Class A common stock and 1,200,000 warrants and received approximately $2,981,000 in proceeds, net of offering costs. Three hundred sixty thousand (360,000) shares of the Class A common stock included in the units were sold by a stockholder, and the Company received none of the proceeds from the sale of such shares. However, the stockholder used approximately $570,000 of the proceeds from the sale of such shares to repay amounts owed to the Company (see Note 4). The Company plans to use these proceeds to purchase additional inventory, reduce notes payable to bank (see Note 7) and redeem preferred stock issued in the private

placement (see Note 9). The underwriter was granted an option to purchase 84,000 units at $6 per unit, exercisable for a period of four years, commencing one year after the effective date of the Registration Statement.

ECKLER INDUSTRIES, INC.
BALANCE SHEET
(Unaudited)

June 30,	1996
ASSETS	
CURRENT:	
Cash and cash equivalents	$ 160,641
Accounts receivable - net of allowance	243,243
Inventories	1,508,551
Prepaid expenses	1,287,967
TOTAL CURRENT ASSETS	3,200,402
PROPERTY, PLANT AND EQUIPMENT, less accumulated depreciation and amortization	2,471,161
OTHER ASSETS:	
Deferred financing costs, less accumulated amortization	86,572
Prepaid royalty expense	768,517
Other	24,908
TOTAL OTHER ASSETS	879,997
	$ 6,551,560

SEE ACCOMPANYING NOTES TO FINANCIAL STATEMENTS.

ECKLER INDUSTRIES, INC.
BALANCE SHEET
(Unaudited)
(Continued)

June 30,	1996
LIABILITIES AND STOCKHOLDERS' EQUITY	
CURRENT LIABILITIES:	
Accounts Payable	$ 1,400,332
Accrued expenses	386,571
Deferred income taxes	78,400
Current maturities of long-term debt	987,640
Obligations under capital leases	16,060
TOTAL CURRENT LIABILITIES	2,869,003
LONG-TERM DEBT, less current maturities	1,331,807
DEFERRED INCOME TAXES	361,100
TOTAL LIABILITIES	4,561,910
STOCKHOLDER'S EQUITY:	
Class A common stock; $.01 par value; 10,000,000 shares authorized; 1,516,500 issued and outstanding	15,165
Class B common stock; $.01 par value; 5,000,000 shares authorized; 523,000 issued and outstanding	5,230
Additional paid-in capital	2,514,865
Deficit	(545,610)

TOTAL STOCKHOLDERS' EQUITY	1,989,650
	$ 6,551,560

SEE ACCOMPANYING NOTES TO FINANCIAL STATEMENTS.

ECKLER INDUSTRIES, INC.
STATEMENTS OF OPERATIONS
(Unaudited)

<TABLE>
<CAPTION>

	Three Months Ended		Nine Months Ended	
	6/30/96	6/30/95	6/30/96	6/30/95
<S>	<C>	<C>	<C>	<C>
NET SALES	$ 5,048,996	$ 4,293,201	$ 11,144,484	$ 10,178,889
COST OF SALES	3,300,587	2,782,454	7,247,478	6,642,539
Gross Profit	1,748,409	1,510,747	3,897,006	3,536,350
SELLING, GENERAL AND ADMINISTRATIVE EXPENSES	1,436,737	1,155,404	3,880,145	3,165,099
Income from operations	311,672	355,343	16,861	371,251
OTHER INCOME (EXPENSE):				
Interest expense	(68,449)	(111,594)	(223,258)	(293,815)
Interest income	2,264	1,517	14,635	4,040
Miscellaneous income	85,308	25,257	167,626	58,197
	19,123	(84,820)	(40,997)	(231,578)
Income (loss) before (income taxes) benefit from income taxes	330,795	270,523	(24,136)	139,673
(INCOME TAXES) BENEFIT FROM INCOME TAXES	(124,300)	--	6,500	--
NET INCOME (LOSS)	206,495	270,523	(17,636)	139,673
ACCRETION OF REDEMPTION VALUE OF REDEEMABLE PREFERRED STOCK			(533,032)	
DIVIDENDS ON PREFERRED STOCK			(18,106)	
NET INCOME (LOSS) APPLICABLE TO COMMON STOCK	206,495	--	(568,774)	--
EARNINGS (LOSS) PER SHARE	$ .08		$ (.23)	
PROFORMA:				
Historical income before income taxes		270,523		139,673
Proforma income taxes		92,000		47,500
Proforma net income		178,523		92,173
Proforma earnings per share		$ .08		$ .04
WEIGHTED AVERAGE NUMBER OF SHARES AND SHARE EQUIVALENTS OUTSTANDING	2,562,500	2,117,500	2,525,000	2,117,500

</TABLE>

SEE ACCOMPANYING NOTES TO FINANCIAL STATEMENTS

ECKLER INDUSTRIES, INC.
STATEMENT OF STOCKHOLDERS' EQUITY
(Unaudited)

<TABLE>
<CAPTION>

	CLASS A COMMON STOCK		CLASS B COMMON STOCK			
	NUMBER OF SHARES	PAR VALUE	NUMBER OF SHARES	PAR VALUE	ADDITIONAL PAID-IN CAPITAL	DEFICIT
<S>	<C>	<C>	<C>	<C>	<C>	<C>
Balance, September 30, 1995:						
As previously reported	360,000	$3,600	570,000	$5,700	$(923,939)	$(112,365)
Prior period adjustment to reflect change in method of accounting for inventories	--	--	--	--	--	135,529
As restated	--	--	--	--	--	23,164
Initial Public Offering, net of offering costs	840,000	8,400	--	--	2,747,594	--
Release Of Class A Common Stock subject to rescission	140,000	1,400	--	--	210,505	--
Conversion of Preferred Stock	12,000	120	--	--	59,880	--
Conversion of investor notes into Class A Shares	102,500	1,025	--	--	203,975	--
Issuance of Class A shares for consulting services	62,000	620	--	--	216,380	--
Dividends on preferred stock	--	--	--	--	--	(18,106)
Contribution and retirement of Class B Shares	--	--	(47,000)	(470)	470	--
Accretion of redemption value of redeemable preferred stock	--	--	--	--	--	(533,032)
Net Loss	--	--	--	--	--	(17,636)
BALANCE, June 30, 1996	1,516,500	$15,165	523,000	$5,230	$2,514,865	$(545,610)

</TABLE>

SEE ACCOMPANYING NOTES TO FINANCIAL STATEMENTS.

ECKLER INDUSTRIES, INC.
STATEMENTS OF CASH FLOWS
(Unaudited)

Nine months ended June 30,	1996	1995
Cash flows from operating activities:		
Net income (loss)	$ (17,636)	$ 139,673
Adjustments to reconcile net income (loss) to net cash provided by (used for) operating activities:		
Depreciation and amortization	229,937	253,651
Loss on sale of assets	160	-
Issuance of common stock for consulting fees	27,125	-
Deferred income taxes	(6,500)	-
Cash provided by (used for):		
Accounts receivable	(134,583)	(133,049)
Inventories	(675,633)	25,681
Prepaid expenses	(474,537)	(167,756)

Accounts payable	(198,662)	686,576
Royalties payable	(175,000)	-
Accrued expenses	(89,785)	88,388
Net cash provided by (used for) operating activities	(1,515,114)	893,164
Cash flows from investing activities:		
Notes and advances to affiliates	561,850	(97,732)
Purchases of property, plant and equipment	(70,000)	(16,530)
Proceeds from disposal of property and equipment	4,850	-
(Increase) decrease in other assets	(531)	5,191
Net cash provided by (used for) investing activities	496,169	(109,071)
Cash flows from financing activities:		
Principal payments of long-term debt	(1,025,044)	(261,474)
Payments on capital lease obligations	(26,272)	(34,736)
Proceeds from sale of common stock	3,219,075	-
Proceeds from issuance of investor notes payable	-	195,000
Redemption of preferred stock	(950,000)	-
Deferred public offering costs	-	(412,883)
Dividends	(18,106)	(270,000)
Deferred financing costs	(20,067)	-
Net cash provided by (used for) financing activities	1,179,586	(784,093)
Net increase in cash and cash equivalents	160,641	-
Cash and cash equivalents, beginning of period	-	-
Cash and cash equivalents, end of period	160,641	-

SEE ACCOMPANYING NOTES TO FINANCIAL STATEMENTS.

ECKLER INDUSTRIES, INC.
NOTES TO FINANCIAL STATEMENTS

NOTE 1 - BASIS OF PRESENTATION

The unaudited financial statements presented herein have been prepared in accordance with the instructions to Form 10-QSB, and do not include all of the information and disclosures required by generally accepted accounting principles. These statements should be read in conjunction with the financial statements and notes thereto for the year ended September 30, 1995. The accompanying financial statements have not been audited by an independent accountant in accordance with generally accepted auditing standards, but in the opinion of management, such financial statements include all adjustments, consisting only of normal recurring adjustments and accruals, to fairly report the Company's financial position and results of operations. The results of operations for the interim periods shown in this report are not necessarily indicative of results to be expected for the fiscal year.

NOTE 2 - CAPITAL STOCK

On November 15, 1995, the Company completed its initial public offering of 1,200,000 units consisting of its Class A common stock and warrants at $5.00 per unit. Each unit consisted of one share of Class A common stock and one warrant to purchase one share of Class A common stock at a price equal to $6.50 per share. The Company sold 840,000 Class A Common shares and 1,200,000 warrants and received $2,755,994 in proceeds net of offering costs. Three hundred sixty thousand (360,000) shares of the Class A common stock included in the units were sold by a stockholder, and the Company received some of the proceeds from the sale of such shares through repayment of amounts owed by the stockholder to the Company. The Company used these proceeds to reduce accounts payable and debt, redeem preferred stock, and for working capital and general corporate purposes.

NOTE 3 - EARNINGS (LOSS) PER SHARE

Earnings (loss) per share is based upon the weighted average number of common shares outstanding during each period. Shares of Class B common stock become convertible into shares of Class A common stock on a 1-for-2 basis and are included in weighted average shares outstanding. Common stock equivalents have not been included since the effect would either be antidilutive or insignificant.

Pursuant to the requirements of the SEC Staff Accounting Bulletin No. 83, common shares issued by the Company during the twelve months immediately preceding the initial public offering (242,500 shares) at a price below the initial public offering price plus the number of common shares subject to the grant of common stock options and warrants and convertible preferred stock issued during such period (375,000 shares) having exercise or conversion prices below the initial

public offering price have been included in the calculation of the shares used in computing net loss per share as if they were outstanding for all periods presented, prior to the November 15, 1995 closing of the Company's initial public offering.

NOTE 4 - PRO FORMA AMOUNTS

Pro forma adjustments are presented for the three months ended and nine months ended June 30, 1995 to reflect a provision for income taxes based upon historical income before benefit from income taxes as if the Company had been a C Corporation.

NOTE 5 - SUPPLEMENTAL CASH FLOW INFORMATION

Cash and cash equivalents include checking accounts and money market funds. For purposes of the statements of cash flows, the Company considers all highly liquid debt instruments purchased with a maturity of three months or less to be cash equivalents.

The Company accreted $533,032 of redemption value of redeemable preferred stock during the nine months ended June 30, 1996. In addition, investor notes of $205,000 were converted into 102,500 shares of Class A common stock and 102,500 warrants and $50,000 of preferred stock was converted into 12,000 shares of Class A common stock valued at $60,000 during the nine months ended June 30, 1996. Also, the Company issued 62,000 shares of Class A common stock valued at $217,000 for consulting services during the nine months ended June 30, 1996. In addition, a shareholder contributed 47,000 shares of Class B common stock to the Company which had a market value of $405,375. The Company retired the shares immediately upon receipt. The Company acquired land through assumption of a mortgage payable in the amount of $163,873 during the nine months ended June 30, 1995. Also, the Company reclassified trade payables, incurred for professional services, in the amount of $72,050 to notes payable during the nine months ended June 30, 1995.

NOTE 6 - CHANGE IN ACCOUNTING METHOD FOR INVENTORIES

During the third quarter of 1996, the Company changed its method of accounting for inventories from the last-in, first-out (LIFO) method to the first-in, first-out (FIFO) method. Under the current economic environment of low inflation, the Company believes that the FIFO method will result in a better measurement of operating results. This change has been applied by retroactively restating the accompanying financial statements. The change did not have a significant effect on results of operations for the nine months ended June 30, 1996, nor is it anticipated that it will have a material effect on future periods.

NO DEALER, SALESMAN OR ANY OTHER PERSON HAS BEEN AUTHORIZED TO GIVE ANY INFORMATION OR TO MAKE ANY REPRESENTATIONS NOT CONTAINED IN THIS PROSPECTUS AND, IF GIVEN OR MADE, SUCH INFORMATION OR REPRESENTATION MUST BE RELIED UPON AS HAVING BEEN AUTHORIZED BY THE COMPANY, THE SELLING SHAREHOLDER, OR ANY UNDERWRITER OR BROKER/DEALER. NEITHER THE DELIVERY OF THIS PROSPECTUS NOR ANY SALE MADE HEREUNDER SHALL, UNDER ANY CIRCUMSTANCES, CREATE ANY IMPLICATION THAT THE INFORMATION CONTAINED HEREIN IS CORRECT AS OF ANY DATE SUBSEQUENT TO THE DATE HEREOF OR THAT THERE HAS BEEN NO CHANGE IN THE AFFAIRS OF THE COMPANY SINCE THE DATE HEREOF. THIS PROSPECTUS DOES NOT CONSTITUTE AN OFFER TO SELL OR A SOLICITATION OF AN OFFER TO BUY BY ANY PERSON IN ANY JURISDICTION IN WHICH SUCH OFFER OR SOLICITATION IS NOT AUTHORIZED OR IN WHICH THE PERSON MAKING SUCH OFFER OR SOLICITATION IS NOT QUALIFIED TO DO SO OR TO ANYONE TO WHOM IT IS UNLAWFUL TO MAKE SUCH OFFER OR SOLICITATION IN SUCH JURISDICTION.

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PROSPECTUS

_____

ECKLER INDUSTRIES, INC.

1,200,000 SHARES OF CLASS A COMMON STOCK
INCLUDED IN 1,200,000 REDEEMABLE CLASS A
COMMON STOCK PURCHASE WARRANTS

_____

84,000 SHARES OF CLASS A COMMON STOCK,
INCLUDED IN 84,000 CLASS A COMMON STOCK
PURCHASE WARRANTS

_____

84,000 SHARES OF CLASS A COMMON STOCK,
INCLUDED IN UNIT PURCHASE OPTION

_____

457,000 SHARES OF CLASS A COMMON STOCK FOR
SELLING STOCKHOLDERS

_____

November ___, 1996

PART II

INFORMATION NOT REQUIRED IN PROSPECTUS

INDEMNIFICATION OF DIRECTORS AND OFFICERS.

Section 607.0850(1) of the Florida Business Corporation Act, ("FBCA") permits a Florida corporation to indemnify any person who was or is a party to any third party proceeding by reason of the fact that he is or was a director, officer, employee or agent of the corporation or is or was serving at the request of the corporation as a director, officer, employee or agent of another corporation, partnership, joint venture, trust, or other enterprise, against liability incurred in connection with such proceeding, including any appeal thereof, if he acted in good faith and in a manner he reasonably believed to be in, or not opposed to, the best interests of the corporation and, with respect to any criminal action or proceeding, had no reasonable cause to believe his conduct was unlawful.

Section 607.0850(2) of the FBCA permits a Florida corporation to indemnify any person, who was or is a party to a derivative action if such person acted in any of the capacities set forth in the preceding paragraph, against expenses and amounts paid in settlement not exceeding, in the judgment of the board of directors, the estimated expense of litigating the proceeding to conclusion, actually and reasonably incurred in connection with the defense or settlement of such proceeding, including any appeal thereof. Such indemnification shall be authorized if such person acted in good faith and in a manner he reasonably believed to be in, or not opposed to, the best interests of the corporation, except that no indemnification shall be made under this subsection in respect of any claim, issue, or matter as to which such person shall have been adjudged to be liable unless, and only to the extent that, the court in which such proceeding was brought, or any other court of competent jurisdiction, shall determine upon application that, despite the adjudication of liability, but in view of all circumstances of the case, such person is fairly and reasonably entitled to indemnification for such expenses which such court deems proper.

Section 607.0850(4) of the FBCA provides that any indemnification made under the above provisions, unless pursuant to a court determination, may be made only after a determination that the person to be indemnified has met the standard of conduct described above. This determination is to be made by a majority vote of a quorum consisting of the disinterested directors of the board of directors, by independent legal counsel, or by a majority vote of the disinterested shareholders. The board of directors also may designate a special committee of disinterested directors to make this determination.
Section 607.0850(3), however, provides that to the extent that any officer, director, employee or agent of a corporation has been successful on the merits or otherwise in defense of any proceeding referred to in subsection 607.0850(1) or subsection 607.0850(2), or in defense of any claim, issue, or matter therein, the Corporation must indemnify him against expenses actually and reasonably incurred by him in connection therewith.

Section 607.0850(7) provides further that the indemnification and advancement of expenses provided in Section 607.0850 are not exclusive, and a corporation may make any other or further indemnification of advancement of expenses of any of its directors, officers, employees or agents under any bylaw, agreement, vote of shareholders or disinterested directors, or otherwise, both as to action in his official capacity and as to action in another capacity while holding such office. However, a corporation cannot indemnify or advance expenses to or on behalf of such person if a judgment or other final adjudication establishes that his actions, or omissions to act, were material to the cause of action so adjudicated and the director, officer, employee or agent (a) violated criminal law, unless he had reasonable cause to believe his conduct was not unlawful, (b) derived an improper personal benefit from a transaction, (c) was or is a director in a circumstance where liability under Section 607.0834 (relating to unlawful distribution) applies, or (d) engages in willful misconduct or conscious disregard for the best interests of the

corporation in a proceeding by or in right of the corporation to procure a judgment in its favor or in a proceeding by or in right of a shareholder.

The Company's Amended and Restated Bylaws ("Bylaws") provide for indemnification of directors, officers and others. The general effect of the Bylaws provision is to indemnify any officer, director, employee or agent against any liability arising from any action or suit to the fullest extent permitted by the FBCA. Advances against expenses may be made under the Bylaws, and indemnity coverage provided thereunder includes liabilities under federal

securities laws as well as in other contexts. Specifically, Article V provides that any person, his heirs, or personal representative, made, or threatened to be made, a party to any threatened, pending, or completed action or proceeding, whether civil, criminal, administrative, or investigative, because he is or was a director, officer, employee or agent of this Corporation or serves or served any other corporation or other enterprise in any capacity at the request of this Corporation, shall be indemnified by the Corporation, and the Corporation shall advance his related expenses to the full extent permitted by Florida law. In discharging his duty, any director, officer, employee or agent, when acting in good faith, may rely upon information, opinions, reports, or statements, including financial statements and other financial data, in each case prepared or presented by (1) one or more officers or employees of the Corporation whom the director, officer, employee or agent reasonably believes to be reliable and competent in the matters presented, (2) counsel, public accountants, or other persons as to matters that the director, officer, employee or agent believes to be within that person's professional or expert competence, or (3) in the case of a director, a committee of the board of directors upon which he does not serve, duly designated according to law, as to matters within its designated authority, if the director reasonably believes that the committee is competent. The foregoing right of indemnification or reimbursement shall not be exclusive of other rights to which the person, his heirs, or personal representatives may be entitled. The Corporation may, upon the affirmative vote of a majority of its full board of directors, purchase insurance for the purpose of indemnifying these persons. The insurance may be for the benefit of all directors, officers, or employees.

OTHER EXPENSES OF ISSUANCE AND DISTRIBUTION.

Registration fee.	$ -0-	*
Accounting fees and expenses.	2,500	**
Legal fees and expenses	10,000	**
Blue sky fees and expenses.	3,000	**
Printing expenses	5,000	
Miscellaneous	3,000	**
Total	$23,500	**

_____

* Paid on September 1, 1995.

** Estimated expenses.

RECENT SALES OF UNREGISTERED SECURITIES.

Within the past three years, the Company has sold the following securities without registration under the Securities Act of 1933, as amended, (the "Securities Act"), pursuant to exemption from registration afforded by Section 4(2) or the rules and regulations promulgated thereunder.

1. In October 1996, the Company issued a stock option to each of its four directors for 10,000 shares of Class A Common Stock (aggregating 40,000 shares), exercisable for five years commencing April 1997 and expiring October 2001, at an exercise price of $3.00 per share ($3.30 per share for Ralph M. Ecklar, a member of the Board and over 10% beneficial owner).

2. In July 1996, the Company issued stock options as follows: (i) incentive stock options to certain officers of the Company under its Combined Qualified and Non-Qualified Stock Option Plan for an aggregate of 25,000 shares of Class A Common Stock, which options expire in July 1001 and are first

exercisable in January 1997 at exercise prices ranging from $3.00 to $3.30 per share; (ii) non-qualified stock options for a total of 20,000 shares of its Class A Common Stock to two independent directors of the Company, which options expire in July 2001 and are first exercisable in January 1997 at an exercise price of $3.00 per share; (iii) a non-qualified stock option to Ralph H. Eckler for 200,000 shares of Class A Common Stock, which option expires in July 2001 and is first exercisable in January 1997 at $2.88 per share; and (iv) a non-qualified stock option to Argent Securities, Inc. for 200,000 shares of Class A Common Stock, which option expires in July 2001 and which became exercisable in August, 1996.

3. Effective March 31, 1996, the Company issued to Randolph Fields, Esq. for consulting services, a nonredeemable stock purchase warrant for 20,000 shares of Class A Common Stock, exercisable at $4.20 per share for a term of five years commencing March 31, 1996 and expiring March 31, 2001.

4. Effective November 15, 1995, the Company issued a Unit Purchase Option to Argent Securities, Inc., the Company's underwriter of its initiFal public offering. The Unit Purchase Option entitles Argent to acquire 84,000 units, each unit consisting of one share of Class A Common Stock and one nonredeemable Class A Common Stock purchase warrant. The Unit Purchase Option is exercisable for a period of four years commencing November 15, 1996 at $6.00 per unit, and the underlying warrants are exercisable for four years commencing November 15, 1996 at $6.50 per share.

5. Effective November 15, 1995, the Company issued 102,500 shares of Class A Common Stock and warrants for 102,500 shares of Class A Common Stock to seven individuals in cancellation of $205,000 of promissory notes, five of whom are executive officers of the Company. Each warrant is exercisable for four years commencing November 9, 1996 for one share of Class A Common Stock at $6.00 per share.

6. In August 1995, the Company granted stock options pursuant to its stock option plans to certain of its executive officers in consideration of their service to the Company. The options are for an aggregate of 135,000 shares of the Company's Class A Common Stock at a per share exercise price of $2.50. The term of the options are for 5 years, however, they may not be exercised for 2 years from the date of grant.

7. In September 1995, the Company completed a private placement of 40 units, each unit consisting of 3,500 shares of Class A Common Stock and 2,500 shares of Preferred Stock ("Private Placement"). The Preferred Stock was redeemed by the Company on November 15, 1995. The price for each unit was $25,000 for gross offering proceeds of $1,000,000 from which the Company netted after underwriting commissions and costs, approximately $575,170. The securities were offered in reliance on an exemption under Rule 506 of Regulation D. However, the SEC informed the Company that such shares may have been sold in violation of Section 5 of the Securities Act. Therefore, the Company included the units in its registered initial public offering pursuant to a rescission offer to the investors in the private placement. None of the investors elected to rescind.

8. In August 1994. the Company granted to Greyhouse Service Corporation an option to purchase 100,000 shares of the Company's Class A Common Stock at a per share exercise price of $2.50. The option is exercisable for a term of 5 years and was granted to Greyhouse as partial compensation for its consulting services rendered the Company.

EXHIBITS

The following exhibits are filed as part of this registration statement:

<TABLE>
<CAPTION>

EXHIBIT LIST	EXHIBIT DESCRIPTION	PAGE NUMBER OR INCORPORATED BY REFERENCE TO:
<S>	<C>	<C>
3.1	Amended and Restated Articles of Incorporation of the Company	Exhibit 3.1 to Form SB-2 Registration Statement, filed on September 1, 1995, File No. 33-96520-A
3.2	Amended and Restated By-Laws of the Company	Exhibit 3.2 to Form SB-2 Registration Statement, filed on September 1, 1995, File No. 33-96520-A
3.2.1	Amendment No. 1 to Amended and Restated Bylaws	Exhibit 3.2.1 to Amendment No. 2 to Form SB-2 Registration Statement, filed on November 6, 1995, File No. 33-96520-A
4.1	Specimen of Class A Common Stock Certificate	Exhibit 4.2.1 to Amendment No. 2 to Form SB-2 Registration Statement, filed on November 6, 1995, File No. 33-96520-A

4.2	Specimen of Class B Common Stock Certificate	Exhibit 4.2.2 to Amendment No. 1 to Form SB-2 Registration Statement, filed on October 13, 1995, File No. 33-96520-A
4.3	Specimen of Warrant Certificate	Exhibit 4.4 to Amendment No. 2 to Form SB-2 Registration Statement, filed on November 6, 1995, File No. 33-96520-A
4.4	Form of Warrant Agreement between the Company and American Stock Transfer & Trust Company, as Warrant Agent, dated November 9, 1995	Exhibit 4.5 to Amendment No. 2 to Form SB-2 Registration Statement, filed on November 6, 1995, File No. 33-96520-A
4.5	Form of Nonredeemable Stock Purchase Warrant	Exhibit 4.6 to Amendment No. 2 of Form SB-2 Registration Statement, filed on November 6, 1995, File No. 33-96520-A
4.6	Stock Purchase Warrant in favor of Ralph H. Eckler dated November 15, 1995	Exhibit 10.20 to Annual Report on Form 10KSB, filed on January 16, 1997, File No. 1-14082
4.7	Stock Purchase Warrant in favor of Ronald V. Mohr dated November 15, 1995	Exhibit 10.21 to Annual Report on Form 10KSB, filed on January 16, 1997, File No. 1-14082
4.8	Stock Purchase Warrant in favor of G. Edward Mills dated November 15, 1995	Exhibit 10.22 to Annual Report on Form 10KSB, filed on January 16, 1997, File No. 1-14082
4.9	Stock Purchase Warrant in favor of Robert M. Eckler dated November 15, 1995	Exhibit 10.23 to Annual Report on Form 10KSB, filed on January 16, 1997, File No. 1-14082
4.10	Stock Purchase Warrant in favor of Michael G. Wilson dated November 15, 1995	Exhibit 10.24 to Annual Report on Form 10KSB, filed on January 16, 1997, File No. 1-14082.

5.	Opinion of Greenberg Traurig	Filed herewith
10.1	Trademark License Agreement dated effective October 14, 1992 between the Company and Chevrolet Motor Division, General Motors Corporation	Exhibit 10.17 to Amendment No. 1 to Form SB-2 Registration Statement, filed on October 13, 1995, File No. 33-96520-A
10.2	Trademark License Agreement dated effective October 3, 1992 between the Company and General Motors Corporation	Exhibit 10.2 to Amendment No. 1 to Form SB-2 Registration Statement, filed on October 13, 1995, File No. 33-96520-A
10.3.1	Reproduction and Service Parts Tooling License Agreement dated December 22, 1993 between the Company and Service Parts Operation, General Motors Corporation ("GM License Agreement")*	Exhibit 10.3.1 to Amendment No. 1 of Form SB-2 Registration Statement, filed on October 13, 1995, File No. 33-96520-A
10.3.2	First Amendment to GM License Agreement, dated July 29, 1994	Exhibit 10.3.2 to Amendment No. 1 of Form SB-2 Registration Statement, filed on October 13, 1995, File No. 33-96520-A
10.3.3	Second Amendment to GM License Agreement, dated January 31, 1995*	Exhibit 10.3.3 to Amendment No. 1 of Form SB-2 Registration Statement, filed on October 13, 1995, File No. 33-96520-A
10.3.4	Third Amendment to GM License Agreement, dated February 14, 1995	Exhibit 10.3.4 to Amendment No. 1 of Form SB-2 Registration Statement, filed on October 13, 1995, File No. 33-96520-A
10.3.5	Fourth Amendment to GM License Agreement, dated	Exhibit 10.3.5 to Amendment No. 1 of Form SB-2 Registration Statement, filed on

	May 1, 1995	October 13, 1995, File No. 33-96520-A
10.3.6	Fifth Amendment to GM License Agreement, dated June 15, 1995	Exhibit 10.3.6 to Amendment No. 1 of Form SB-2 Registration Statement, filed on October 13, 1995, File No. 33-96520-A
10.3.7	Sixth Amendment to GM License Agreement, dated July 31, 1995	Exhibit 10.3.7 to Amendment No. 1 of Form SB-2 Registration Statement, filed on October 13, 1995, File No. 33-96520-A
10.3.8	Seventh Amendment to GM License Agreement, dated September 12, 1995	Exhibit 10.3.8 to Amendment No. 1 of Form SB-2 Registration Statement, filed on October 13, 1995, File No. 33-96520-A
10.4.1	Eckler Industries, Inc. Retirement and Savings Plan and Trust Agreement, as Amended and Restated on September 14, 1992	Exhibit 10.4.1 to Form SB-2 Registration Statement, filed on September 1, 1995, File No. 33-96520-A

10.4.2	Amendment No. 1 to Eckler Industries, Inc. Retirement and Savings Plan Trust Agreement dated March 28, 1994	Exhibit 10.4.2 to Form SB-2 Registration Statement, filed on September 1, 1995, File No. 33-96520-A
10.5	Lease Agreement dated September 1, 1991 between the Company, as Owner, and Eckler Service Center, Inc., as Tenant	Exhibit 10.5 to Form SB-2 Registration Statement, filed on September 1, 1995, File No. 33-96520-A
10.6	Eckler Industries, Inc. Non-Qualified Stock Option Plan	Exhibit 10.6 to Form SB-2 Registration Statement, filed on September 1, 1995, File No. 33-96520-A
10.7	Eckler Industries, Inc. 1995 Combined Qualified and Non-Qualified Employee Stock Option Plan	Exhibit 10.7 to Form SB-2 Registration Statement, filed on September 1, 1995, File No. 33-96520-A
10.8	Amended and Restated Employment Agreement dated effective May 23, 1995 between the Company and Ralph H. Eckler	Exhibit 10.8 to Form SB-2 Registration Statement, filed on September 1, 1995, File No. 33-96520-A
10.9	Consulting Services Agreement dated effective August 29, 1994 between the Company and Greyhouse Services Corporation	Exhibit 10.9 to Amendment No. 1 of Form SB-2 Registration Statement, filed on October 13, 1995, File No. 33-96520-A
10.10.1	Stock Option Agreement dated effective August 29, 1994 between the Company and Greyhouse Services Corporation	Exhibit 10.10.1 to Amendment No. 1 of Form SB-2 Registration Statement, filed on October 13, 1995, File No. 33-96520-A
10.10.2	Amendment No. 1 to Stock Option Agreement dated October 10, 1995 between the Company and Greyhouse Services Corporation	Exhibit 10.10.2 to Amendment No. 1 of Form SB-2 Registration Statement, filed on October 13, 1995, File No. 33-96520-A
10.10.3	Shareholder's Voting Agreement between the Company, Ralph H. Eckler and Greyhouse Services Corporation dated October 10, 1995	Exhibit 10.10.3 to Amendment No. 1 of Form SB-2 Registration Statement, filed on October 13, 1995, File No. 33-96520-A
10.11	Amended and Restated Lock-Up Letter Agreement by	Exhibit 10.14 to Amendment No. 2 to Form SB-2 Registration Statement, filed on

	Ralph H. Eckler to Argent Securities, Inc., dated October 12, 1995	November 6, 1995, File No. 33-96520-A
10.12	Registration Rights Agreement by and among the Company and each of the Purchasers referred to in Schedule I thereto, dated September 20, 1995	Exhibit 10.15 to Amendment No. 1 to Form SB-2 Registration Statement, filed on October 13, 1995, File No. 33-96520-A
10.13.1	Consulting Agreement with Argent Securities, Inc. dated March 31, 1995, together with assignment thereof to the Company dated effective as of July 28, 1995	Exhibit 10.16 to Form SB-2 Registration Statement, filed on September 1, 1995, File No. 33-96520-A

10.13.2	Amendment to Consulting Agreement dated October 10, 1995 by and between Argent Securities, Inc. and the Company	Exhibit 10.16.1 to Amendment No. 1 to Form SB-2 Registration Statement, filed on October 13, 1995, File No. 33-96520-A
10.13.3	Second Amendment to Consulting Agreement dated November 6, 1995 by and between Argent Securities, Inc. and the Company	Exhibit 10.16.2 Amendment No. 2 to Form SB-2 Registration Statement, filed on November 6, 1995, File No. 33-96520-A
10.14	Unit Purchase Option Agreement between the Company and Argent Securities, Inc. and Certificate dated November 15, 1995	Exhibit 1.2 to Amendment No. 2 to Form SB-2 Registration Statement, filed on November 6, 1995, File No. 33-96520-A
10.15	Marketing Services Agreement between the Company and Richard F. Flanigan dated January 8, 1995	Exhibit 10.1 to Form S-8 Registration Statement, filed on January 18, 1996, File No. 333-382.
10.16	Lease Agreement between the Company and Titusville Chevrolet-GEO, Inc., dated March 4, 1996	Exhibit 10.21 to Post Effective Amendment No. 1 to Form SB-2 Registration Statement, filed on April 10, 1996, File No. 33-96520-A
10.17	Lease Agreement between the Company and Titusville Chevrolet-GEO, Inc. , dated March 4, 1996	Exhibit 10.22 to Post-Effective Amendment No. 1 to Form SB-2 Registration Statement, filed on April 10, 1996, File No. 33-96520-A
10.18	Financial Public Relations Consulting Agreement and related Stock Option Agreement between the Company and Gerald A. Larder dated July 25, 1996	Exhibit 10.1 and 10.1.1 to Form S-8 Registration Statement filed on August 28, 1996, File No. 333-10921
10.19	Loan Agreement between the Company and Barnett Bank N.A. dated September 30, 1996	Filed herewith
10.20	Mortgage and Security Agreement between the Company and Barnett Bank N.A. dated September 30, 1996	Filed herewith
10.21	Promissory Note in the amount of $2,400,000 from the Company in favor of Barnett Bank N.A. dated September 30, 1996	Filed herewith
10.22	Line of Credit Loan	Filed herewith

	Agreement between the Company and Barnett Bank N.A. dated September 30, 1996	

10.23	Security Agreement between the Company and Barnett Bank N.A. dated September 30, 1996	Filed herewith
10.24	Promissory Note in the amount of $1,000,000 in favor of Barnett Bank N.A.	Filed herewith
10.25	Termination of consulting agreement, dated October 28, 1996	Filed herewith
16.	Letter on change in certifying accountant	Exhibit 16 to Amendment No. 1 to Form SB-2 Registration Statement, filed on October 13, 1995, File No. 33-96520-A
23.1	Consent of BDO Seidman, LLP	Filed herewith
23.2	Consent of Greenberg Traurig (included in Exhibit 5)	

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* The Company applied for and was granted by the SEC confidential treatment of portions of Exhibits 10.3.1 and 10.3.3. Accordingly, portions thereof were omitted and filed separately.

UNDERTAKINGS.

The small business issuer will:

(1) file, during any period in which it offers or sells securities, a post-effective amendment to this registration statement to:

(a) include any prospectus required by Section 10(a)(3) of the Securities Act of 1933, as amended (the "Act");

(b) reflect in the prospectus any facts or events which, individually or together, represent a fundamental change in the information in the registration statement. Notwithstanding the foregoing, any increase or decrease in volume of securities offered, (if the total dollar value of securities offered would not exceed that which was registered) and any deviation from the low or high end of the estimated maximum offering range may be reflected in the form of prospectus filed with the Commission pursuant to Rule 424(b) if, in the aggregate, the changes in volume and price represent no more than a 20% change in the maximum aggregate offering price set forth in the "Calculation of Registration Fee" table in the effective registration statement; and

(c) include any additional or changed material information on the plan of distribution.

(2) For determining liability under the Act, treat each post-effective amendment as a new registration statement of the securities offered, and the offering of the securities at that time to be the initial BONA FIDE offering.

(3) File a post-effective amendment to remove from registration any of the securities that remain unsold at the end of the offering.

(4) Insofar as indemnification for liabilities arising under the Securities Act of 1933 (the "Act") may be permitted to directors, officers and controlling persons of the small business issuer pursuant to the foregoing provisions, or otherwise, the small business issuer has been advised that in the opinion of the Securities and Exchange Commission such indemnification is

against public policy as expressed in the Act and is, therefore, unenforceable. In the event that a claim for indemnification against such liabilities (other than the payment by the small business issuer of expenses incurred or paid by a director, officer or controlling person of the small business issuer in the successful defense of any action, suit or proceeding) is asserted by such director, officer or controlling person in connection with the securities being registered, the small business issuer will, unless in the opinion of its counsel the matter has been settled by controlling precedent, submit to a court of appropriate jurisdiction the question whether such indemnification by it is against public policy as expressed in the Act and will be governed by the final adjudication of such issue.

SIGNATURES

Pursuant to the requirements of the Securities Act of 1933, the Registrant has duly caused this Post-Effective Amendment No. 2 to the Registration Statement on Form SB-2 to be signed on its behalf by the undersigned, thereunto duly authorized, in the City of Titusville, State of Florida, on November 14, 1996.

ECKLER INDUSTRIES, INC.

By: /s/ Ralph H. Eckler

Ralph H. Eckler
PRESIDENT AND CHIEF EXECUTIVE OFFICER

Pursuant to the requirements of the Securities Act of 1933 as amended, this Post-Effective Amendment No. 2 to the Registration Statement on Form SB-2 (the "Registration Statement") has been signed by the following persons in the capacities and on the dates indicated. Each person whose signature appears below on this Registration Statement hereby constitutes and appoints Ralph H. Eckler and Ronald V. Mohr, and each of them, his true and lawful attorneys-in-fact and agents, with full power of substitution and resubstitution for him or her and in his or her name, place and stead, in any and all capacities) (until revoked in writing) to sign any and all amendments (including additional post-effective amendments and amendments thereto) to this Registration Statement of Eckler Industries, Inc. and to file the same with all exhibits thereto, and other documents in connection therewith, with the Securities and Exchange Commission, granting unto said attorneys-in-fact and agents, and each of them, full power and authority to do and perform each and every act and thing requisite or necessary to be done in and about the premises, as fully to all intents and purposes, as he might or could do in person, hereby ratifying and confirming all that said attorneys-in-fact and agents, or either of them, or their or his substitute or substitutes may lawfully do or cause to be done by virtue hereof.

<TABLE>
<CAPTION>

SIGNATURE	TITLE	DATE
<S>	<C>	<C>
/s/ RALPH H. ECKLER Ralph H. Eckler	Director, President, Chief Executive Officer, Secretary, and Treasurer	November 14, 1996
/s/ RONALD V. MOHR Ronald V. Mohr	Director, Vice President of Finance and Administration; (principal financial officer)	November 14, 1996
/s/ JOSEPH YOSSIFON Joseph Yossifon	Director	November 14, 1996

/s/ DONALD A. WOJNOWSKI, JR. Donald A. Wojnowski, Jr.	Director	November 14, 1996

/s/ ERNEST RESTINA Controller November 14, 1996

Ernest Restina

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INDEX TO EXHIBITS

EXHIBITS

5.	Opinion of Greenberg Traurig
10.19	Loan Agreement between the Company and Barnett Bank N.A. dated September 30, 1996
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23.1	Consent of BDO Seidman, LLP
23.2	Consent of Greenberg Traurig (included in Exhibit 5)

[LETTERHEAD]

November 14, 1996

Eckler Industries, Inc.
5200 South Washington Avenue
Titusville, Florida 32780

Gentlemen:

You have requested our opinion in connection with Post-Effective Amendment No. 2 to the Registration Statement on Form SB-2 (the "Registration Statement") of Eckler Industries, Inc. (the "Company") relating to the following shares of Class A Common Stock (the "Shares"):

(a) 1,200,000 shares of Class A Common Stock issuable upon exercise of 1,200,000 Redeemable Class A Common Stock Purchase Warrants (the "Public Warrants");

(b) 84,000 shares of Class A Common Stock issuable upon exercise of an Underwriters' Unit Purchase Option;

(c) 84,000 shares of Class A Common Stock issuable upon exercise of 84,000 Underwriters' Common Stock Purchase Warrants (the "Underwriters' Warrants");

(d) 102,500 shares of Class A Common Stock issuable upon exercise of non-public Class A Common Stock Purchase Warrants held by certain investors and executive management of the Company (the "Bridge Warrants");

(e) 100,000 shares of Class A Common Stock issuable upon exercise of an option held by Greyhouse Services Corporation (the "Consultant Option");

(f) 254,500 shares of Class A Common Stock held by certain existing shareholders identified in the Registration Statement.

We have made such examination of the corporate records and proceedings of the Company and have taken such further action as we deemed necessary or appropriate to the rendering of our opinion herein.

Based on the foregoing, we are of the opinion that the 254,500 Shares referenced above were legally issued, fully paid and non-assessable. Further, the Shares underlying the Public Warrants, the Underwriters' Unit Purchase Option, the Underwriters' Warrants, the Bridge Warrants and the Consultant Option, when paid for and issued as contemplated by their respective option and warrant agreements, will be legally issued, fully paid and non-assessable. Therefore, the purchasers acquiring Shares upon subsequent resale as

contemplated in the

Registration Statement will receive Shares that, as applicable, have been or will be legally issued, fully paid and non-assessable by the Company.

We hereby consent to the filing of this opinion with the Securities and Exchange Commission as an exhibit to the Registration Statement and to the reference to our firm under the heading "Legal Matters" therein.

/s/ GREENBERG TRAURIG HOFFMAN
LIPOFF ROSEN & QUENTEL, P.A.

EXHIBIT 10.19

LOAN AGREEMENT

This Loan Agreement entered into this 30th day of September, 1996, by and between BARNETT BANK, N.A., a national banking association, whose mailing address is Post Office Box 678267, Orlando, Florida, 32867-8267, hereinafter referred to as "Lender"; ECKLER INDUSTRIES, INC., a Florida corporation, hereinafter referred to as "Borrower"; and RALPH H. ECKLER, individually, hereinafter referred to as "Guarantor", whose mailing address is 5200 South Washington Avenue, Titusville, FL 32780.

W I T N E S S E T H :

WHEREAS, on the 30th day of September, 1996, Borrower executed a certain Promissory Note in the principal sum of $2,400,000.00, which Promissory Note is secured by a Mortgage and Security Agreement in favor of Lender, dated of even date herewith, said Mortgage and Security Agreement encumbering certain real property located in Brevard County, Florida, more particularly described on attached Exhibit "A"; and

WHEREAS, as a condition of the aforementioned mortgage loan Lender required certain conditions and obligations of the Borrower; and

WHEREAS, the Borrower has agreed that the conditions and obligations contained hereinafter should be conditions and obligations for the aforementioned mortgage loan; and

WHEREAS, Lender and Borrower agree that the conditions and obligations contained hereinafter are a part of the Promissory

Note executed by the Borrower in the same manner and effect as if stated therein,

IT THEREFORE IS AGREED AS FOLLOWS:

1. Borrower and Guarantor agree that so long as any indebtedness shall be due Lender from Borrower under this note, Barnett Bank, N. A. shall remain the primary bank of account for all operating account deposits of the Borrower and failure by Borrower to abide by the conditions of this clause shall constitute a default by

Borrower under this note. All business operating accounts and all business merchant services shall be maintained with Barnett Bank, N. A., Central Florida.

2. As requested from Lender from time to time, promptly furnish Lender with such additional information and statements, lists of assets and liabilities, agings of receivables and payables, inventory schedules, budgets, forecasts, tax payments and other reports with respect to Borrower's financial condition and business operations.

3. ADDITIONAL COVENANTS.

(a) Borrower will submit 10-K's annually within ninety (90) days of Borrower's fiscal year end.

(b) Borrower will submit 10-Q's quarterly within

sixty (60) days of period end.

(c) CPA audited fiscal year end statement shall be submitted to Lender within ninety (90) days of Borrower's fiscal year end.

(d) Guarantor will provide to Lender annual personal financial statements in a form and content acceptable to Lender by August 31st of each year.

(e) Guarantor will provide to Lender a copy of Guarantor's personal income tax return, including all schedules, immediately upon filing. In the event an extension is requested of IRS, then a copy of such extension request shall be submitted to Lender immediately upon filing.

(f) If requested by Lender, evidence of paid ad valorem taxes shall be provided to Lender annually by May 1st of each year.

NEGATIVE COVENANT ALLOWANCES:

(a) Borrower will not create, incur or add additional indebtedness, except for trade debt, including capital leases without Lender's written consent.

(b) Borrower will not permit any purchase money security interests without Lender's written consent.

(c) Borrower will not enter into any operating leases as permitted indebtedness without Lender's written consent.

(d) Borrower will not permit loans or investments to officers or shareholders without Lender's written consent.

(e) Borrower will not pledge assets without Lender's prior written consent.

4. FINANCIAL COVENANTS AND RATIOS. Comply with the following covenants and ratios, which ratios are to be tested 3/31 and 9/30 of each year.

Tangible Net Worth. Maintain a minimum Tangible Net Worth of not less than:

Period	Ratio
At All Times	$1,900,000.00

Leverage Ratio. Maintain a ratio of Total Liabilities to Tangible Net Worth of less than:

Period	Ratio
At All Times	2.5:1

Current Ratio. Maintain a ratio of Current Assets to Current Liabilities in excess of:

Period	Ratio
At All Times	1.0:1

Fixed Charge Ratio. Maintain a ratio of Adjusted Net Income to Fixed Charges of not less than:

Period	Ratio
At All Times	1.25:1 as of fiscal year end, de-fined as earnings before interest, deprecations, amortization and taxes less dividends and bonuses

divided by principal and interest.

5. Borrower may not make any distribution of dividends unless bank cash flow requirements are met and only to minimum cash flow level of 1.25:1 as defined above, and restricted to 50% of earnings.

6. Notwithstanding anything to the contrary, or any other loan document in connection with the loan transaction Borrower's right to any advances under the Revolving Line of Credit is subject to a quarterly audit to be conducted by the "ABL" Department and which audit shall determine that Borrower is in compliance with all of the terms and conditions of this Loan Agreement as well as the terms and conditions of all other loan documents.

For purposes of this Agreement and to the extent the following terms are utilized in this Agreement, the term "Tangible Net Worth" shall mean Borrower's total assets excluding all intangible assets determined in accordance with GAAP (i.e., goodwill, trademarks, patents, copyrights, organizational

expenses, and similar intangible items, but including leaseholds and leasehold improvements at book value) or Borrower less total Debt. The term "Debt" shall be determined in accordance with GAAP. The term "Subordinated Debt" shall mean indebtedness and liabilities of Borrower which have been subordinated by written agreement to indebtedness owed by Borrower to Lender in form and substance acceptable to Lender. The term "Working Capital" shall mean Borrower's current assets at lower of cost or current market value less amounts due from any officer, director, shareholder or any entity related by common control or ownership, excluding prepaid expenses, less Borrower's current liabilities. The term "Liquid Assets" shall mean Borrower's cash on hand, marketable securities, bank deposits and Borrower's receivables. The term "Adjusted Net Income" means net income after taxes plus depreciation, amortization, lease expense, and interest expense. The term "Fixed Charges" means interest expense plus lease expense, current maturities of long-term debt and current maturities of capital leases. The term "Cash Flow" shall mean net income after taxes, and exclusive of extraordinary gains and income, plus depreciation and amortization. The term "Senior Debt" shall mean Debt less Subordinated Debt. The term "Capital Funds" shall mean Tangible Net Worth plus Subordinated Debt. Except as provided above, all computations made to determine compliance with the requirements contained in this paragraph shall be made in accordance with GAAP and certified by Borrower as being true and correct.

A default in any of the conditions of this Agreement shall constitute a default in the Mortgage.

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

BORROWER:

ECKLER INDUSTRIES, INC.
a Florida corporation

By: /s/ RALPH H. ECKLER

_____
Witness Signature

_____
Ralph H. Eckler, President

_____
Print Witness Name

Address: 5200 S. Washington Ave.
Titusville, FL 32780

GUARANTOR:

_____
Witness Signature

/s/ RALPH H. ECKLER

_____
Ralph H. Eckler, Individually

_____
Print Witness Name

LENDER:

BARNETT BANK, N.A.

By: /s/

_____
Witness Signature

_____

_____
Print Witness Name

Address: 707 Mendham Boulevard
Suite 123
Orlando, FL 32825-3262

_____
Witness Signature

_____
Print Witness Name

[LETTERHEAD]

EXH. 10.20

BARNETT BANK, N.A.

MORTGAGE AND SECURITY AGREEMENT

THIS MORTGAGE AND SECURITY AGREEMENT (the "Mortgage"), made this 30 day of September, 1996, between ECKLER INDUSTRIES, INC., a Florida corporation, whose mailing address is 5200 S. Washington Ave., Titusville, FL 32780 (the "Borrower"), and BARNETT BANK, N.A., a national banking association, whose mailing address is Post Office Box 678267, Orlando, Florida 32867-8267, Attention: Credit Administration Manager (the "Lender");

W I T N E S S E T H:

WHEREAS, Borrower is indebted to Lender in the principal sum of TWO MILLION FOUR HUNDRED ($2,400,000.00) DOLLARS, together with interest thereon, as evidenced by that certain promissory note of even date herewith, executed by Borrower and delivered to Lender (the "Note"), which by reference is made a part hereof to the same extent as though set out in full herein, together with all modifications, renewals and extensions hereof. The Note, this Mortgage and all other documents executed in connection therewith, now or hereafter, are herein referred to as the "Loan Documents."

NOW, THEREFORE, to secure the performance and observance by Borrower of all covenants and conditions in the Note, together with all renewals, extensions and modifications thereof, and in this Mortgage and in all other Loan Documents, and in order to charge the properties, interests and rights hereinafter described with such payment, performance and observance, and for and in consideration of the sum of ONE ($1.00) DOLLAR, paid by Lender to Borrower this date, and for other valuable considerations, the receipt of which is acknowledged, Borrower does hereby grant, bargain, sell, alien, remise, release, convey, assign, transfer, mortgage, hypothecate, pledge, deliver, set over, warrant and confirm unto Lender, its successors and assigns forever:

THE MORTGAGED PROPERTY

1. THE LAND. All the land located in the County of Brevard, State of Florida (the "Land"), described as follows, to-wit:

SEE EXHIBIT A ATTACHED HERETO.

2. THE IMPROVEMENTS. TOGETHER WITH all buildings, structures and improvements of every nature whatsoever now or hereafter situated on the Land, and all fixtures, machinery, appliances, equipment, furniture, and personal property of every

nature whatsoever now or hereafter owned by Borrower and located in or on, or attached to, or used or intended to be used in connection with or with the operation of, the Land, buildings, structures or other improvements, or in connection with any construction being conducted or which may be conducted thereon, and owned by Borrower, including all extensions, additions, improvements, betterments, renewals, substitutions, and replacements to any of the foregoing and all of the right, title and interest of Borrower in and to any such personal property or fixtures (subJect to any lien, security interest or claim) together with the benefit of any deposits or payments now or hereafter made on such personal property or fixtures by Borrower or on its behalf (the "Improvements").

3. EASEMENTS OR OTHER INTERESTS. TOGETHER WITH all easements, rights of way, gores of land, streets, ways, alleys, passages, sewer rights, waters, water courses, water rights and powers, and all estates, rights, titles, interests, privileges, liberties, tenements, hereditaments and appurtenances whatsoever, in any way belonging, relating or appertaining to any of the property hereinabove described, or which hereafter shall in any way belong, relate or be appurtenant thereto, whether now owned or hereafter acquired by Borrower, and the reversion and reversions, remainder and remainders, rents, issues and profits thereof, and all the estate, right, title, interest, property, possession, claim and demand whatsoever, at law as well as in equity, of Borrower of, in and to the same, including but not limited to all judgments, awards of damages and settlements hereafter made resulting from condemnation proceedings or the taking of the property described in paragraphs (A), (B) and (C) (the "Property") hereof or any part thereof under the power of eminent domain, or for any damage (whether caused by such taking or otherwise) to the Property hereof or any part thereof, or to any rights appurtenant thereto, and all proceeds of any sales or other dispositions of the Property or any part thereof.

4. ASSIGNMENT OF RENTS. TOGETHER WITH all rents, royalties, issues, profits, revenue, income and other benefits from the Property to be applied against the indebtedness and other sums secured hereby, provided, however, that permission is hereby given to Borrower so long as no default has occurred hereunder, to collect, receive, take, use and enjoy such rents, royalties, issues, profits, revenue, income and other benefits as they become due and payable, but not in advance thereof, to enforce all Borrower's rights under any lease now or hereafter affecting the Property. The foregoing assignment shall be fully operative without any further action on the part of either party and specifically Lender shall be entitled, at its option upon the occurrence of a default hereunder, to all rents, royalties, issues, profits, revenue, income and other benefits from the Property whether or not Lender takes possession of the Property. Upon any such default hereunder, the permission hereby given to

Borrower to collect such rents, royalties, issues, profits, revenue,

income and other benefits from the Property shall terminate and such permission shall not be reinstated upon a cure of the default without Lender's specific consent. Neither the exercise of any rights under this paragraph by Lender nor the application of any such rents, royalties, issues, profits, revenue, income or other benefits to the indebtedness and other sums secured hereby, shall cure or waive any default or notice of default hereunder or invalidate any act done pursuant hereto or to any such notice, but shall be cumulative of all other rights and remedies.

5. ASSIGNMENT OF LEASES. TOGETHER WITH all right, title and interest of Borrower in and to any and all leases now or hereafter on or affecting the Property, together with all security therefor and all monies payable thereunder, subject, however, to the conditional permission hereinabove given to Borrower to collect the rentals and enforce its rights under any such lease. The foregoing assignment of any lease shall not be deemed to impose upon Lender any of the obligations or duties of Borrower provided in any such lease, and Borrower agrees to fully perform all obligations of the lessor under all such leases. Upon Lender's request, Borrower agrees to send to Lender a list, or copy, of all leases covered by the foregoing assignment and as any such lease shall expire or terminate or as any new lease shall be made, Borrower shall so notify Lender in order that at all times Lender shall have a current list of all leases affecting the Property. Lender shall have the right, at any time and from time to time, to notify any lessee of the rights of Lender as provided by this paragraph. From time to time, upon request of Lender, Borrower shall specifically assign to Lender as additional security hereunder, by an instrument in writing in such form as may be approved by Lender, all right, title and interest of Borrower in and to any and all leases now or hereafter on or affecting the Mortgaged Property, together with all security therefor and all monies payable thereunder, subject to the conditional permission hereinabove given to Borrower to collect the rentals and enforce its rights under any such lease. Borrower shall also execute and deliver to Lender any notification, financing statement or other document reasonably required by Lender to perfect the foregoing assignment as to any such lease. Upon the reasonable request of the Lender, the Borrower shall provide the Lender with estoppel letters or certificates from the various tenants, if any, occupying the Mortgaged Property, stating in detail the current status of their lease and/or occupancy of the Mortgage Property.

This instrument constitutes an absolute and present assignment of the rents, royalties, issues, profits, revenue, income and other benefits from the Mortgaged Property, subject, however, to the conditional permission given to Borrower to collect, receive, take, use and enjoy the same and enforce its rights as provided hereinabove; provided, further, that the existence or exercise of such right of Borrower shall not operate to subordinate this assignment to any subsequent assignment, in whole or

in part, by Borrower, and any such subsequent assignment by Borrower shall be

subject to the rights of Lender hereunder.

6. FIXTURES AND PERSONAL PROPERTY. TOGETHER WITH a security interest in (i) all property and fixtures affixed to or located on the Property which, to the fullest extent permitted by law shall be deemed fixtures and a part of the Property; (ii) all articles of personal property and all materials delivered to the Property for use in any construction being conducted thereon, and owned by Borrower; (iii) all proceeds, products, replacements, additions, substitutions, renewals and accessions of any of the foregoing; (iv) all contract rights, general intangibles, water and sewer payments, leases and lease payments, eminent domain awards, insurance policies and proceeds, actions and rights in action, as all of the same may relate to the Property; (v) all contracts, agreements, licenses and permits, now or hereafter in existence, used by the Borrower in connection with the operation of any business now, or hereafter, operated on the Land; and (vi) all instruments, documents, chattel papers and general business intangibles relating to or arising from the collateral described in this paragraph (F) and all cash and noncash proceeds and products thereof. The foregoing items (i), (ii) and (iii) (hereinafter the "Tangible Property") include (a) all rights, title and interest of Borrower in and to the minerals, soil, flowers, shrubs, crops, trees, timber and other emblements now or hereafter on the Property or under or above the same or any part or parcel thereof; (b) all machinery, apparatus, equipment, fittings, fixtures, whether actually or constructively attached to the Property and including all trade, domestic and ornamental fixtures and articles of personal property of every kind and nature whatsoever now or hereafter located in, upon or under the Property or any part thereof and used or usable in connection with any present or future operation of the Property and now owned or hereafter acquired by Borrower, including, but without limiting the generality of the foregoing, all heating, air conditioning, freezing, lighting, laundry, incinerating and power equipment; engines; pipes; pumps; tanks; motors; conduits; switchboards; plumbing, lifting, cleaning, fire prevention, fire extinguishing, refrigerating, ventilating and communications apparatus; boilers, ranges, furnaces, oil burners or units thereof; appliances; air cooling and air conditioning apparatus; vacuum cleaning systems; elevators; escalators; shades; awnings; screens; storm doors and windows; stoves; wall beds; refrigerators; attached cabinets; partitions; ducts and compressors; rugs and carpets; draperies; furniture and furnishings; together with all building materials and equipment now or hereafter delivered to the Property and intended to be installed therein, including but not limited to lumber, plaster, cement, shingles, roofing, plumbing, fixtures, pipe, lath, wallboard, cabinets, nails, sinks, toilets, furnaces, heaters, brick, tile, water heaters, screens, window frames, glass doors, flooring, paint, lighting fixtures and unattached refrigerating, cooking, heating and ventilating appliances and equipment; together with all proceeds,

additions and accessions thereto and replacements thereof; (c) all of the water, sanitary and storm sewer systems now or hereafter owned by the Borrower which are now or hereafter located by, over and upon the Property or any part and parcel thereof, and which water system includes all water mains, service laterals, hydrants, valves and appurtenances, and which sewer system includes

all sanitary sewer lines, including mains, laterals, manholes, sewer and water tap units, and appurtenances thereto; and (d) all paving for streets, roads, walkways or entrance ways now or hereafter owned by Borrower and which are now or hereafter located on the Property or any part or parcel thereof. The foregoing items (iv), (v) and (vi) (hereinafter the "Intangible Collateral") include (aa) all sewer permits, connection fees, impact fees, reservation fees, and other deposits or payments made in connection with the reservation, allocation, permitting or providing of wastewater treatment and potable water to the Property and any and all claims or demands relating thereto, now owned or which may hereafter be acquired by Borrower, together with all right, title, interest, equity, estate, demand or claim to the provision of wastewater treatment and potable water to the Property, now existing or which may hereafter be acquired by Borrower; (bb) all of Borrower's interest as lessor in and to all leases or rental arrangements of the Property or any part thereof, heretofore made and entered into, and in and to all leases or rental arrangements hereafter made and entered into by Borrower during the life of the security agreements or any extension or renewal thereof, together with all rents and payments in lieu of rents, together with any and all guarantees of such leases or rental arrangements and including all present and future security deposits and advance rentals; (cc) any and all awards or payments, including interest thereon and the right to receive the same, as a result of (a) the exercise of the right of eminent domain, (b) the alteration of the grade of any street, or (c) any other injury to, taking of or decrease in the value of the Property; (dd) all of the right, title and interest of the Borrower in and to all unearned premiums accrued, accruing or to accrue under any and all insurance policies now or hereafter provided pursuant to the terms of security agreements, and all proceeds or sums payable for the loss of or damage to the Property herein, or rents, revenues, income, profits or proceeds from leases, franchises, concessions or licenses of or on any part of the Property; (ee) all contracts and contract rights of Borrower arising from contracts entered into in connection with development, construction upon or operation of the Property, including but not limited to, all deposits held by or on behalf of the Borrower, and all management, franchise and service agreements, related to the business now or hereafter conducted by the Borrower on the Property; (ff) all of the right, title and interest of the Borrower in and to any trade name, names of businesses, or fictitious names of any kind used in conjunction with the operation of any business or endeavor located on the Property; and (gg) all of Borrower's interest in all utility security deposits or bonds on the Prop-

erty or any part or parcel thereof. Borrower (Debtor) hereby grants to Lender (Creditor) a security interest in all of the foregoing items (i) through (vi).

7. SECURITY AGREEMENT. To the extent any of the property described encumbered by this Mortgage from time to time constitutes personal property subject to the provisions of the Florida Uniform Commercial Code (the "Code"), this Mortgage constitutes a "Security Agreement" for all purposes under the Code. Without limitation, Lender, at its election, upon Borrower's default under this Mortgage continuing beyond any applicable curative period, will have all rights, powers, privileges, and remedies from time to time available to a

secured party under the provisions of the Code with respect to such property. Notwithstanding any provision of this Mortgage to the contrary, Borrower and Lender agree that, unless and until Lender affirmatively elects otherwise, all property in any manner used, useful, or intended to be used for the improvement of, or production of income from, the Land is, and at all times and for all purposes and in all proceedings both legal or equitable shall be, regarded as part of the real estate irrespective of whether (i) any such items are physically attached to the Improvements; (ii) serial numbers are used for the better identification of certain equipment; or (iii) any such item is referred to or reflected in any financing statement filed or recorded at any time. Similarly, the mention in any financing statement of the rights in, or the proceeds of, any fire and/or hazard insurance policy, or any award in eminent domain proceedings for a taking or for loss of value, or Borrower's interest as lessor in any present or future lease or rights to income growing out of the use of the Mortgage Property, whether pursuant to a lease or otherwise, shall not be construed as altering any of Lender's rights as determined by this Mortgage, or otherwise available at law or in equity, or impugning the priority of this Mortgage, or the Loan Documents, or both, but such mention in any financing statement is declared to be for Lender's protection if, as, and when any court holds that notice of Lender's priority of interest, to be effective against a particular class of persons, including the Federal government and any subdivisions or entity of the Federal government, must be perfected in the manner required by the Code. Borrower agrees to execute and deliver on demand such other security agreements, financing statements and other instruments as Lender may request in order to perfect its security interest or to impose the lien hereof more specifically upon any of such property.

Everything referred to in paragraphs (A), (B), (C), (D), (E) (F) and (G) hereof and any additional property hereafter acquired by Borrower to be used in connection with the Property and subject to the lien of this Mortgage or intended to be so is herein referred to as the "Mortgaged Property."

TO HAVE AND TO HOLD the same, together with all and singular the tenements, hereditaments and appurtenances thereunto belong-

ing or in anywise appertaining, and the reversion and reversions, remainder or remainders, rents, issues, and profits thereof, and also all the estate, right, title, interest, homestead, dower and right of dower, separate estate, possession, claim and demand whatsoever, as well in law as in equity, of the said Borrower in and to the same, and every part thereof, with the appurtenances of the said Borrower in and to the same, and every part and parcel thereof unto the said Lender in fee simple.

And the Borrower hereby covenants with the Lender, that the Borrower is indefeasibly seized of the Land in fee simple; that the Borrower has full power and lawful right to convey the same in fee simple as aforesaid; that the Land is and will remain free from all encumbrances except taxes for the current year; that said Borrower will make such further assurances to prove the fee simple title to the Land in said Borrower as may be reasonably required, and that said

Borrower does hereby fully warrant the title to the Land, and every part thereof, and will defend the same against the lawful claims of all persons whomsoever.

PROVIDED ALWAYS, that if the Borrower shall well and truly pay said indebtedness unto the Lender, and any renewals or extensions thereof, and the interest thereon, together with all costs, charges and expenses, including a reasonable attorney's fee, which the Lender may incur or be put to in collecting the same by foreclosure, or otherwise, and shall duly, promptly, and fully perform, discharge, execute, effect, complete, and comply with and abide by each and every stipulation, agreement, condition, and covenant of the Note and of this Mortgage, then this Mortgage and the estate hereby created shall cease and be null and void.

And the Borrower hereby further covenants as follows:

1. PAYMENT. That Borrower will pay all and singular the principal and interest and the various and sundry sums of money payable by virtue of the Note and this Mortgage, each and every, promptly on the days respectively the same severally become due. If any payment hereunder (other than the final payment) is not made within ten (10) days after it is due, the Borrower shall pay to Lender a late charge equal to five percent (5%) of the late payment. It is further agreed that any sums, including without limitation payments of principal and interest on said Note, which shall not be paid when due, subject to any applicable grace and/or cure periods and whether becoming due by lapse of time or by reason of acceleration under the provisions herein stated, shall bear interest at the Penalty Rate as defined in the Note and shall be secured by the lien of this Mortgage.

2. TAXES, ETC. That Borrower will pay, when due and before any penalty attaches, all real estate taxes, tangible personal property taxes, assessments, water rates, and other governmental or municipal charges, fines, or impositions, on the Mortgaged Property for which provision has not been made herein-

before, and in default thereof the Lender may pay the same, and all such sums so paid by the Lender shall be immediately due and payable, and shall be secured by the lien of this Mortgage; and the Borrower will promptly deliver the official receipts therefor to the Lender. On or before March 1st of each year during the term of this Mortgage, the Borrower shall provide the Lender with paid receipts evidencing the payment of all real estate and tangible personal property taxes due with respect to the Mortgaged Property.

3. WASTE; REPAIRS. That Borrower will permit, commit, or suffer no waste, impairment, or deterioration of the Mortgaged Property or any part thereof; and in the event of the failure of the Borrower to keep any buildings on said premises and those to be erected on the Mortgaged Property or improvements thereon, in good repair, the Lender may, after giving the Borrower written notice and ten (10) days to cure any such defects, make such repairs, as in its discretion, it may deem necessary for the proper preservation thereof,

and the full amount of each and every such payment shall be immediately due and payable, and shall be secured by the lien of this Mortgage.

4. USE AND ALTERATION OF MORTGAGED PROPERTY. Unless required by applicable law or unless Lender has otherwise agreed in writing, Borrower shall not allow changes in the nature of the occupancy for which the Mortgaged Property was intended at the time this Mortgage was executed. Borrower shall not initiate or acquiesce in a change in the zoning classification of the Mortgaged Property without Lender's written consent. Borrower shall not make any change in the use of the Mortgaged Property which will create a fire or other hazard not in existence on the date hereof, nor shall Borrower in any way increase any hazard. Without the prior written consent of Lender, no building or improvement may be erected on the Land, nor may Borrower structurally remove or demolish any building or improvement, nor may Borrower materially structurally alter any building or improvement that would change the use of the Mortgaged Property or that would otherwise decrease its value, nor shall any fixture or chattel covered by this Mortgage be removed at any time unless simultaneously replaced by an article of equal kind, quality and value owned by Borrower, and which is unencumbered except by the lien of this Mortgage and other instruments of security securing the Note.

5. SURFACE ALTERATION AND MINERAL RIGHTS. Borrower shall not consent to, permit or indulge in any entry, either by itself or by any others, upon the surface of the Land for the purpose of exploration, drilling, prospecting, mining, excavation or removal of any earth, sand, dirt, rock, minerals, oil or any other substance without the Lender's approval and written consent.

6. COLLECTION EXPENSES. All parties liable for the payment of the Note agree to pay the Lender all costs incurred by

the Lender, whether or not an action be brought, in collecting the sums due under the Note, enforcing the performance and/or protecting its rights under the Loan Documents and in realizing on any of the security for the Note. Such costs and expenses shall include, but are not limited to, reasonable attorneys, fees, filing fees, costs of publication, deposition fees, stenographer fees, witness fees, title search or abstract costs and other court and related costs incurred or paid by Lender in any action, proceeding or dispute in which Lender is made a part or appears as a party plaintiff or party defendant because of the failure of the Borrower promptly and fully to perform and comply with all conditions and covenants of this Mortgage, the Note secured hereby, or any other Loan Document, including but not limited to, the foreclosure of this Mortgage, condemnation of all or part of the Mortgaged Property, or any action to protect the security thereof. Sums advanced by the Lender for the payment of collection costs and expenses shall accrue interest at the Penalty Rate, as defined in the Note, from the time they are advanced or paid by the Lender, and shall be due and payable upon payment by Lender without notice or demand and shall be secured by the lien of the Mortgage.

7. ATTORNEYS' FEES. All parties liable for the payment of the Note agree

to pay the Lender reasonable attorneys, fees incurred by the Lender, whether or not an action be brought, in collecting the sums due under the Note, enforcing the performance and/or protecting its rights under the Loan Documents and in realizing on any of the security for the Note. Such reasonable attorneys, fees shall include, but not be limited to, fees for attorney's, paralegal's, legal assistant's, and expenses incurred in any and all judicial, bankruptcy, reorganization, administrative receivership, or other proceedings effecting creditor's rights and involving a claim under the Note or any Loan Document, which such proceedings may arise before or after entry of a final judgment. Such fees shall be paid regardless whether suit is brought and shall include all fees incurred by Lender at all trial and appellate levels including bankruptcy court. Sums advanced by the Lender for the payment of attorneys, fees shall accrue interest at the Penalty Rate, as defined in the Note, from the time they are advanced by the Lender, and shall be due and payable upon payment by Lender without notice or demand and shall be secured by the lien of the Mortgage.

8. INSURANCE.

(a) TYPES OF COVERAGE; ASSIGNMENT; APPLICATION OF FUNDS. Borrower shall keep the Mortgaged Property insured for the benefit of Lender against loss or damage by fire, lightning, windstorm, hail, explosion, riot, riot attending a strike, civil commotion, aircraft, vehicles and smoke; and such other hazards, including, but not limited to, six (6) months business interruption insurance covering loss of rents, revenues, income, profits or proceeds from leases, franchises, concessions or licenses of

or on any part of the Mortgaged Property, as Lender may from time to time require; all in amounts approved by Lender not less than one hundred percent (100%) of full insurable value; all insurance herein provided for shall be in form and underwritten by companies approved by Lender; and, regardless of the types or amounts of insurance required and approved by Lender, Borrower shall assign and deliver to Lender. All such policies of insurance and renewals thereof which insure against any loss or damage to the Mortgaged Property shall be held by the Lender and shall contain a non-contributory standard Mortgagee's endorsement making losses payable to the Lender as its interest may appear. Borrower shall furnish to Lender evidence of insurable value, upon request, at no cost to Lender. The delivery of the insurance policies shall constitute an assignment, as further security, of all unearned premiums existing from time to time thereon. In event of loss, Borrower will give immediate notice by mail to Lender, and Lender may make proof of loss if not made promptly by Borrower, and each insurance company concerned is hereby authorized and directed to make payment for such loss directly to Lender instead of to Borrower and Lender jointly, and the insurance proceeds, or any part thereof, may be applied by Lender either to the repayment of monies paid or advanced by Lender on behalf of the Borrower, or to the payment of interest due on the Note, or to the payment of principal due under the Note or to the restoration or repair of the Mortgaged Property as the Lender, at its sole option, may elect.

(b) PUBLIC LIABILITY INSURANCE. The Borrower shall at all times

maintain public liability insurance and Workers Compensation policies insuring against all claims for personal or bodily injury, death or property damage occurring upon, in or about the Mortgaged Property in amounts not less than $1,000,000.00 for injury or damage to any one person and $1,000,000.00 for injury or damage from any one accident and $100,000.00 for property damage. Such insurance coverage shall be in form and with companies approved by the Lender. Borrower shall furnish to Lender evidence that such insurance is in effect, upon request, at no cost to Lender. All such policies shall name Lender as an additional insured.

(c) FLOOD INSURANCE. If required, insurance under the Federal Flood Insurance program shall be maintained at all times within the minimum requirements and amounts required under said program for federally financed or assisted loans under the Flood Disaster Protection Act of 1973, as amended.

(d) MINIMUM INSURANCE COVERAGE. In the absence of written direction from Lender, the insurance amount required herein shall not be less than such amount as may be required to prevent Borrower from becoming co-insurer under the terms of any applicable policy, or the amount of the indebtedness secured hereby, whichever is greater.

(e) RENEWAL. Not less than thirty (30) days prior to the expiration date of each policy of insurance required of Borrower pursuant to this paragraph, and of each policy of insurance held as additional collateral to secure the indebtedness secured hereby, Borrower shall deliver to Lender a renewal policy or policies marked "premium paid" or accompanied by other evidence of payment satisfactory to Lender.

(f) NOTICE OF CANCELLATION. All policies of insurance shall provide that no cancellation, reduction in amount or material change in coverage thereof shall be effective until at least thirty (30) days after receipt by Lender and Borrower of written notice thereof.

(g) FORECLOSURE; SUCCESSOR IN INTEREST. In the event of a foreclosure of this Mortgage, or other transfer of title to the Mortgaged Property in extinguishment of the indebtedness secured hereby, the purchaser of the Mortgaged Property shall succeed to all the rights of Borrower, including any right to unearned premiums, in and to all policies of insurance assigned and delivered to Lender, with respect to all property herein encumbered.

(h) FAILURE TO PROVIDE INSURANCE. Borrower agrees to deliver to Lender, within ten (10) days from the date of this Agreement, evidence of the required insurance as provided above, with an effective date of September 30, 1996, or earlier. Borrower acknowledges and agrees that if Borrower fails to provide any required insurance or fails to continue such insurance in force, Lender may do so at Borrower's expense as provided in the security documents. The cost of any such insurance, at the option of Lender, shall be (1) payable on demand; (2) be added to the balance of the Loan and be apportioned among and be payable with any installment payments to become due during either (a) the terms

of any applicable insurance policy or (b) the remaining term of the Loan; or (3) be treated as a balloon payment which will be due and payable at the Loan's maturity. Any amount expended by Lender will bear interest at the rate of charged under the Loan from the date incurred or paid by Lender to the date of full repayment by Borrower.

BORROWER ACKNOWLEDGES THAT IF LENDER SO PURCHASES ANY SUCH INSURANCE, THE INSURANCE WILL PROVIDE LIMITED PROTECTION AGAINST PHYSICAL DAMAGE TO THE REAL ESTATE, UP TO THE BALANCE OF THE LOAN; HOWEVER, BORROWER'S EQUITY IN THE COLLATERAL MAY NOT BE INSURED. IN ADDITION, THE INSURANCE MAY NOT PROVIDE ANY PUBLIC LIABILITY OR PROPERTY DAMAGE INDEMNIFICATION AND MAY NOT MEET THE REQUIREMENTS OF ANY FINANCIAL RESPONSIBILITY LAWS.

9. EVENTS OF DEFAULT. The occurrence of any of the following constitutes an Event of Default by Borrower under this

Mortgage and, at the option of the Lender, under the Loan Documents:

(a) SCHEDULED PAYMENT. Borrower's failure to make any payment required by the Note within ten (10) days of the due date thereof, without further notice or demand.

(b) MONETARY DEFAULT. Borrower's failure to make any other payment required by this Mortgage, or the other Loan Documents, or both, within ten (10) days after written demand therefor.

(c) OTHER. Borrower's continued failure to perform any other obligation imposed upon Borrower by this Mortgage, for a period of ten (10) days after written demand; provided (i) if Borrower reasonably cannot perform within such ten (10) day period, and in Lender's judgment, Lender's security reasonably will not be impaired, Borrower may have such additional time to perform as Borrower reasonably may require, provided and for so long as Borrower proceeds with due diligence to cure said default; and (ii) if Lender's security reasonably will be materially impaired if Borrower does not perform in less than ten (10) days, Borrower will have only such period following written demand in which to perform as Lender reasonably may specify.

(d) REPRESENTATION. Any verbal or written representation, statement or warranty of Borrower, any co-signer, endorser, surety or guarantor of the Note, contained in the Note, this Mortgage or any other Loan Document, or in any certificate delivered pursuant hereto, or in any other instrument or statement made or furnished in connection herewith, proves to be incorrect or misleading in any material respect as of the time when the same shall have been made, including, without limitation, any and all financial statements furnished by Borrower to Lender as an inducement to Lender's making the loan evidenced by the Note or pursuant to any provision of this Mortgage.

(e) DEATH/INCOMPETENCY/INSOLVENCY. The dissolution or insolvency of, the appointment of a receiver by or on the behalf of, the assignment for

the benefit of creditors by or on behalf of, the voluntary or involuntary termination of existence by, or the commencement under any present or future federal or state insolvency, bankruptcy, reorganization, composition or debtor relief law by or against, Borrower.

(f) INSECURITY. A good faith determination by Lender at any time that Lender is insecure, that the prospect of any payment is impaired or that the collateral securing the Note is insecure provided however, Lender shall not be unreasonable, arbitrary or capricious in making this determination.

(g) TRANSFER OF ASSETS. A transfer of a substantial part of Borrower's money or property.

(h) DEFAULT UNDER LEASE. A failure of the Tenant to pay rent due under the Lease within thirty (30) days after its due date or the existence of any other event of default under the Lease which is not cured within thirty (30) days; provided, however, that no such Event of Default will be deemed to have occurred if the Borrower shall have re-leased the Mortgaged Property to another tenant at a rental rate which shall provide a minimum of 1:1 debt service coverage.

(i) DEFAULT UNDER LOAN DOCUMENT. An Event of Default under any Loan Document exists and continues beyond any applicable cure period.

10. REMEDIES. Upon the occurrence of any default continuing beyond any applicable curative period under this Mortgage, as provided in the preceding paragraph, Lender may exercise any one or more of the following rights and remedies, in addition to all other rights and remedies otherwise available at law or in equity:

(a) OTHER DOCUMENTS. To pursue any right or remedy provided by the Loan Documents including the right to sue for collection of all sums due and payable in connection with the indebtedness secured hereby.

(b) ACCELERATION. To declare the entire unpaid amount of the indebtedness secured hereby immediately due and payable.

(c) FORECLOSURE. To foreclose the lien of this Mortgage, and obtain possession of the Mortgaged Property, or either, by any lawful procedure.

(d) CODE RIGHTS. To exercise any right or remedy available to Lender as a secured party under the Code, as it from time to time is in force and effect, with respect to any portion of the Mortgaged Property or the Intangible Collateral then constituting property subject to the provisions of the Code; or Lender, at its option, may elect to treat the Mortgaged Property or the Intangible Collateral, or any combination, as real property, or an interest therein, for remedial purposes.

(e) RECEIVER. To apply, on ex parte motion to any court of competent jurisdiction, for and obtain the appointment of a receiver to take charge of, manage, preserve, protect, complete construction of, and operate the Mortgaged Property, and any business or businesses situated thereon, or any combination; to collect the rents; to make all necessary and needed repairs; to pay all taxes, assessments, insurance premiums, and all other costs incurred in connection with the Mortgaged Property; and, after payment of the expenses of the receivership, including

reasonable attorneys, and legal assistants, fees, and after compensation to the receiver for management and completion of the Mortgaged Property, to apply all net proceeds derived therefrom in reduction of the indebtedness secured hereby or in such other manner as the court shall direct. The appointment of such receiver shall be a matter of strict right to Lender, regardless of the adequacy of the security or of the solvency of any party obligated for payment of the indebtedness secured hereby. All expenses, fees, and compensation incurred pursuant to any such receivership shall be secured by the lien of this Mortgage until paid. The receiver, personally or through agents, may exclude Borrower wholly from the Mortgaged Property and have, hold, use, operate, manage, and control the Mortgaged Property, and may in the name of Borrower exercise all of Borrower's rights and powers to maintain, construct, operate, restore, insure, and keep insured the Mortgaged Property in such manner as such receiver deems appropriate.

(f) OTHER SECURITY. Lender may proceed to realize upon any and all other security for the indebtedness secured hereby in such order as Lender may elect; and no such action, suit, proceeding, judgment, levy, execution, or other process will constitute an election of remedies by Lender, or will in any manner alter, diminish, or impair the lien and security interest created by this Mortgage, unless and until the indebtedness secured hereby is paid in full.

(g) ADVANCES. To advance such monies, and take such other action, as is authorized by Paragraphs 2, 3 and 8 above. All such advances shall bear interest at the Penalty Rate, as defined in the Note, and shall be immediately due and payable by Borrower to Lender without demand therefor, and such advances together with interest and costs accruing thereon shall be secured by this Mortgage.

11. EXERCISE OF REMEDIES. The remedies of Lender as provided in the Loan Documents, shall be cumulative and concurrent and may be pursued singly, successively or together, at the sole discretion of Lender, and may be exercised as often as occasion therefor shall arise. No act, or omission or commission or waiver of Lender, including specifically any failure to exercise any right, remedy or recourse, shall be effective unless set forth in a written document executed by Lender and then only to the extent specifically recited therein. A waiver or release with reference to one event shall not be construed as continuing, as a bar to, or as a waiver or release of, any subsequent right, remedy or recourse as to any subsequent event.

12. EMINENT DOMAIN. If at any time all, or any portion, of the Mortgaged Property shall (i) be taken or damaged by condemnation proceedings under the power of eminent domain, or (ii) be the subject of an inverse condemnation action, all compensation awarded or otherwise paid shall be paid directly to the Lender

and applied to the repayment of monies paid or advanced by the Lender on behalf of the Borrower, or to the payment of interest due on the Note, or to the payment of principal due under the Note as the Lender, at its sole option, may elect.

13. CONSENT TO TRANSFER. In the event the Borrower, without the prior written consent of the Lender, (a) shall sell, convey, transfer (including a transfer by agreement for deed or land contract) the Mortgaged Property or any part thereof or any interest therein, or (b) shall be divested of title or any interest in the Mortgaged Property in any manner or way, whether voluntary or involuntary, or (c) enters into an oral or written agreement to lease the entire fee simple interest of the Mortgaged Property (and not simply the improvements or buildings located thereon) not in the ordinary course of business or (d) further encumbers the Mortgaged Property then the entire balance of the indebtedness evidenced by the Note shall be accelerated and become immediately due and payable, at the option of the Lender upon ten (10) days written notice to the Borrower. In the event the Lender elects to accelerate the entire balance of the indebtedness, the Lender shall have no obligation to allege or show any impairment of its security and may pursue any legal or equitable remedies for default in such payment without allegation or showing. It is specifically understood by the parties that as a condition of granting its approval required by this paragraph, the Lender may adjust the interest rate stated in the Note.

14. FUTURE ADVANCES. Upon request of Borrower, Lender, at Lender's option, within twenty (20) years from date of this Mortgage, may make future advances to Borrower. It is hereby specifically agreed that any sum or sums which may be loaned or advanced by the Lender to the Borrower at any time after the recording of this Mortgage, together with interest thereon at the rate agreed upon at the time of such loan or advance, shall be equally secured with and have the same priority as the original indebtedness and be subject to all the terms and provisions of this Mortgage, providing that the aggregate amount of principal outstanding at any time shall not exceed an amount equal to two and one-half (2 1/2) times the principal amount originally secured hereby.

15. FINANCIAL STATEMENTS. The Borrower will keep its books of account in accordance with generally accepted accounting practices.

16. ENVIRONMENTAL AGREEMENT. Borrower and Lender have executed an Environmental Agreement of even date herewith which by reference is made a part hereof.

Any breach of any warranty, representation or agreement contained in this Section shall be a default hereunder and shall

entitle Lender to exercise any and all remedies provided in this Mortgage or otherwise permitted by law.

The provisions of this paragraph will survive the foreclosure of this Mortgage or any deed in lieu of foreclosure delivered to Lender by Borrower.

17. AFTER ACQUIRED PROPERTY. Without the necessity of any further act of Borrower or Lender, the lien of, and security interest created by, this Mortgage automatically will extend to and include (i) any and all renewals, replacements, substitutions, accessions, proceeds, products, or additions of or to the Mortgage Property, the Rents, and the Intangible Collateral, and (ii) any and all monies and other property that from time to time may, either by delivery to Lender or by any instrument (including this Mortgage) be subjected to such lien and security interest by Borrower, or by anyone on behalf of Borrower, or with the consent of Borrower, or which otherwise may come into the possession or otherwise be subject to the control of Lender pursuant to this Mortgage, or the Loan Documents, or both.

18. APPRAISAL. Notwithstanding any term or provision hereof to the contrary, if at any time the Lender in its sole discretion reasonably believes that the value of the Mortgaged Property may have declined or that the value of the Mortgaged Property is less than the value utilized by the Lender at the time of loan approval or renewal, within thirty (30) days from Lender's written request to Borrower therefor, Borrower shall provide Lender, at Borrower's sole cost and expense, a current appraisal of the Mortgaged Property to be ordered by the Lender from an appraiser designated by Lender and in form and content as required by Lender. Borrower shall cooperate fully with any such appraiser and provide all such documents and information as such appraiser may request in connection with such appraiser's performance and preparation of such appraisal. Borrower's failure to promptly and fully comply with Lender's requirements under this paragraph shall, without further notice, constitute an Event of Default under this Mortgage, the Note and the other Loan Documents.

19. INSPECTION. Lender shall be entitled to inspect the Mortgaged Property at all reasonable times and Borrower agrees to permit Lender, or its agents or employees, access to the Mortgaged Property for such purpose.

20. CHOICE OF LAW AND VENUE. This Mortgage shall be governed by the Laws of the State of Florida, and the United States of America, whichever the context may require or permit. The Borrower and all guarantors, if any, expressly agree that proper venue for any action which may be brought under this Mortgage in addition to any other venue permitted by law shall be any county in which property encumbered by the Mortgage is located as well as Brevard County, Florida. Should Lender insti-

tute any action under this Mortgage, the Borrower and all guarantors, if any, hereby submit themselves to the jurisdiction of any court sitting in Florida.

21. DEBTOR-CREDITOR RELATIONSHIP ONLY. It is understood by and between Lender and its successors, or assigns, and the Borrower, that the funds received on the Note which are secured by this Mortgage create the relationship of Lender and Borrower, and it is not the intention of the parties to create the relationship of a partnership, a joint venture or syndicate, or mutual enterprise or endeavor.

22. TAXES ON NOTE AND MORTGAGE. To pay any and all taxes which may be levied or assessed directly or indirectly upon the Note and this Mortgage (except for income taxes payable by the holder thereof) or the debt secured hereby, without regard to any law which may be hereafter enacted imposing payment of the whole or any part thereof upon the Lender, its successors or assigns. Upon violation of this agreement, or upon the rendering by any court of competent jurisdiction of a decision that such an agreement by the Borrower is legally inoperative, or if any court of competent jurisdiction shall render a decision that the rate of said tax when added to the rate of interest provided for in said Mortgage Note exceeds the then maximum rate of interest allowed by law, then, and in any such event, the debt hereby secured shall, at the option of the Lender, its successors or assigns, become immediately due and payable, anything contained in this Mortgage or in the Note secured hereby notwithstanding, without the imposition of premium or penalty. The additional amounts which may become due and payable hereunder shall be part of the debt secured by this Mortgage.

23. TIME OF THE ESSENCE. Time is of the essence with respect to each provision of this Mortgage where a time or date for performance is stated. All time periods or dates for performance stated in this Mortgage are material provisions of this Mortgage.

24. CAPTIONS AND PRONOUNS. The captions and headings of the various sections of this Mortgage are for convenience only, and are not to be construed as confining or limiting in any way the scope or intent of the provisions hereof. Whenever the context requires or permits, the singular shall include the plural, the plural shall include the singular, and the masculine, feminine and neuter shall be freely interchangeable.

25. INDEMNIFICATION AGREEMENT. The Borrower hereby indemnifies the law firm of GRAY, HARRIS & ROBINSON, P.A., and all of its attorneys, including, but not limited to D. A. NOHRR, ESQ., from any and all loss, cost, expense, damage or claim, whether or not valid, including attorneys, fees and disbursements, arising under or in any way connected with Section 697.10 of the Florida Statutes or any similar law. The Borrower hereby verifies and

confirms all factual information in this Mortgage, including the accuracy and correctness of the legal description set forth herein. In the event any factual

errors are found in this Mortgage or in the legal description, the Borrower shall, at its own cost and expense, promptly correct or cause to be corrected subsequent to the date hereof any and all such errors with no further liability incurred by counsel for either the Borrower or the Lender. The Borrower shall promptly pay or cause to be paid all damages, claims or any other costs whatsoever arising out of any impairment of title due to or caused by any inaccuracy or incorrectness of the legal description set forth herein. Notwithstanding the foregoing, all rights are preserved against the Lender's title insurer, the surveyor, the engineer, if any, and the appraiser, if any, and after payment is made by the Borrower, the Borrower shall be subrogated to such rights.

26. NON-HOMESTEAD. The Borrower has never resided on the Land and the Land does not now nor has it ever constituted the constitutional homestead of the Borrower.

27. TRUTH-IN-LENDING PROVISION. The Borrower hereby represents and certifies that the extension of credit secured by this Mortgage is exempt from any and all provisions of the Federal Consumers Credit Protection Act (Truth-in-Lending Act) and Regulation "Z" of the Board of Governors of the Federal Reserve System; because it is an organization fully excluded therefrom, and/or also because the loan or credit represented by this Mortgage and the Note is only for business or commercial purposes of the Borrower other than agricultural purposes and the proceeds of the loan are not being used for personal, family, household or agricultural purposes.

28. NOTICE. Any written notice, demand or request that is required to be made in any of the Loan Documents shall be served in person, or by registered or certified mail, return receipt requested, or by express mail or similar courier service, addressed to the party to be served at the address set forth in the first paragraph hereof. The addresses stated herein may be changed as to the applicable party by providing the other party with notice of such address change in the manner provided in this paragraph. In the event that written notice, demand or request is made as provided in this paragraph, then in the event that such notice is returned to the sender by the United States Postal Service because of insufficient address or because the party has moved or otherwise, other than for insufficient postage, such writing shall be deemed to have been received by the party to whom it was addressed on the date that such writing was initially placed in the United States Postal Service or courier service by the sender.

29. WAIVER OF TRIAL BY JURY. The Borrower and the Lender knowingly, voluntarily and intentionally waive the right either may have to a trial by jury in respect of any litigation based

hereon, or arising out of, under or in connection with this Mortgage and any agreement contemplated to be executed in conjunction herewith, or any course of conduct, course of dealing, statements (whether verbal or written) or actions of either party. This provision is a material inducement for the Lender entering

into the loan evidenced by this Mortgage.

The covenants herein contained shall bind, and the benefits and advantages shall inure to, the respective heirs, executors, administrators, successors, and assigns of the parties hereto. Whenever used, the singular number shall include the plural, the plural the singular, and the use of any gender shall include all genders.

IN WITNESS WHEREOF, the Borrower has executed these presents the day and year first above written in manner and form sufficient to be binding.

SIGNED, SEALED AND DELIVERED
IN THE PRESENCE OF:

BORROWER:

[SEAL]

ECKLER INDUSTRIES, INC., a Florida corporation

/s/ Donald A. Nohrr

Witness Signature

By: /s/ Ralph H. Eckler

RALPH H. ECKLER, President

Donald A. Nohrr

Print Witness Name

Address: 5200 S. Washington Ave.
Titusville, FL 32780

/s/ Barry H. Chait

Witness Signature

Barry H. Chait

Print Witness Name

STATE OF FLORIDA)
) ss:
COUNTY OF BREVARD)

THE FOREGOING INSTRUMENT was acknowledged before me this 30th day of September, 1996, by RALPH H. ECKLER, as President of ECKLER INDUSTRIES, INC., a Florida corporation, who is personally known to me, or who produced Fl. Driver's License as identification, and who did take an oath.

/s/ Kim Marie Dexter
_____
Notary Public Signature

My commission expires:
July 22, 1999

Kim Marie Dexter

LEGAL DESCRIPTION

PARCEL A:

A parcel of land lying in Section 26, Township 22 South, Range 35 East, Brevard County, Florida, being a portion of Lots 27, 28, 29, 30, 31, 32, 33 and 34 of the PLAT OF SECOND ADDITION TO INDIAN RIVER CITY, FLORIDA as recorded in Plat Book 2, page 73, of the Public Records of Brevard County, Florida, together with a portion of Government Lot 2 of said Section 26, all of which is lying West of the Westerly right-of-way line of State Road No. 5 (a 200.00 foot wide right-of-way as described in Official Records Book 515, pages 513 and 515 of said Public Records) and East of the Easterly right-of-way line of The Florida East Coast Railway Company (A 100.00 foot wide right-of-way as currently existing), being more particularly described as follows:

Begin at the intersection of the North line of Lot 27 of said PLAT OF SECOND ADDITION TO INDIAN RIVER CITY, with the Westerly right-of-way line of said State Road No. 5, said point being the Point-of-Beginning of the herein described parcel; thence run 5.00 degrees 04'48"W., along said Westerly right-of-way line a distance of 568.86 feet to the Point-of-Curvature of a circular curve to the left having a radius of 2,964.93 feet; thence continue Southerly along said right-of-way line and the arc of said curve through a central angle of 03 degrees 03'07" for a distance of 157.93 feet; thence N. 89 degrees 25'12" W., parallel with and 25.00 feet North of by perpendicular measurement from the North line of the lands described in Official Records Book 642, pages 978, 979 and 980 of said Public Records a distance of 250.00 feet; thence N 00 degrees 34'48" E., perpendicular to said North line a distance of 439.61 feet to a point lying on the Northerly line of a 10.00 foot wide Florida Gas Transmission Company Easement as recorded in Official Records Book 665, pages 458 and 459 of said Public Records, also being the Northerly right-of-way line of a vacated 40.00 foot wide railroad spur line thence N. 52 degrees 21'36" W., along said Northerly right-of-way line of vacated railroad spur line a distance of 306.59 feet to a point lying on the South line of Lot 27 of said PLAT OF SECOND ADDITION TO INDIAN RIVER CITY; thence N. 69 degrees 41'21" W., along said South line of Lot 27 a distance of 101.72 feet to a point lying on the Easterly right-of-way line of said Florida East Coast Railway Company, said point also lying on the arc of a circular curve concave in the Northeast with a radial bearing of S. 63 degrees 18'40" W., and having a radius of 2,814.66 feet, thence Northwesterly along said Easterly right-of-way line and the arc of said curve through a central angel of 02 degrees 15'45" for a distance of 111.15 feet to the Northwest corner of Lot 27 of said PLAT OF SECOND ADDITION TO INDIAN RIVER CITY; thence S. 89 degrees 41'21" E., along the North line of said Lot 27 a distance of 634.80 feet to the Point-of-Beginning of the described parcel.

PARCEL B:

A parcel of land lying in Section 26, Township 22 South, Range 35 East, Brevard County, Florida, being a portion of Lots 27, 28, 29, 30, 31, 32, 33 and 34 of

the PLAT OF SECOND ADDITION TO INDIAN RIVER CITY, FLORIDA as recorded in Plat Book 2, page 73, of the Public Records of Brevard County, Florida, together with a portion of Government Lot 2 of said Section 26, all of which is lying West of the Westerly right-of-way line of State Road No. 5 (a 200.00 foot wide right-of-way as described in Official Records Book 515, pages 513 and 515 of said Public Records) and East of the Easterly right-of-way line of the Florida East Coast Railway Company (a 100.00 foot wide right-of-way as currently existing), being more particularly described as follows:

Commence at the intersection of the North line of Lot 27 of said PLAT OF SECOND ADDITION TO INDIAN RIVER CITY, with the Westerly right-of-way line of said State Road No. 5 and run S. 00 degrees 04'48" W., along said Westerly right-of-way line a distance of 568.86 feet to the Point-of-Curvature of a circular curve to the left having a radius of 2,964.93 feet; thence continue Southerly along said right-of-way line and the arc of said curve through a central angle of 03 degrees 03'07" for a distance of 157.93 feet to the Point-of-Beginning of the herein described parcel; thence continue Southerly along the arc of said curve through a central angle of 00 degrees 29'03" for a distance of 25.05 feet to the Northeast corner of the lands described in Official Records Book 642, pages 978, 979 and 980 of said Public Records, thence N. 89 degrees 25'12" W., along the North line of said lands a distance of 336.01 feet to a point lying on the Easterly right-of-way line of said Florida East Coast Railway Company, said point also lying on the arc of a circular curve concave to the Southwest with a radial bearing of N. 72 degrees 10'13" E., and having a radius of 5,808.32 feet, thence Northwesterly along said Easterly right-of-way line and the arc of said curve through a central angle of 03 degrees 10'32" for a distance of 524.67 feet to the Point-of-Tangency of said curve; thence N. 23 degrees 00'20" W., continuing along said Easterly right-of-way line a distance of 199.35 feet to a point lying on the arc of a circular curve concave to the Northeast with a radial bearing of S. 62 degrees 09'48" W., and having a radius of 2,814.66 feet; thence Northwesterly along said Easterly right-of-way line and the arc of said curve through a central angle of 01 degrees 08'52" for a distance of 56.38 feet to the Southwest corner of Lot 27 of said PLAT OF SECOND ADDITION TO INDIAN RIVER CITY; thence S. 89 degrees 42'21" E., along the South line of said Lot 27 a distance of 101.72 feet to a point lying on the Northerly line of a 10.00 foot wide Florida Gas Transmission Company Easement as recorded in Official Records Book 665, pages 458 and 459 of said Public Records, also being the Northerly right-of-way line of a vacated 40.00 foot wide railroad spur line; thence S. 52 degrees 21'36" E., along said Northerly right-of-way line of vacated railroad spur line a distance of 306.59 feet; thence S. 00 degrees 34'48" W., perpendicular to the North line of the lands described in Official Records Book 642, pages 978, 979 and 980 of said Public Records a distance of 439.61 feet; thence S. 89 degrees 25'12" E., parallel with and 25.00 feet North of by perpendicular measurement from said North line a distance of 250.00 feet to the Point-of-Beginning of the described parcel.

Parcel 1

The North 154 feet of the following described property:
Start at the SW corner of Government Lot 2, Section 26, Township 22 South, Range 35 East, Brevard County, Florida; thence run S. 89 deg. 25'12"E. on the South line of said Lot 2, 429.50 feet to the East Right-of-Way line of Florida East Coast Railway as relocated; thence N. 15 deg. 51'12"W., 208.52 feet along said East Right-of-Way line to the P.O.B., and the SW corner of lands herein described, thence continue on East Right-of-Way aforesaid N. 15 deg. 51'12"W., 228.32 feet; thence N. 16 deg. 7'22"W., 189.15 feet on a chord of a curve whose radius is 5,789.65 feet, concave to the Southwest with an angle of 1 deg. 52'19"; thence departing from the F.E.C. R/W S. 89 deg. 25'12"E., 336.34 feet to the West Right-of-Way of U.S. Highway #1, as relocated; thence along said West Right-of-Way of U.S. Highway #1, S. 5 deg. 23'14"E., 201.10 feet on a chord of a curve whose radius is 2,964.93 feet, an angle of 3 deg. 53'13", concave to the NE; thence continue on the same curve S. 9 deg. 17'33"E., 203.00 feet on the chord of a curve, radius 2,964.93 feet, angle 3 deg. 55'25", thence N. 89 deg. 25'12"W., 270.56 feet to the Point of Beginning.

Containing 1.12 acres of land, more or less.

Parcel 2

Start at the SW corner of Government Lot 2, Section 26, Township 22 South, Range 35 East, Brevard County, Florida; thence run S. 89 deg. 25'12"E. on the South line of said Lot 2, 429.50 feet to the East Right-of-Way line of Florida East Coast Railway as relocated; thence N. 15 deg. 51'12"W., 208.52 feet along said East Right-of-Way line to the P.O.B., and the SW corner of lands herein described; thence continue on East Right-of-Way aforesaid N. 15 deg. 51'12"W., 228.32 feet; thence N. 16 deg. 47'22"W., 189.15 feet on a chord of a curve whose radius is 5,789.65 feet, concave to the Southwest with an angle of 1 deg. 52'19"; thence departing from the F.E.C. R/W S. 89 deg. 25'12"E., 336.34 feet to the West Right-of-Way of U.S. Highway #1, as relocated; thence along said West Right-of-Way of U.S. Highway #1, S. 5 deg. 23'14"E., 201.10 feet on a chord of a curve whose radius is 2,964.93 feet, an angle of 3 deg. 53'13" concave to the NE; thence continue on the same curve S. 9 deg. 17'33"E., 203.00 feet on the chord of a curve, radius 2,964.93 feet, angle 3 deg. 55'25", thence N. 89 deg. 25'12"W., 270.56 feet to the Point of Beginning; Less and except the North 154 feet as described in Official Records Book 2431, Page 2184, of the Public Records of Brevard County, Florida.

Containing 1.61 acres of land, more or less.

PROMISSORY NOTE
("NOTE")

$2,400,000.00

MELBOURNE, FLORIDA
SEPTEMBER 30, 1996

THE UNDERSIGNED, ("Maker"), promises to pay to the order of BARNETT BANK, N.A., a national banking association, ("Payee"), whose mailing address is Post Office Box 678267, Orlando, Florida 32867-8267, Attention: Closing Department Manager, the principal sum of TWO MILLION FOUR HUNDRED THOUSAND & NO/100 ($2,400,000.00) DOLLARS, or so much thereof as may be advanced and outstanding from time to time, with interest on the unpaid principal from the date of each such advance at the following rate and payable in the following manner:

(a) The interest rate ("Stated Rate") shall be a variable rate of One and One-half percent (1.50%) per annum simple interest in excess of the "Prime Rate". The term "Prime Rate" shall be the "prime rate" announced from time to time by the BARNETT BANKS, INC. which rate is a reference rate for the information and use of the BARNETT BANKS, INC. in establishing the actual rates to be charged borrowers. The variable rate applied to this loan will be adjusted prospectively on interest payment dates based on the rate in effect on said date. Notwithstanding anything herein to the contrary, the interest rate applied to this Note shall at no time exceed the maximum rate permitted by applicable law, whether now or hereafter in effect.

(b) Interest on this Note, as calculated above, shall be payable monthly in arrears on the 30th day of each month commencing the 30th day of October, 1996 and continuing thereafter on the same day of each successive month including the month of August, 1999,

except that in any month that does not contain a 30th day, then the payment shall be due on the last day of that month.

(c) Principal shall be paid in consecutive monthly installments of THIRTEEN THOUSAND THREE HUNDRED THIRTY THREE & 34/100 ($13,333.34) DOLLARS, on the 30th day of each month commencing October 30, 1996, and continuing thereafter on the same day of each successive month including the month of August, 1999, except that in any month that does not contain a 30th day, then the payment shall be due on the last day of that month.

(d) The entire unpaid principal balance, together with accrued interest, shall be due and payable on or before September 30, 1999 ("Maturity Date").

DEFAULT RATE. After the occurrence of an Event of Default, as hereinafter defined or after maturity, this Note and all sums due hereunder shall bear interest at the Stated Rate plus five percent (5%) per annum ("Penalty Rate") (but in no event at a rate which is higher than the maximum allowable rate permitted by law) from the date of default or maturity until paid.

INTEREST BASIS. Interest shall be calculated on the basis of a three hundred sixty (360) day year for actual days elapsed.

INTEREST PARITY. This loan evidenced by this Note is being made pursuant to the rate provisions of Chapters 665 and 687 of the Florida Statutes.

LATE CHARGE. If any payment hereunder (other than the final payment) is not made within ten (10) days after it is due, the Maker shall pay to Payee a late charge equal to five percent (5%) of the late payment.

DISBURSEMENT OF PROCEEDS. Advances hereunder may be made upon the oral, telephonic, or written request of any person authorized to borrow or any person Payee reasonably believes is authorized to borrow. Any advance hereunder shall be conclusively presumed to have been made to and at the request and for the benefit of the Maker when the proceeds of such advance are deposited to the credit of the Maker in any account of Maker with Payee regardless of the fact that persons other than those authorized to borrow may have authority to draw against such account.

PREPAYMENT. The Maker shall have the privilege of prepaying this Note in part or in full, without penalty, at any time, and any prepayment shall be applied to the installment or installments of principal last maturing. No partial prepayment shall excuse or defer Maker's subsequent payment obligations.

APPLICATION OF PAYMENTS. All payments made on the indebtedness evidenced by this Note shall be applied first to repayment of monies paid or advanced by Payee on behalf of the Maker in accordance with the terms of the Mortgage securing this Note, and thereafter shall be applied to payment of accrued interest, and lastly to payment of principal.

PLACE AND MANNER OF PAYMENT. All payments of interest and principal are payable at the office of Payee, or at such other place as the holder may designate in writing, in lawful money of the United States of America.

SECURITY. This Note is secured by, among other things, a Mortgage (the "Mortgage") upon real property (the "Property") in Brevard County, Florida. This Note, the Mortgage and other loan documents as may be now or hereafter executed in connection therewith ("Loan Document(s)") shall together evidence the debt and constitute the security for the Note.

EVENTS OF DEFAULT. Maker shall be in default in this Note upon the occurrence of any of the following events, circumstances or conditions (each an "Event of Default"):

(a) Maker's failure to make any payment of any sum due hereunder within ten (10) days of the due date thereof without further notice or demand, or to make any other payment due by the Maker to the Payee under any other promissory note or under any security agreement or other written obligation of any kind now existing or hereinafter created.

(b) The existence of a default or breach of any of the terms of this Note or any other Loan Document that is not cured within any applicable grace and/or cure period.

REMEDIES AFTER DEFAULT. At the option of Payee, all or any part of the principal and accrued interest on the Note, and all other obligations of the Maker to the Payee shall become immediately due and payable without additional notice or demand, upon the occurrence of an Event of Default or at any time thereafter. Payee may exercise all rights and remedies provided by law, equity, this Note or any other Loan Document or any other

obligation of the Maker to the Payee. All rights and remedies as set forth in the Loan Documents are cumulative and concurrent and may be pursued singly, successively or together, at the sole discretion of Payee, and may be exercised as often as occasion therefore shall arise. Such remedies are not exclusive, and Payee is entitled to all remedies provided at law or equity, whether or not expressly set forth therein. No act, or omission or commission or waiver of Payee, including specifically any failure to exercise any right, remedy or recourse, shall be effective unless set forth in a written document executed by Payee and then only to the extent specifically recited therein. A waiver or release with reference to one event shall not be construed as continuing, as a bar to, or as a waiver or release of, any subsequent right, remedy or recourse as to any subsequent event.

RIGHT OF SET-OFF. Neither the Maker, any co-signer, endorser, surety nor guarantor shall have any right of set-off against the Payee under this Note or under any Loan Document executed in connection with the loan evidenced by this Note. In addition to the remedies provided for herein, the Maker, each co-signer, endorser, surety or guarantor grants to the Payee a security interest in any funds or other assets from time to time on deposit with or in possession of the Payee, and the Payee may, at any time set-off

the indebtedness evidenced by this Note against any such funds or other assets, including but not limited to, all money owed by Payee to Maker, each co-signer, endorser, surety or guarantor whether or not due. Maker, each co-signer, endorser, surety or guarantor acknowledge and agree that Payee may exercise its right of set-off to pay all or any part of the outstanding principal balance and accrued interest owed on this Note or on any other obligation of the Maker to the Payee against any obligation Payee may have, now or hereafter, to pay money to Maker, each co-signer, endorser, surety or guarantor. This right of set-off includes, but is not limited to, the following:

(a) Any deposit, account balance, securities account balance or certificate of deposit balance Maker has with Payee whether special, general, time, savings, checking or NOW account; and

(b) Any money owing to Maker on an item presented to Payee or in Payee's possession for collection or exchange; and

(c) Any repurchase agreement or any other non-deposit obligation or any credit in favor of Maker.

If any such money is also owned by some other person who has not

agreed to pay this Note (such as another depositor on a joint account), Payee's right of set-off will extend to the amount which could be withdrawn or paid directly to Maker on Maker's request, endorsement or instruction alone. In addition, (where Maker may obtain payment from Payee only with the endorsement or consent of someone who has not agreed to pay this Note), Payee's right of set-off will extend to Maker's interest in the obligation. Payee's right of set-off will not apply to any account if it clearly appears that Maker's rights in the account are solely as a fiduciary for another or to any account, which by its nature and applicable law (for example an IRA or other tax deferred retirement account), must be exempt from the claims of creditors. Maker hereby appoints Payee as its attorney-in-fact and authorizes Payee to redeem or obtain payment on any certificate of deposit in which Maker has an interest in order to exercise Payee's right of set-off. Such authorization applies to any certificate of deposit even if not matured. Maker further authorizes Payee to assess and withhold any early withdrawal penalty without liability against Payee in the event such penalty is applicable as a result of Payee's set-off against a certificate of deposit prior to its maturity.

Payee's right of set-off may be exercised upon an Event of Default:

(a) Without prior demand or notice; and

(b) Without regard to the existence or value of any

collateral securing this Note; and

(c) Without regard to the number or creditworthiness of any other persons who have agreed to pay this Note.

Payee will not be liable for dishonor of a check or other request for payment where there is insufficient funds in the account (or other obligation) to pay such request because of Payee's exercise of its right of set-off. Maker agrees to indemnify and hold Payee harmless from any person's claims, arising as the result of Payee's right of set-off and the costs and expenses, including without limitation, attorneys' fees.

COLLECTION EXPENSES. All parties liable for the payment of the Note agree to pay the Payee all costs incurred by the Payee, whether or not an action be brought, in collecting the sums due under the Note, enforcing the performance and/or protecting its rights under the Loan Documents and in realizing on any of the security for the Note. Such costs and expenses

shall include, but are not limited to, filing fees, costs of publication, deposition fees, stenographer fees, witness fees and other court and related costs. Sums advanced by the Payee for the payment of collection costs and expenses shall accrue interest at the Penalty Rate, from the time they are advanced or paid by the Payee, and shall be due and payable upon payment by Payee without notice or demand and shall be secured by the lien of the Mortgage.

ATTORNEYS' FEES. All parties liable for the payment of the Note agree to pay the Payee reasonable attorneys' fees incurred by the Payee, whether or not an action be brought, in collecting the sums due under the Note, enforcing the performance and/or protecting its rights under the Loan Documents and in realizing on any of the security for the Note. Such reasonable attorneys' fees shall include, but not be limited to, fees for attorney's, paralegal's, legal assistant's, and expenses incurred in any and all judicial, bankruptcy, reorganization, administrative receivership, or other proceedings effecting creditor's rights and involving a claim under the Note or any Loan Document, which such proceedings may arise before or after entry of a final judgment. Such fees shall be paid regardless whether suit is brought and shall include all fees incurred by Payee at all trial and appellate levels including bankruptcy court. Sums advanced by the Payee for the payment of attorneys' fees shall accrue interest at the Penalty Rate, from the time they are advanced by the Payee, and shall be due and payable upon payment by Payee without notice or demand and shall be secured by the lien of the Mortgage.

WAIVER AND CONSENT. By the making, signing, endorsement or guaranty of this Note:

(a) Maker and each co-signor, endorser, surety or guarantor waive protest, presentment for payment, notice of dishonor, notice of intent to accelerate and notice of acceleration;

(b) Each co-signer, endorser, surety or guarantor consents to any renewals or extensions of time for payment on this Note;

(c) Maker and each co-signor, endorser, surety or guarantor consents to Payee's release of any co-signer, endorser, surety or guarantor;

(d) Maker and each co-signor, endorser, surety or guarantor waive and consent to the release, substitution or

impairment of any collateral securing this Note;

(e) Each co-signer, endorser, surety or guarantor consents to any modification of the terms of this Note or any other Loan Document;

(f) Maker and each co-signor, endorser, surety or guarantor consent to any and all sales, repurchases and participations of this Note to or by any person or entity in any amounts and waive notice of such sales, repurchases and participations of this Note; and

(g) Maker and each co-signor, endorser, surety or guarantor consent to Payee's right of set-off as well as any participating bank's right of set-off.

(h) Maker and each co-signor, endorser, surety or guarantor waive the right of exemption under the Constitution and the laws of the State of Florida.

(i) Maker and each co-signor, endorser, surety or guarantor promise to pay all collection costs, including reasonable attorneys' fees, whether incurred in connection with collection, trial, appeal or otherwise.

USURY LIMITATION. The parties agree and intend to comply with the applicable usury law, and notwithstanding anything contained herein or in any of the Loan Documents, or other document related to the loan evidenced by this Note, the effective rate of interest to be paid on this Note (including all costs, charges and fees which are characterized as interest under applicable law) shall not exceed the maximum contract rate of interest permitted under applicable law, as it exists from time to time. Payee agrees not to knowingly collect or charge interest (whether denominated as fees, interest or other charges) which will render the interest rate hereunder usurious, and if any payment of interest or fees by Maker to Payee would render this Note usurious, Maker agrees to give Payee written notice of such fact with or in advance of such payment. If Payee should receive any payment

which constitutes interest under applicable law in excess of the maximum lawful contract rate permitted under applicable law (whether denominated as interest, fees or other charges), the amount of interest received in excess of the maximum lawful rate shall automatically be applied to reduce the principal balance, regardless of how such sum is characterized or recorded by the parties.

JOINT AND SEVERAL. The obligations of this Note shall be

joint and several.

NO OBLIGATION TO EXTEND. On Maturity Date, Maker must repay the entire principal balance of this Note and unpaid interest then due. The Payee is under no obligation to refinance the Note at maturity. Maker will therefore be required to make payment out of other assets Maker may own, or Maker will have to find a lender willing to lend the money at prevailing market rates, which may be considerably higher than the interest rate on this Note.

DISCLAIMER OF RELATIONSHIP. The Maker and all co-signers, endorsers, sureties and guarantors, if any, to this obligation acknowledge that:

(a) The relationship between the Payee, Maker and any co-signer, endorser, surety or guarantor is one of creditor and debtor and not one of partner or joint venturer;

(b) There exists no confidential or fiduciary relationship between Payee and Maker and any co-signer, endorser, surety or guarantor imposing a duty of disclosure upon the Payee; and

(c) The Maker and any co-signer, endorser, surety or guarantor have not relied on any representation of the Payee regarding the merits of the use of proceeds of the loan.

Maker and any co-signer, endorser, surety or guarantor waive any and all claims and causes of action which exist now or may exist in the future arising out of any breach or alleged breach of a duty on the part of the Payee to disclose any facts material to this loan transaction and the use of the proceeds.

CHOICE OF LAW AND VENUE. This Note shall be governed by the Laws of the State of Florida, and the United States of America, whichever the context may require or permit. The Maker and all guarantors, if any, to this obligation expressly agree that proper venue for any action which may be brought under this Note in addition to any other venue permitted by law shall be any county in which property encumbered by the Mortgage is located as well as Orange County, Florida. Should Payee institute any action under this Note, the Maker and all guarantors, if any, hereby submit themselves to the

jurisdiction of any court sitting in Florida.

SEVERABILITY. If any provision of this Note shall be held unenforceable or void, then such provision shall be deemed

severable from the remaining provisions and shall in no way affect the enforceability of the remaining provisions nor the validity of this Note.

MAKER AND PAYEE DEFINED. The term "Maker" includes each and every person or entity signing this Note and any co-signers, guarantors, their successors and assigns. The term "Payee" shall include the Payee and any transferee and assignee of Payee or other holder of this Note.

CAPTIONS AND PRONOUNS. The captions and headings of the various sections of this Note are for convenience only, and are not to be construed as confining or limiting in any way the scope or intent of the provisions hereof. Whenever the context requires or permits, the singular shall include the plural, the plural shall include the singular, and the masculine, feminine and neuter shall be freely interchangeable.

RECEIPT OF COPY. By signing this Note, Maker acknowledges that it was read by Maker prior to execution and a copy was received by Maker.

BUSINESS PURPOSE. Maker represents and warrants that the loan or credit represented by this Note is only for business or commercial purposes of the Maker other than agricultural purposes and the proceeds of the loan are not being used for personal, family, household or agricultural purposes.

TIME OF THE ESSENCE. Time is of the essence with respect to each provision in this Note where a time or date for performance is stated. All time periods or dates for performance stated in this Note are material provisions of this Note.

DOCUMENTARY STAMPS. Florida Documentary stamp tax as required by Chapter 201 of the Florida Statutes in the amount required by Florida law have been paid and are affixed to the original Mortgage and Security Agreement, of even date herewith, which secures this Note.

WAIVER OF TRIAL BY JURY. THE MAKER HEREBY, AND THE PAYEE BY ITS ACCEPTANCE OF THIS NOTE, KNOWINGLY, VOLUNTARILY AND INTENTIONALLY WAIVE THE RIGHT EITHER MAY HAVE TO A TRIAL BY JURY IN RESPECT OF ANY LITIGATION ARISING OUT OF, UNDER, OR IN CONNECTION WITH THIS NOTE AND ALL LOAN DOCUMENTS AND OTHER AGREEMENTS EXECUTED OR CONTEMPLATED TO BE EXECUTED IN CONNECTION HEREWITH, OR ARISING OUT OF, UNDER, OR IN CONNECTION WITH ANY COURSE OF CONDUCT, COURSE OF DEALING, STATEMENTS (WHETHER VERBAL OR WRITTEN) OR ACTION OF EITHER PARTY, WHETHER IN CONNECTION WITH

THE MAKING OF THE LOAN, COLLECTION OF THE LOAN, OR OTHERWISE. THIS PROVISION IS A MATERIAL INDUCEMENT FOR THE PAYEE MAKING THE LOAN EVIDENCED BY THIS NOTE.

IN WITNESS WHEREOF, Maker has executed and delivered this instrument this day and year first above written.

ECKLER INDUSTRIES, INC.,
a Florida corporation

By: /s/ RALPH H. ECKLER
_____
Ralph H. Eckler,
President

STATE OF FLORIDA
COUNTY OF BREVARD

The foregoing instrument was acknowledged before me this ___ day of September, 1996 by Ralph H. Eckler, as President of ECKLER INDUSTRIES, INC., a Florida corporation, on behalf of said corporation, who is personally known to me or who provided _____ as identification and who did take an oath.

My Commission expires:

_____
Notary Public

Exhibit 10.22

LOAN AGREEMENT

Borrower: ECKLER INDUSTRIES, INC., a Florida corporation

Lender: BARNETT BANK, N.A.
707 Mendham Boulevard, Suite 123
Orlando, Florida 32825-3262

THIS LOAN AGREEMENT ("Agreement") between ECKLER INDUSTRIES, INC., a Florida corporation ("Borrower"); RALPH H. ECKLER, individually ("Guarantor"); and BARNETT BANK, N. A. ("Lender") is made and executed on the following terms and conditions. Borrower has received prior commercial loans from Lender or has applied to Lender for a commercial loan or loans or other financial accommodations, including those which may be described on any exhibit or schedule attached to this Agreement. All such loans and financial accommodations, together with all future loans and financial accommodations from Lender to Borrower, are referred to in this Agreement individually as the "Loan" and collectively as the "Loans." Borrower understands and agrees that: (a) in granting, renewing or extending any Loan, Lender is relying upon Borrower's representations, warranties and agreements, as set forth in this Agreement; (b) the granting, renewing or extending of any Loan by Lender at all times shall be subject to Lender's sole judgment and discretion; and (c) all such Loans shall be and shall remain subject to the following terms and conditions of this Agreement.

1. TERM. This Agreement shall be effective as of September 30, 1996, and shall continue thereafter until all indebtedness of Borrower to Lender has been performed in full and the parties terminate this Agreement in writing.

2. DEFINITIONS. The following words shall have the following meanings when used in this Agreement. Terms not otherwise defined in this Agreement shall have the meanings attributed to such terms in the Uniform Commercial Code. All references to dollar amounts shall mean amounts in lawful money of the United States of America.

A. AGREEMENT. The word "Agreement" means this Loan Agreement, as this Agreement may be amended or modified from time to time, together with all exhibits and schedules attached to this Agreement from time to time.

B. ACCOUNT. The word "Account" means a trade account, account receivable, or other right to payment for goods sole or services rendered owing to Borrower (or to a third party grantor acceptable to Lender).

C. ACCOUNT DEBTOR. The words "Account Debtor" mean the person

or entity obligated upon an account.

D. ADJUSTED NET INCOME. The words "Adjusted Net Income" mean net income after taxes plus depreciation, amortization, lease expense and interest expense.

E. ADVANCE. The word "Advance" means a disbursement of loan funds under this Agreement.

F. BORROWER: The word "Borrower" means ECKLER INDUSTRIES, INC., a Florida corporation.

G. BUSINESS DAY. The words "Business Day" mean a day on which commercial banks are open for business in the State of Florida.

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

I. COLLATERAL. The word "Collateral" means and includes without limitation all property and assets granted as collateral security for a loan, whether real or personal property, whether granted directly or indirectly, whether granted now or in the future, and whether granted in the form of a security interest, mortgage, deed of trust, assignment, pledge, chattel mortgage, chattel trust, factor's lien, equipment trust, conditional sale, trust receipt, lien, charge lien or title retention contract, lease or consignment intended as a security device, or any other security or lien interest whatsoever, whether created by law, contract or otherwise. The word "Collateral" includes without limitation all collateral described below in the section titled "COLLATERAL."

K. ERISA. The word "ERISA" means the Employee Retirement Income Security Act of 1974, as amended from time to time,and the regulations and published interpretations thereof.

L. EVENT OF DEFAULT. The words "Event of Default" mean and include without limitation any of the Events of Default set forth below in the section titled "EVENTS OF DEFAULT."

M. EXPIRATION DATE. The words "Expiration Date" mean the date of termination of Lender's commitment to lend under this Agreement.

N. GAAP. The word "GAAP" means generally accepted

accounting principles consistently applied.

O. GRANTOR. The word "Grantor" means and includes without limitation each and all of the persons or entities granting a Security Interest in any Collateral for the indebtedness, including without limitation all Borrowers granting such a Security Interest.

P. INDEBTEDNESS. The word "indebtedness" means and includes without limitation all Loans, together with other obligations, debts and liabilities of Borrower to Lender, or any one or more of them, as well as all claims by Lender against Borrower, or any one or more of them; whether now existing, contemporaneously with or hereafter incurred or created and any renewals, modifications, extensions, substitutions or consolidations thereof, voluntary or involuntary incurred, secured or unsecured, absolute or contingent, liquidated or unliquidated; determined or undetermined; whether Borrower may be liable individually or jointly with others, or primarily or secondarily, or as guarantor, surety, or otherwise; whether recovery upon the indebtedness may be or hereafter may become barred by any statute of limitations; and whether such indebtedness may be or hereafter may become otherwise unenforceable.

Q. LENDER. The word "Lender" means BARNETT BANK, N.A., its successors and/or assigns.

R. LINE OF CREDIT. The words "Line of Credit" mean the credit facility described in the Section titled "LINE OF CREDIT" below.

S. LOAN. The word "Loan" or "Loans" means and includes any and al loans, advances, interest, costs, fees, documentary stamp tax and/or intangible taxes, debts, overdraft indebtedness, leases, drafts, letters of credit, credit cards, and business services from Lender to Borrower, whether now existing, contemporaneously with, or hereafter incurred or created and any renewals, modification, extensions, substitutions or consolidations thereof, and however evidenced, including without limitation those loans and financial accommodations described herein or described on any exhibit or schedule attached to this Agreement from time to time.

T. NOTE. The word "Note" means Borrower's promissory note or notes, if any, evidencing Borrower's Loan obligations in favor of Lender, as well as any renewal, extension, modification, consolidation, substitute,

replacement or refinancing note or notes therefor.

U. PERMITTED LIENS. The words "Permitted Liens" mean: (a) liens and security interested securing indebtedness owed by Borrower to Lender; (b) liens for taxes, assessments, or similar charges either not yet due or being contested in good faith; (c) liens of materialmen, mechanics,

warehousemen, or carriers, or other like liens arising in the ordinary course of business and securing obligations which are not yet delinquent; (d) purchase money liens or purchase money security interests upon or in any property acquired or held by Borrower in the ordinary course of business to secure indebtedness outstanding on the date of this Agreement or permitted to be incurred under the paragraphs of this Agreement titled "Indebtedness and Liens"; (e) liens and security interests which, as of the date of this Agreement, have been disclosed to and approved by the Lender in writing; and (f) those liens and security interests in which the aggregate constitute an immaterial and insignificant monetary amount with respect to the net value of Borrower's assets.

V. RELATED DOCUMENTS. The words "Related Documents" mean and include without limitation all promissory notes, credit agreements, loan agreements, environmental agreements, guaranties, security agreements, mortgages, deeds of trust, and all other instruments, agreements and documents, whether now or hereafter existing, executed in connection with the Indebtedness.

W. SECURITY AGREEMENT. The words "Security Agreement" mean and include without limitation any agreements, promises, covenants, arrangements, understandings or other agreements, whether created by law, contract or otherwise, evidencing, governing, representing, or creating a Security Interest.

X. SECURITY INTEREST. The words "Security Interest" mean and include without limitation any type of collateral security, whether in the form of a lien, charge, mortgage, deed of trust, assignment, pledge, chattel mortgage, chattel trust, factor's lien, equipment trust, conditional sale, trust receipt, lien or title retention contract, lease or consignment intended as a security device, or any other security or lien interest whatsoever, whether created by law, contract or otherwise.

Y. SARA. The word "SARA" means the Superfund Amendments and Reauthorization Act of 1985 as now or

hereafter amended.

3. LINE OF CREDIT. Lender agrees to make Advances to Borrower from time to time from the date of this Agreement to the Expiration Date, provided the aggregate amount of such Advances outstanding at any time does not exceed the Borrowing Base. Within the foregoing limits, Borrower may borrow, partially or wholly prepay, and reborrow under this Agreement as follows:

A. CONDITIONS PRECEDENT TO EACH ADVANCE. Lender's obligation to make any Advance to or for the account of Borrower under this Agreement

is subject to the following conditions precedent, with all documents, instruments, opinions, reports, and other items required under this Agreement to be in form and substance satisfactory to Lender.

(1) Lender shall have received evidence that this Agreement and all Related Documents have been duly authorized, executed and delivered by Borrower to Lender.

(2) Lender shall have received such opinions of counsel, supplemental opinions, and documents as Lender may have requested.

(3) The security interests in the Collateral shall have been duly authorized, created, and perfected with first lien priority and shall be in full force and effect.

(4) All guaranties required by Lender for the Line of Credit shall have been executed by each Guarantor, delivered to Lender, and be in full force and effect.

(5) Lender, at its option and for its sole benefit, shall have conducted an audit of Borrower's Accounts, inventory, books, records, and operations, and Lender shall be satisfied as to their condition.

(6) There shall not exist at the time of any Advance a condition which would constitute an Event of Default under this Agreement, and Borrower shall have delivered to Lender the compliance certificate called for in the paragraph below titled "Compliance Certificate."

B. MAKING LOAN ADVANCES. Advances under the Lien of

Credit may be required only in writing subject to the limitations set forth below. Each Advance shall be conclusively deemed to have been made at the request of and for the benefit of Borrower. (a) when credited to any deposit account of Borrower maintained with Lender; or (b) when advanced in accordance with the instructions of an authorized person. Lender, at its opinion, may set a cutoff time, after which all requests for Advances will be treated as having been requested on the next succeeding Business Day.

C. MANDATORY LOAN REPAYMENTS. If at any time the aggregate principal amount of the outstanding Advances shall exceed the applicable Borrowing Base, Borrower, immediately upon written or oral notice from Lender, shall pay to Lender an amount equal to the difference between the outstanding principal balance of the Advances and the Borrowing Base. On

the Expiration Date, Borrower shall pay to Lender in full the aggregate unpaid principal amount of all Advances then outstanding and all accrued unpaid interest, together with all other applicable fees, costs and charges, if any, not yet paid.

It is contemplated that Borrower will pay interest monthly on all outstanding loan balances. Principal payments may be made by Borrower at any time or as contained in the Cash Collateral Account executed by the Borrower in favor of Lender.

D. LOAN ACCOUNT. Lender shall maintain on its books a record of account in which Lender shall make entries for each Advance and such other debits and credits as shall be appropriate in connection with the credit facility. Lender shall provide Borrower with periodic statements of Borrower's account, which statements shall be considered to be correct and conclusively binding on Borrower unless Borrower notifies Lender to the contrary within thirty (30) days after Borrower's receipt of any such statement which Borrower deems to be incorrect.

4. COLLATERAL. To secure payment of the Line of Credit and Performance of all other Loans, obligations and duties owed by Borrower to Lender, Borrower (and others, if required) shall grant to Lender Security Interests in such property and assets as Lender may required (the "Collateral"), including without limitation Borrower's present and future Accounts, general intangible, and inventory. Lender's Security Interests in the Collateral shall be continuing liens and shall include the proceeds and products of the Collateral, including without

limitation, the proceeds of any insurance. With respect to the Collateral, Borrower agrees and presents and warrants to Lender:

A. PERFECTION OF SECURITY INTERESTS. Borrower agrees to execute such financing statements and to take whatever other actions are requested by Lender to perfect and continue Lender's Security Interests in the collateral. Upon request of Lender, Borrower shall deliver to Lender any and all of the documents evidencing or constituting the Collateral, and Borrower will note Lender's interest upon any and all chattel paper if not delivered to Lender for possession by Lender. Contemporaneous with the execution of this Agreement, Borrower shall execute on or more UCC-financing statements and any similar statements as may be required by applicable law, and will file such financing statements and all such similar statements in the appropriate location or locations. Borrower hereby appoints Lender as its irrevocable attorney-in-fact for the purpose of executing any documents necessary to perfect or to continue any Security Interest. Lender may at any time, and without further authorization from Borrower, file a carbon, photograph, facsimile, or other reproduction of any financing statement for use as financing statement. Borrower shall

reimburse Lender for all expenses for the perfection, termination and the continuation of the perfection of Lender's Security Interest in the Collateral. Borrower promptly will notify Lender of any change in Borrower's name, including any change to the assumed business names of Borrower. Borrower also promptly will notify Lender of any change in Borrower's Social Security Number of Employer Identification Number. Borrower further agrees to notify Lender in writing prior to any change in address or location of Borrower's principal governance office or should Borrower merge or consolidate with any other entity.

B. COLLATERAL RECORDS. Borrower does now, and at all times hereafter shall, keep correct and accurate records of the Collateral, all of which records shall be available to Lender or Lender's representative upon demand for inspection and copying at any reasonable time. With respect to the Accounts, Borrower agrees to keep and maintain such records as Lender may require, including without limitation information concerning Eligible Accounts and Account balances and agings. With respect to the inventory, Borrower agrees to keep and maintain such records as Lender may require, including without limitation, information concerning Eligible Inventory and records itemizing and describing the kind, type, quality and quantity of

inventory, Borrower's inventory costs and selling prices, and the daily withdrawals and additions to inventory.

C. COLLATERAL SCHEDULES. Concurrently with the execution and delivery of this Agreement, Borrower shall execute and deliver to Lender schedules of Accounts and Inventory and Eligible Accounts and Eligible Inventory, in form and substance satisfactory to the Lender. Thereafter, Borrower shall execute and deliver to Lender such supplemental schedules of Eligible Accounts and Eligible Inventory and such other matters and information relating to the Accounts and Inventory as Lender may request. Supplemental Schedules shall be delivered according to the following schedule: By the 15th of the subsequent month.

D. REPRESENTATIONS AND WARRANTIES CONCERNING ACCOUNTS. With respect to the Accounts, Borrower represents and warrants to Lender: (a) Each Account represented by Borrower to be an Eligible Account for purposes of this Agreement conforms to the requirements of the definition of an Eligible Account; (b) All Account Information listed on schedules delivered to Lender will be true and correct, subject to immaterial variance; and (c) Lender, it assigns, or agents shall have the right at any time and at Borrower's expense to inspect, examine, and audit Borrower's records and to confirm with Account Debtors the accuracy of such Accounts.

E. REPRESENTATIONS AND WARRANTIES CONCERNING INVENTORY. With

respect to the Inventory, Borrower represents and warrants to Lender: (a) all inventory represented by Borrower to be Eligible Inventory for purposes of this Agreement conforms to the requirements of the definition of Eligible Inventory; (b) All inventory values listed on schedules deliver to Lender will be true and correct, subject to immaterial variance; (c) The value of the Inventory will be determined on a consistent accounting basis; (d) Except as agreed to the contrary by Lender in writing, all Eligible Inventory is now and at all times hereafter will be in Borrower's physical possession and shall not be held by others on consignment, sale on approval, or sale or return; (d) Except as reflected in the Inventory schedules delivered to Lender, all Eligible Inventory is now and at all times hereafter will be of good and merchantable quality, free from defects; (f) Eligible Inventory is not now and will not at any time hereafter be stored with a bailee, warehouseman, or similar party without Lender's prior written consent, and, in such event, Borrower will concurrently at the time of bailment cause any such

bailee, warehouseman, or similar party to issue and deliver to Lender, in form acceptable to Lender, warehouse receipts in Lender's name evidencing the storage of Inventory; and (g) Lender, its assigns, or agents shall have the right at any time and at Borrower's expense to inspect and examine the inventory and to check and test the same as to quality, quantity, value and condition.

F. NOTIFICATION BASIS. Borrower agrees and understands that this Loan shall be on a notification basis pursuant to which Lender shall directly collect and receive all proceeds and payments from the Accounts in which Lender has a security interest. In order to facilitate the foregoing, Borrower agrees to deliver to Lender, upon demand, any and all of Borrower's records, ledger sheets, payment cards, and other documentation, in the form requested by Lender with regard to the Accounts. Borrower further agrees that Lender shall have the right to notify each Account Debtor, pay such proceeds and payments directly to Lender, and to do any and all other things as Lender may deem to be necessary and appropriate, within its sole discretion, to carry out the terms and intent of this Agreement. Lender shall have the further right, where appropriate and within Lender's sole discretion, to file suit, either in its own name or in the name of Borrower, to collect any and all such Accounts. Borrower further agrees that Lender may take such other actions, either in Borrower's name or Lender's name, as Lender may deem appropriate within its sole judgment, with regard to collection and payment of the Accounts, without affecting the liability of Borrower under this Agreement or on the Indebtedness.

G. REMITTANCE AMOUNT. Borrower agrees that Lender may at any time require Borrower to institute procedures whereby the payments and

other proceeds of the Accounts that shall be paid by the Account Debtors under a remittance account arrangement with Lender, or Lender's agent, or with one or more financial institutions designated by Lender. Borrower further agrees that, if no Event of Default exists under this Agreement, any and all of such funds received under such a remittance account arrangement shall, at Lender's sole election and discretion, either be (a) paid or turned over to Borrower; (b) deposited into one or more accounts for the benefit of Borrower (which deposit accounts shall be subject to a security assignment in favor of Lender); (c) deposited into one or more accounts for the joint benefit of Borrower and Lender (which deposit accounts shall likewise be subject to a security assignment in favor

of Lender); (d) paid or turned over to Lender to be applied to the indebtedness in such order and priority as Lender may determine within its sole discretion; or (e) any combination of the foregoing as Lender shall determine from time to time. Borrower further agrees that, should one or more Events of Default exist, any and all funds received under such a remittance account arrangement shall be paid or turned over to Lender to be applied to the Indebtedness, again in such order and priority as Lender may determine within its sole discretion.

5. REPRESENTATIONS AND WARRANTIES. Borrower represents and warrants to Lender, as of the date of this Agreement, as of the date of each disbursement of Loan proceeds, as of the date of any renewal, extension or modification of any loan, and at all times any indebtedness exists:

A. ORGANIZATION. Borrower is a corporation which is duly organized, validly existing, and in good standing under the laws of the state of Borrower's incorporation and is validly existing and in good standing in all states in which Borrower is doing business. Borrower has the full power and authority to own its properties and to transact the business in which it is presently engaged or presently proposes to engage. Borrower also is duly qualified as a foreign corporation and is in good standing in all states in which the failure to so qualify would have a material adverse effect on its businesses or financial condition.

B. AUTHORIZATION. The execution, delivery, and performance of this Agreement and all Related Documents by Borrower, to the extent to be executed, delivered or performed by Borrower, have been duly authorized by all necessary action by Borrower; do not require the consent or approval of any other person, regulatory authority or governmental body; and do not conflict with, result in a violation of, or constitute a default under (a) any provision of its articles of incorporation or organization, or bylaws, or any agreement or other instrument binding upon Borrower or (b) any law, governmental regulation, court decree, or order applicable to Borrower.

C. FINANCIAL INFORMATION. Each financial statement of Borrower and each information, exhibit, or report supplied to Lender by Borrower, its agents or accountants truly and completely disclosed Borrower's financial condition as of the date of the statement in accordance with GAAP, and there has been no material adverse change in Borrower's financial or business condition or operations

subsequent to the date of the most recent financial statement supplied to Lender and non are imminent or threatened. Borrower has no material contingent obligations excepts as disclosed in such financial statements. Borrower acknowledges and agrees that Lender is relying on all such financial information in entering into, continuing, renewing or extending any Loan.

D. LEGAL EFFECT. This Agreement constitutes, and any instrument or agreement required hereunder to be given by Borrower when delivered will constitute, legal, valid and binding obligations of Borrower enforceable against Borrower in accordance with their respective terms.

E. PROPERTIES. Except for Permitted Liens, Borrower owns and has good title to all of Borrower's properties free and clear of all Security interests and has not executed any security documents or financing statements relating to such properties. All of Borrower's properties are listed in Borrower's legal name, and Borrower has not used, or filed a financing statement under, any other name for at least the last five (5) years. Additionally, Borrower and Borrower's real and personal properties comply fully with all laws, ordinances, statutes, codes and requirements of the Americans with Disabilities Act of 1990.

F. Borrower and Lender have executed an Environmental Agreement of even date herewith which by reference is made a part hereof.

G. LITIGATION AND CLAIMS. No litigation, claims, investigation, administrative proceeding or similar action (including those for unpaid taxes) against Borrower is pending or threatened, and no other event has occurred which may materially adversely affect Borrower's financial condition or properties, other than litigation, claims, or other events, if any, that have been disclosed to and acknowledged by Lender in writing.

H. TAXES. To the best of Borrower's knowledge, all tax returns and reports of Borrower that are or were required to be filed, have been filed, and all taxes, assessments, and other governmental charges have been paid in full, except those presently being or to be contested by Borrower in good faith in the ordinary course of business and for which adequate reserves have been provided.

I. LIEN PRIORITY. Unless otherwise previously

disclosed to Lender in writing, Borrower has not entered into or granted any Security Agreements, or permitted the filing of attachment of any Security Interests on or affecting any of the Collateral directly or indirectly securing repayment of Borrower's Loan and Note, that would be prior to or that may in any way be superior to Lender's Security Interests and rights in and to such Collateral.

J. BINDING EFFECT. This Agreement, the Note and all Security Agreements directly or indirectly securing repayment of Borrower's Loan and Note are binding upon Borrower as well as upon Borrower's successors, representatives, and assigns, and are legally enforceable in accordance with their respective terms.

K. PERMITS. Borrower possess and will continue to possess all permits, licenses, copyrights, trademarks, trade names, patents and rights thereto to conduct its business and its business does not conflict or violate any valid rights of others with respect to the foregoing.

L. COMMERCIAL PURPOSES. Borrower intends to use the Loan proceeds solely for business or commercial related purposes and will not purchase or carry margin stock (within the meaning of Regulations G, T and U of the Board of Governors of the Federal Reserve System).

M. EMPLOYEE BENEFIT PLANS. Each employee benefit plan as to which Borrower may have any liability complies in all material aspects with all applicable requirements of law and regulations, and (i) no Reportable Event nor Prohibited Transaction (as defined in ERISA) has occurred with respect to any such plan, (ii) Borrower has not withdrawn from any such plan or indicated steps to do so, and (iii) no steps have been taken to terminate any such plan.

N. LOCATION OF BORROWER'S OFFICES AND RECORDS. The chief place of business of Borrower and the office or offices where Borrower keeps its records concerning the Collateral is located at 5200 South Washington Avenue, Titusville, Florida 32780.

O. INFORMATION. All information heretofore or contemporaneously herewith furnished by Borrower to Lender for the purposes of or in connection with this Agreement or any transaction contemplated hereby is, and all information hereafter furnished by or on behalf of Borrower or Lender will be, true and accurate in every material respect on the date of which such information is dated or certified; an

none of such information is or will be incomplete by omitting to state any material fact necessary to make such information not misleading.

P. SURVIVAL OF REPRESENTATIVES AND WARRANTIES. Borrower understands and agrees that Lender, without independent investigation, is relying upon the above representations and warranties in extending Loan Advances to Borrower. Borrower further agrees that the foregoing representations and warranties shall be continuing in nature and shall remain in full force and effect until such time as Borrower's indebtedness shall be paid in full, or until this Agreement shall be terminated in the manner provided above, whichever is the last to occur.

6. AFFIRMATIVE COVENANTS. Borrower covenants and agrees with Lender that, while this Agreement is in effect, Borrower shall:

A. DEPOSIT ACCOUNTS. Maintain its primary banking accounts with Lender.

B. LITIGATION. Promptly inform Lender in writing of (a) all material adverse changes in Borrower's financial condition, and (b) all litigation and claims and all threatened litigation and claims affecting Borrower or any Guarantor which could materially affect the financial condition of Borrower or the financial condition of any Guarantor.

C. UPDATES. Promptly inform Lender in writing of details of all litigation, legal or administrative proceedings, investigation or other action of similar nature, pending or threatened against Borrower, at any time during the term of this Agreement, which in part or in whole may or will render any of the above representations and warranties no longer true, accurate and correct in each and every respect. Borrower will bring such details to Lender's attention, in writing, within thirty (30) days from the date Borrower acquires knowledge of same.

D. FINANCIAL RECORDS. Maintain its books and records in accordance with GAAP and permit Lender to examine and audit Borrower's books and records at all reasonable times.

E. FINANCIAL STATEMENTS. Furnish Lender with, as soon as available, but in no event later than fifteen (15) days after the end of each month, Borrower's balance sheet and profit and loss statement for the period ended, prepared

and certified as correct to the best knowledge and belief by Borrower's

chief financial officer or other officer or person acceptable to Lender. All financial records required to be provided under this Agreement shall be prepared in accordance with GAAP and certified by Borrower as being true and correct. Provide to Lender annually for each individual Borrower and Guarantor, if any, signed and dated personal financial statements on Lender's forms and, immediately after filing, the person income tax return filed for the past calendar year. Simultaneously with the financial information required herein of Borrower, the same information of all corporate or partnership guarantors, if any, prepared in accordance with GAAP.

Promptly, after the furnishing thereof, provide Lender with copies of any statement or report furnished to any other party pursuant to the terms of any indenture, loan, credit or similar agreement and not otherwise required to be furnished to Lender pursuant to any other section of this Agreement.

Promptly after the sending or filing thereof, provide Lender with copies of all proxy statements, financial statements and reports which Borrower sends to its stockholders, and copies of all regular periodic, special reports, and all registration statements which Borrower files with the Securities and Exchange Commission or any governmental authority which may be substituted therefor, or with any national securities exchange.

F. ADDITIONAL COVENANTS.

(a) Borrower will submit 10-K's annually within ninety (90) days of Borrower's fiscal year end.

(b) Borrower will submit 10-Q's quarterly within sixty (60) days of period end.

(c) CPA audited fiscal year end statement shall be submitted to Lender within ninety (90) days of Borrower's fiscal year end.

(d) Guarantor will provide to Lender annual personal financial statements in a form and content acceptable to Lender by August 31st of each year.

(e) Guarantor will provide to Lender a copy of Guarantor's personal income tax return, including

all schedules, immediately upon filing. In the event an extension is requested of IRS, then a copy of such extension request shall be submitted to Lender immediately upon filing.

(f) All business operating accounts and all business merchant services shall be maintained with Barnett Bank, N. A., Central Florida.

(g) Company prepared accounts receivable aging, to include a customer listing, shall be submitted within fifteen (15) days of month end.

(h) Company prepared accounts payable aging shall be submitted within fifteen (15) days of month end.

(i) Company prepared inventory stock status report and a certificate of inventory shall be submitted monthly within fifteen (15) days of month end.

(j) A borrowing base compliance certificate with back-up documentation shall be delivered once a week.

NEGATIVE COVENANT ALLOWANCES:

(a) Borrower will not create, incur or add additional indebtedness, except for trade debt, including capital leases without Lender's written consent.

(b) Borrower will not permit any purchase money security interests without Lender's written consent.

(c) Borrower will not enter into any operating leases as permitted indebtedness without Lender's written consent.

(d) Borrower will not permit loans or investments to officers or shareholders without Lender's written consent.

(e) Borrower will not pledge assets without Lender's prior written consent.

G ADDITIONAL INFORMATION. Furnish such additional information and statements, lists of assets and liabilities, agings of receivables and payables, inventory schedules, budgets, forecasts, tax returns, and other reports with respect to Borrower's financial condition and business operations as Lender may request from time to time.

H FINANCIAL COVENANTS AND RATIOS. Comply with the following covenants and ratios, which ratios are to be tested 3/31 and 9/30 of each year.

Tangible Net Worth. Maintain a minimum Tangible Net Worth of not less than:

Period	Ratio
At All Times	$1,900,000.00

Leverage Ratio. Maintain a ratio of Total Liabilities to Tangible Net Worth of less than:

Period	Ratio
At All Times	2.5:1

Current Ratio. Maintain a ratio of Current Assets to Current Liabilities in excess of:

Period	Ratio
At All Times	1.0:1

Fixed Charge Ratio. Maintain a ratio of Adjusted Net Income to Fixed Charges of not less than:

Period	Ratio
At All Times	1.25:1 as of fiscal year end, defined as earnings before interest, depreciations, amortization and taxes less dividends and bonuses divided by principal and interest.

I. Borrower may not make any distribution of dividends unless bank cash flow requirements are met and only to minimum cash flow level of 1.25:1 as defined above, and restricted to 50% of earnings.

J. Notwithstanding anything to the contrary, or any other loan document in connection with the loan transaction Borrower's right to any advances under the Revolving Line of Credit is subject to a quarterly audit to be conducted by the "ABL" Department and which audit shall determine that Borrower is in compliance with all of the terms and conditions of this Loan Agreement as well as the terms and conditions of all other loan documents.

For purposes of this Agreement and to the extent the following terms are utilized in this Agreement, the term "Tangible Net Worth" shall mean Borrower's

total assets excluding all intangible assets determined in accordance with GAAP (i.e., goodwill, trademarks, patents, copyrights, organizational expenses, and similar intangible items, and excluding all loans to shareholders and affiliates, but including leaseholds and leasehold improvements at book value) of Borrower less total Debt. The term "Debt" shall be determined in accordance with GAAP. The term "Subordinated Debt" shall mean indebtedness and liabilities of Borrower which have been subordinated by written agreement to indebtedness owed by Borrower to Lender in form and substance acceptable to Lender. The term "Working Capital" shall mean Borrower's current assets at lower of cost or current market value less amounts due from any officer, director, shareholder or any entity related by common control or ownership, excluding prepaid expenses, less Borrower's current liabilities. The term "Liquid Assets" shall mean Borrower's cash on hand, marketable securities, bank deposits and Borrower's receivables. The term "Adjusted Net Income" means net income after taxes plus depreciation, amortization, lease expense, and interest expense. The term "Fixed Charges" means interest expense plus lease expense, current maturities of long-term debt and current maturities of capital leases. The term "Cash Flow" shall mean net income after taxes, and exclusive of extraordinary gains and income, plus depreciation and amortization. The term "Senior Debt" shall mean Debt less Subordinated Debt. The term "Capital Funds" shall mean Tangible Net Worth plus Subordinated Debt. Except as provided above, all computations made to determine compliance with the requirements contained in this paragraph shall be made in accordance with GAAP and certified by Borrower as being true and correct.

F. INSURANCE. Maintain fire and other risk insurance, business interruption, theft, public liability insurance, and such other insurance in such amounts and covering such risks as are usually covered by businesses engaged in the same or a similar business and similarly situated with respect to Borrower's properties and operations in form, coverages and with insurance companies

reasonably acceptable to Lender. Borrower, upon request of Lender, will deliver to Lender from time to time the policies or certificates of insurance in form satisfactory to Lender, including stipulations that coverages will not be canceled or diminished without at least thirty (30) days prior written notice to Lender. In connection with all policies covering assets in which Lender holds or is offered a security interest for the Loans, Borrower will provide Lender with such loss payable or other endorsements as Lender may require.

G. INSURANCE REPORTS. Furnish to Lender, upon request of Lender, reports on each existing insurance policy showing such information as Lender may reasonably request, including without limitation the following: (a) the name of the insurer; (b) the risks insured; (c) the amount of the policy; (d) the properties insured; (e) the then current property values on the basis of which insurance has been obtained, and the manner of determining those values; and (f) the expiration date of the

policy. In addition, upon request of Lender (however not more often than annually), Borrower will have an independent appraiser satisfactory to Lender determine, as applicable, the actual cash value or replacement cost of any Collateral. The cost of such appraisal shall be paid by Borrower.

H. OTHER AGREEMENTS. Comply with all terms and conditions of all other agreements, whether now or hereafter existing, between Borrower and any other party and notify Lender immediately in writing of any default in connection with any other such agreements.

I. LOAN PROCEEDS. Use all Loan proceeds solely for Borrower's business operations, unless specifically consented to the contrary by Lender in writing.

J. TAXES, CHARGES AND LIENS. Pay and discharge when due all of its indebtedness and obligations, including without limitation all assessments, taxes, governmental charges, levies and liens, of every kind and nature, imposed upon Borrower or its properties, income, or profits, prior to the date on which penalties would attach, and all lawful claims that, if unpaid, might become a lien or charge upon any of Borrower's properties, income, or profits. Provided however, Borrower will not be required to pay and discharge any such assessment, tax, charge, levy, lien or claim so long as (a) the legality of the same shall be contested in good faith by appropriate proceedings, and (b) Borrower shall have established on its books adequate reserves with

respect to such contested assessment, tax, charge, levy, lien, or claim in accordance with generally accepted accounting practices. Borrower, upon demand of Lender, will furnish to Lender evidence of payment of the assessments, taxes, charges, levies, liens and claims and will authorize the appropriate governmental official to deliver to Lender at any time a written statement of any assessments, taxes, charges, levies, liens and claims against Borrower's properties, income, or profits.

K. PERFORMANCE. Perform and comply with all terms, conditions, and provisions set forth in this Agreement and in the Related Documents in a timely manner, and promptly notify Lender if Borrower learns of the occurrence of any event which constitutes an Event of Default under this Agreement or under any of the Related Documents.

L. OPERATIONS. Substantially maintain its present executive and management personnel, conduct its business affairs in a reasonable and prudent manner and in compliance with all applicable federal, state and municipal laws, ordinances, rules and regulations respecting its properties, charters, businesses and operations, including without limitation compliance with the Americans With Disabilities Act and with all minimum funding standards and other requirements of ERISA and other laws applicable to Borrower's employee benefit plans, and continue to engage in

an efficient and economical manner in a business of the same general type as now conducted by it, provided, however, that nothing contained in this Agreement shall prevent Borrower from discontinuing any part of Borrower's business, if in Borrower's opinion, this discontinuance is in the best interests of Borrower and not disadvantageous to Lender.

M. MAINTENANCE. Maintain, keep and preserve Borrower's buildings and properties and every part thereof in good repair, working order, and condition and from time to time make all needful and proper repairs, renewals, replacements, additions, betterments and improvements thereto, so that at all times the efficiency thereof shall be fully preserved and maintained, ordinary wear and tear excepted.

N. INSPECTION. Permit employees or agents of Lender at any reasonable time to inspect any and all collateral for the Loan or Loans and Borrower's other properties and to examine or audit Borrower's books, accounts and records and to make copies and memoranda of Borrower's books, accounts and records. If Borrower now or at any time hereafter

maintains any records (including without limitation computer generated records and computer software programs for the generation of such records) in the possession of a third party, Borrower, upon request of Lender, shall notify such party to permit Lender free access to such records at all reasonable times and to provide Lender with copies of any records it may request, all at Borrower's expense and discuss the affairs, finances and accounts of Borrower with Lender.

O. COMPLIANCE CERTIFICATE. Unless waived in writing by Lender, provide Lender quarterly a compliance certificate executed by Borrower's chief financial officer, or other officer or person acceptable to Lender, certifying that the representations and warranties set forth in this Agreement are true and correct as of the date of the certificate and further certifying that, as of the date of the certificate, no default or Event of Default has occurred, or has occurred and is continuing under this Agreement.

P. Environmental Compliance and Reports. Borrower and Lender have executed an Environmental Agreement of even date herewith which by reference is made a part hereof.

Q. ADDITIONAL ASSURANCES. Make, execute and deliver to Lender such promissory notes, mortgages, deeds of trust, security agreements, financing statements, instruments, documents and other agreements as Lender or its attorneys may reasonably request to evidence and secure the Loans and to perfect all Security Interests.

7. CESSATION OF ADVANCES. If Lender has made any commitment to make any Loan to Borrower whether under this Agreement or under any other agreement,

Lender shall have no obligation to make Loan Advances or to disburse Loan proceeds if (a) Borrower or any Guarantor is in default under the terms of this Agreement or any of the Related Documents or any other agreement that Borrower or any Guarantor has with Lender: (b) Borrower or any Guarantor becomes insolvent, files a petition in bankruptcy or similar proceedings, or is adjudged a bankrupt; (c) there occurs a material adverse change in Borrower's financial condition. In the financial condition of any Guarantor, or in the value of any Collateral securing any Loan; (d) any Guarantor seeks, claims or otherwise attempts to limit, modify or revoke such Guarantor's guaranty of the Loan or any other loan with Lender; or (e) Lender in good faith deems itself insecure even though no Event of Default shall have occurred.

8. ADDITIONAL ELIGIBLE ACCOUNTS. Notwithstanding anything

else contained in this Agreement to the contrary, "Eligible Accounts" do not include Accounts which Lender in its sole discretion, deems ineligible from time to time.

9. AUDITS. Periodic audits of Borrower's Collateral will be performed by Barnett Banks, Inc.'s Asset Based Lending Department, the results of which must be satisfactory to Lender in its sole discretion.

10. RIGHT OF SETOFF. Borrower authorizes Lender, to the extent permitted by applicable law, to charge, withdraw or setoff all sums owing on this Agreement against any and all the accounts set forth below in the Accounts section without prior demand or notice to Borrower.

11. ACCOUNTS. Borrower grants to Lender a contractual possessory security interest in, and hereby assigns, conveys, delivers, pledges, and transfers to Lender all of Borrower's right, title and interest in and to, Borrower's deposits, accounts (whether checking, savings, or some other account), or securities now or hereafter in the possession of or any deposit with Lender or with any Barnett Banks, Inc. affiliate or subsidiary including without limitation all accounts held jointly with someone else and all accounts Borrower may open in the future, excluding however all IRA, Keogh, and trust accounts.

12. EVENTS OF DEFAULT. If any of the following events shall occur each shall constitute an Event of Default under this Agreement:

A. DEFAULT ON INDEBTEDNESS. An event of default as defined in any Loan or Note or demand for full payment of any Loan or Note.

B. OTHER DEFAULTS. Failure of Borrower or any Grantor to comply with or to perform when due any other term, obligation, covenant or condition contained in this Agreement or in any of the Related Documents, or failure of Borrower to comply with or to perform any other term, obligation, covenant or condition contained in any other agreement between Lender and Borrower.

C. DEFAULT IN FAVOR OF THIRD PARTIES. Should Borrower or any Grantor default under any loan, extension of credit, security agreement, purchase or sales agreement or any other agreement, in favor of any other creditor or person that may materially affect any of Borrower's property or Borrower's or any Grantor's ability to repay the Loans or perform their respective obligations under this Agreement or

any of the Related Documents.

D. FALSE STATEMENTS. Any warranty, representation, or statement made or furnished to Lender by or on behalf of Borrower or any Grantor under this Agreement or the Related Documents is false or misleading in any material respect, either now or at the time made or furnished.

E. DEFECTIVE COLLATERALIZATION. This Agreement or any of the Related Documents ceases to be in full force and effect (including failure of any Security Agreement to create a valid and perfected Security Interest) at any time and for any reason.

F. INSOLVENCY. The dissolution or termination of Borrower's existence as a going business, insolvency, appointment of a receiver for any part of Borrower's property, any assignment for the benefit of creditors, any type of creditor workout, or the commencement of any proceeding under any bankruptcy or insolvency laws by or against Borrower.

G. CREDITOR PROCEEDINGS. Commencement of foreclosure proceedings, whether by judicial proceeding, self-help, repossession or any other method, by any creditor of Borrower, any creditor of any grantor of collateral for the Loan. This includes a garnishment, attachment, or levy on or of any of Borrower's deposit accounts with Lender.

H. FORFEITURE. The filing of formal charges under any federal or state law against any Borrower which forfeiture is the penalty. However, this Event of Default shall not apply if there is a good faith dispute by Borrower as to the validity or reasonableness of the claim which is the basis of the proceeding, and if Borrower gives Lender written notice of the proceeding and furnishes reserves or a surety bond for the proceeding satisfactory to Lender.

I. EVENTS AFFECTING GUARANTOR. Any of the preceding events occurs with respect to any Guarantor of any of the indebtedness or such Guarantor dies or becomes incompetent.

J. INSECURITY. Lender, in good faith, deems itself insecure.

18. EFFECT OF AN EVENT OF DEFAULT. If any Event of Default shall occur,

except where otherwise provided in this Agreement or the Related Documents, all commitments and obligations of Lender under this Agreement or the Related Documents or any other

agreement immediately will terminate (including any obligation to make Loan Advances or disbursements), and, at Lender's option, all indebtedness immediately will become due and payable, all without notice of any kind to Borrower, except that in the case of an Event of Default of the type described in the "Insolvency" subsection above, such acceleration shall be automatic and not optional. In addition, Lender shall have all the rights and remedies provided in the Related Documents or available at law, in equity, or otherwise. Except as may be prohibited by applicable law, all of Lender's rights and remedies shall be cumulative and may be exercised singularly or concurrently. Election by Lender to pursue any remedy shall not exclude pursuit of any other remedy, and an election to make expenditures or to take action to perform an obligation of Borrower or of any Grantor shall not affect Lender's right to declare a default and to exercise its rights and remedies.

19. MISCELLANEOUS PROVISIONS. The following miscellaneous provisions are a part of this Agreement:

K. AMENDMENTS. This Agreement, together with any Related Documents, constitutes the entire understanding and agreement of the parties as to the matters set forth in this Agreement and supersedes all prior understandings and correspondence, oral or written, with respect to the subject matter hereof. No alteration of or amendment to this Agreement shall be effective unless given in writing and signed by the party or parties sought to be charged or bound by the alteration or amendment.

L. APPLICABLE LAW. This Agreement shall be governed buy and construed in accordance with the laws of the State of Florida.

M. CAPTION HEADINGS. Caption headings in this Agreement are for convenience purposes only and are not be used to interpret or define the provisions of this Agreement.

N. CONTINUING AGREEMENT. This Agreement is a continuing agreement and shall continue in effect notwithstanding that from time to time, no indebtedness may exist.

O. CONSENT TO LOAN PARTICIPATION. Borrower agrees and consents to Lender's sale or transfer, whether now or later, of one or more participation interests in the Loans to one or more purchasers, whether related or unrelated to Lender. Lender may provide, without any limitation

whatsoever, to any one or more purchasers, or potential purchasers, any information or knowledge Lender may have about Borrower or about any other matter relating to the Loan, and Borrower hereby waives any rights to privacy it may have with respect to such matters. Borrower additionally waives any and all notices of sale of participation interest, as well as all notices of any repurchase of such participation interests. Borrower also agrees that the purchasers of any such participation interests will be considered as the absolute owners of such interests in the Loans and will have all the rights granted under the participation agreement or agreements governing the sale of such participation interests. Borrower further waives all rights of offset or counterclaim that it may have now or later against Lender or against any purchaser of such a participation interest and unconditionally agrees that either Lender or such purchaser may enforce Borrower's obligation under the Loans irrespective of the failure or insolvency of any holder of any interest in the Loans. Borrower further agrees that the purchaser of any such participation interest may enforce its interests irrespective of any personal claims or defenses that Borrower may have against Lender.

P. COSTS AND EXPENSES. Borrower agrees to pay upon demand all of Lender's out-of-pocket expenses, including reasonable attorney's fees, incurred in connection with the preparation, execution, enforcement and collection of this Agreement, or in connection with the Loans made pursuant to this Agreement. Lender may pay someone else to help collect the Loans and to enforce this Agreement, and Borrower will pay that amount. This includes, subject to any limits under applicable law, Lender's reasonable attorney's fees and Lender's legal expenses, whether or not there is a lawsuit, including reasonable attorney's fees for bankruptcy proceedings (including efforts t modify or vacate any automatic stay or injunction), appeals, and any anticipated post-judgment collection services. Borrower also will pay any court costs, in addition to all other sums provided by law.

Q. NOTICES. All notices required to be given under this Agreement shall be given in writing and shall be effective when actually delivered or when deposited with a nationally recognized overnight courier or deposited in the United States registered or certified mail, first class, postage prepaid, return receipt requested, addressed to the party to whom the notice is to be given at the address shown above; notification by facsimile is specifically not

allowed. Any party may change its address for notices under this Agreement by giving formal written notice to the other parties, specifying that the purpose of the notice is to change the party's address. To the extent permitted by applicable law, if there is more than one Borrower, notice to any Borrower will constitute notice to all Borrowers. For notice purposes, Borrower agrees to keep Lender informed at all times of Borrower's current

address(es).

R. SEVERABILITY. If a court of competent jurisdiction finds any provision of this Agreement to be invalid or unenforceable as to any person or circumstance, such finding shall not render that provision invalid or unenforceable as to any other person or circumstances. If feasible, any such offending provision shall be deemed to be modified to be within the limits of enforceability of validity; however, if the offending provision cannot be so modified, it shall be stricken and all other provisions of this Agreement in all other respects shall remain valid and enforceable.

S. SUCCESSORS AND ASSIGNS. All covenants and agreements contained by or on behalf of Borrower shall bind its successors and assigns and shall inure to the benefit of Lender, its successors and assigns, Borrower shall not, however, have the right to assign its rights under this Agreement or any interest therein, without the prior written consent of the Lender.

T. SURVIVAL. All warranties, representations, and covenants made by Borrower in this Agreement or in any certificate or other instrument delivered by Borrower to Lender under this Agreement shall be considered to have been relied upon by Lender and will survive the making of the Loan and delivery to Lender of the Related Documents, regardless of any investigation made by Lender or on Lender's behalf.

U. TIME. Time is of the essence in the performance of this Agreement.

V. WAIVER. Lender shall not be deemed to have waived any rights under this Agreement unless such waiver is given in writing and signed by Lender. No delay or omission on the part of Lender in exercising any right shall operate as a waiver of such right or any other right. A waiver by Lender of a provision of this Agreement shall not prejudice or constitute a waiver of Lender's right otherwise to demand strict compliance with that provision or any other provision

of this Agreement. No prior waiver by Lender, nor any course of dealing between Lender and Borrower, or between Lender and any Guarantor, shall constitute a waiver of any of Lender's rights or of any obligation of Borrower or of any Guarantor as to any future transactions. Whenever the consent of Lender is required under this Agreement, the granting of such consent by Lender in any instance shall not constitute continuing consent in subsequent instances where such consent is required, and in all cases such consent may be granted or withheld in the sole discretion of Lender.

X. ORDER OF EXECUTION. All of the parties hereto acknowledge that the order of execution of this Agreement is as follows: execution by the Lender

in the State of Florida, followed by delivery to the Borrower and Guarantors in Wilmington, Ohio and execution by the Borrower and Guarantors in the State of Ohio.

BORROWER ACKNOWLEDGES HAVING READ ALL THE PROVISIONS OF THIS LOAN AGREEMENT, AND BORROWER AGREES TO ITS TERMS. THIS AGREEMENT IS DATED AS OF SEPTEMBER ___, 1996.

BORROWER:
ECKLER INDUSTRIES, INC.
a Florida corporation

By: /s/

Witness Signature
Ralph H. Eckler, President

Print Witness Name
Address: 5200 S. Washington Ave.
Titusville, FL 32780

Witness Signature
GUARANTOR:
/s/

Print Witness Name
Ralph H. Eckler, Individually

LENDER:
BARNETT BANK, N.A.
By: /s/

Witness Signature

Print Witness Name
Address: 707 Mendham Boulevard
Suite 123
Orlando, FL 32825-3262

Witness Signature

Print Witness Name

EXHIBIT 10.23

SECURITY AGREEMENT

ECKLER INDUSTRIES, INC., a Florida corporation (the "Borrower"), of 5200 South Washington Avenue, Titusville, Florida 32780, for value received, hereby grants to BARNETT BANK, N.A., with an office at 707 Mendham Boulevard, P. O. Box 678267, Orlando, Florida 32867-8267(the "Secured Party"), a continuing security interest in the following property:

ALL INVENTORY, CHATTEL PAPER, ACCOUNTS RECEIVABLE, EQUIPMENT AND GENERAL INTANGIBLES, WHETHER ANY OF THE FOREGOING IS OWNED NOW OR HEREAFTER ACQUIRED; ALL ACCESSIONS, ADDITIONS, REPLACEMENTS AND SUBSTITUTIONS RELATING TO ANY OF THE FOREGOING; ALL RECORDS OF ANY KIND RELATING TO ANY OF THE FOREGOING; AND ALL PROCEEDS RELATING TO ANY OF THE FOREGOING (INCLUDING INSURANCE, GENERAL INTANGIBLES AND OTHER ACCOUNT PROCEEDS).

together with all products of the collateral and all additions and accessions to, replacements of, insurance or condemnation proceeds of, and documents covering the collateral, all property received wholly or partly in trade or exchange for the collateral, and all rents, revenues, issues, profits and proceeds arising from the sale, lease, license, encumbrance, collection, or any other temporary or permanent disposition of, the collateral or any interest therein, whether now owned or existing or hereafter acquired or arising (all of which is hereinafter called "Collateral"), to secure the payment of that certain indebtedness evidenced by a promissory note or notes executed by Borrower in the amount of ONE MILLION ($1,000,000.00) DOLLARS, of even date herewith, and any and all extensions or renewals thereof, and all obligations of every description whether now existing or hereafter arising or acquired by Secured Party by purchase, assignment or otherwise, and whether direct or indirect, primary or as guarantor or surety, absolute or contingent, liquidated or unliquidated, matured or unmatured, whether or not secured by additional collateral, and including without limitation obligations to perform or forbear from performing acts, all amounts represented by letters of credit now or hereafter issued by Secured Party for the benefit of or at the request of Borrower, and all expenses and attorneys' fees incurred by Secured Party in the preparation, execution, perfection, administration or enforcement of this Agreement, the security interest created hereby, or any other documents relating to any obligation (all hereinafter called the "Obligations").

Notwithstanding the foregoing, Secured Party waives any rights to the Collateral or to any deposit account or any other property of Borrower with Secured Party as security for any indebtedness of an individual Borrower to Secured Party to which the Truth-in-Lending Act and Regulation Z promulgated thereunder apply.

To the extent not defined herein, unless the context otherwise requires, all other terms contained in this Agreement shall have the meanings attributed to them by Article 9 of the Uniform Commercial Code in force in the State of Florida as of the date hereof, to the extent the same are used or defined therein.

A. REPRESENTATIONS AND WARRANTIES. Borrower represents and warrants to Secured Party, and such representations and warranties shall be continuing representations and warranties so long as any Obligations shall remain outstanding, as follows:

1. If a corporation, Borrower has been duly incorporated and organized and is existing as a corporation in good standing under the laws of its jurisdiction of incorporation and is duly qualified and in good standing as a foregoing corporation in those jurisdictions where the conduct of its business or the ownership of its properties requires qualification; and Borrower has the power and authority to own the Collateral, to enter into and perform this Agreement and any other document or instrument delivered in connection herewith and to incur the Obligations.

2. Borrower utilizes no trade names in the conduct of its business except as set forth herein, has not changed its name, been the surviving entity in a merger, acquired any business, or (if Accounts or Accounts Receivable are included as Collateral) changed the location of its chief place of business or chief executive office or the location of its records with respect to such Accounts or Accounts Receivable or the location of any returns of Inventory, or (if Inventory is included as Collateral) the location of any of the Inventory, or (if Equipment is included as Collateral) the location of the Equipment, except as set forth herein.

3. The execution and performance of this Agreement and any other document or instrument delivered in connection herewith will not result in the creation or imposition of any lien or encumbrance upon any of the Collateral (immediately, with the passage of time, or with the giving of notice and the passage of time) except the lien created hereby.

4. This Agreement and any document or instrument delivered in connection herewith and the transactions contemplated hereby or thereby have been duly authorized and/or executed and delivered, as appropriate; and this

Agreement and such other documents and instruments constitute valid and legally binding obligations of Borrower and are enforceable against Borrower in accordance with their respective terms.

5. Borrower is the owner of the Collateral free and clear of all security interests, encumbrances or liens, except liens which arise by operation of law with respect to obligations of Borrower which are not yet due and payable and except as may be specifically set forth herein, and Borrower will defend the Collateral against all claims and demands of all persons at any time claiming an interest therein.

6. Borrower has filed all federal, state and local tax returns and other reports it is required to file and has paid or made adequate provision for payment of all such taxes, assessments and other governmental charges.

7. No representation, warranty or statement by Borrower contained herein or in any certificate or other document furnished or to be furnished by Borrower pursuant hereto contains or at the time of delivery shall contain any untrue statement of material fact, or omits, or shall omit at the time of delivery, to state a material fact necessary to make it not misleading.

B. SPECIFIC REPRESENTATIONS, WARRANTIES AND COVENANTS WITH RESPECT TO COLLATERAL. With respect to the Collateral, Borrower hereby represents and warrants and covenants with Secured Party as follows:

1. If Inventory is a part of the Collateral:

(a) All Inventory is in possession of Borrower at Borrower's address set forth above and all records of Borrower pertaining thereto are kept at Borrower's address except as set forth herein, and Borrower shall notify Secured Party in writing no later than thirty (30) days prior to any change of any location where the Inventory is or may be kept;

(b) Borrower shall not sell, lease or otherwise transfer any interest in the Inventory except that Borrower may, until an Event of Default occurs, hold, process, sell, use or consume Inventory in the ordinary course of Borrower's business, excluding, however, any sale or transfer made in partial or total satisfaction of a debt;

(c) Borrower shall keep current stock, cost and sales records of the Inventory, accurately itemizing and describing the types or quantities of Inventory, and the cost and selling price thereof and all books, records and documents relating to the Inventory are and will be genuine, complete and correct;

(d) None of the Inventory is, or at any time or times hereafter will be, stored with a bailee, without the prior written consent of Secured Party;

(e) Borrower shall, at Secured Party's request, deliver to Secured Party any and all evidence of ownership of, certificates of title to, or other documents evidencing any interest in, any and all of the Inventory; and

(f) Borrower has not purchased any of the Inventory in a bulk transfer or in a transaction which was outside the ordinary course of business of the Seller.

2. If Equipment is a part of the Collateral:

(a) The Equipment is in the possession of Borrower at Borrower's address set forth above or at the location(s) set forth herein and that said location(s) if not owned by Borrower, are leased by Borrower as set forth herein; if Equipment is or shall be affixed to any real estate, including any buildings owned or leased by Borrower or used by Borrower in the operation of its business, Borrower shall provide Secured Party with disclaimers and waivers necessary to make the security interest in the Equipment valid against Borrower and other persons holding an interest in such real estate;

(b) Borrower shall keep and maintain all Equipment in good operating condition and repair, make all necessary repairs thereto and replacement of parts thereof so that the value and operating efficiency thereof shall at all times be maintained and preserved; and Borrower shall keep complete and accurate books and records with respect to Equipment, including maintenance records;

(c) Borrower shall deliver to Secured Party any and all evidence of ownership of, and certificates of title to, any and all of the Equipment;

(d) Except as set forth herein, Borrower shall not, without the prior written consent of Secured Party, sell, lease or in any other manner dispose of any Equipment. Borrower may from time to time substitute Equipment provided that the value, marketability and operating integrity of the Collateral after such action is not impaired. Any such substituted Equipment shall become a part of the Collateral, and the Equipment for which substitution has been made shall become the property of Borrower free and clear of any claims of Secured Party.

(e) Borrower shall notify Secured Party in writing no later than thirty (30) days prior to any change of any location where the Equipment is or may be kept.

3. If Accounts Receivable (Receivables) are part of the Collateral:

(a) The address of the chief executive office and chief place of business of Borrower is set forth above and Borrower has no other places of business except as set forth herein. All records pertaining to the Receivables (including computer records) and all returns of Inventory are kept at Borrower's address; Borrower will notify Secured Party in writing, no later than thirty (30) days prior to any change in address of the chief executive office or chief place of business of Borrower or of any change of the location where records pertaining to Receivables or returns of Inventory are kept.

(b) All books, records and documents relating to any of the Receivables (including computer records) are and will be genuine and in all respects what they purport to be; and the amount of each Receivable shown on the books and records of Borrower is and will be the correct amount actually owing or to be owing at maturity of such Receivables.

(c) Until Secured Party directs otherwise, Borrower shall collect the Receivables, subject to the direction and control of Secured Party at all times. Any proceeds of Receivables collected by Borrower shall not be commingled with other funds of Borrower and shall, upon the request of Secured Party, be immediately delivered to Secured Party in the form received, except for necessary endorsements to permit

collection; Secured Party may in its sole discretion, allow Borrower to use such funds to such extent and for such periods, if any, as Secured Party elects;

(d) Borrower shall notify Secured Party if any Receivables arise out of contracts with the United States or any department, agency or instrumentality thereof, and Borrower shall execute any instruments and take any steps to perfect the assignment of the rights of the Borrower to Secured Party as required under the Federal Assignment of Claims Act or any similar act or regulation;

(e) Borrower shall provide Secured Party, at its request, from time to time with: confirmatory assignment schedules; copies of all invoices relating to Receivables; evidence of shipment or delivery of Inventory; and, such further information and/or schedules as Secured Party may reasonably require, all in a form satisfactory to Secured Party;

(f) Borrower shall not sell any accounts or other rights to monies due, except for endorsing and depositing checks for collection;

and

(g) Borrower shall not cancel any claim or debt it owns except for adequate consideration and in the ordinary course of business.

4. The security interests granted to Secured Party pursuant hereto and to any of the other loan documents are first priority security interest in and to the Collateral described herein and therein, assuming delivery of any property as to which possession is the only method of perfecting a security interest and the filing or recording of financing statements, chattel mortgages, trademark mortgages, patent mortgages and certificates of title with respect thereof. Borrower has delivered all agreements, letters of credit, promissory notes, certificates of deposit, chattel paper, or anything else the physical possession of which is necessary in order for Secured Party to perfect or preserve the priority of its security interest, and shall immediately so deliver all of such items hereafter arising or acquired by Borrower.

5. If the Collateral declines substantially in value Borrower shall grant a security interest to Secured Party in additional collateral satisfactory to Secured Party with a

value at least equal to the decline in value of the existing collateral.

6. If any collateral is stored in a warehouse which has issued a negotiable warehouse receipt therefor, Borrower shall immediately deliver such warehouse receipt to Secured Party.

C. GENERAL COVENANTS. Borrower covenants and agrees that so long as any Obligations remain outstanding:

1. Borrower shall not mortgage, pledge, grant or permit to exist a security interest in, or lien or encumbrance upon any of the Collateral except in favor of Secured Party.

2. Borrower shall, upon the request of Secured Party, furnish Secured Party:

(a) Promptly and in form satisfactory to Secured Party, any information as Secured Party may reasonably request from time to time.

3. Borrower shall maintain casualty insurance coverage on the Collateral in such amounts and of such types as may be requested by Secured Party, and in any event, as are ordinarily carried by similar businesses; and, in the case of all policies insuring property in which Secured Party shall have a security interest of any kind whatsoever, all such insurance policies shall provide that the proceeds thereof shall be payable to

Borrower and Secured Party, as their respective interests may appear. All said policies or certificates thereof, including all endorsements thereof and those required hereunder, shall be deposited with Secured Party; and such policies shall contain provisions that no such insurance may be canceled or decreased without ten (10) days prior written notice to Secured Party; and in the event of acquisition of additional insurable Collateral, Borrower shall cause such insurance coverage to be increased or amended in such manner and to such extent as prudent business judgment would dictate. If Borrower shall at any time or times hereafter fail to obtain and/or maintain any of the policies of insurance required herein, or fail to pay any premium relating to any such policies, Secured Party may, but shall not be obligated to, obtain and/or cause to be maintained insurance coverage with respect to the Collateral, including at Secured Party's option, the coverage provided by all or any of the policies of Borrower and pay all or any part of the premium therefor, without

waiving any Event of Default by Borrower, and any sums so disbursed by Secured Party shall be additional Obligations of Borrower to Secured Party payable on demand. Secured Party shall have the right to settle and compromise any and all claims under any of the policies required to be maintained by Borrower hereunder and Borrower hereby appoints Secured Party as its attorney-in-fact, with power to demand, receive and receipt for all monies payable thereunder, to execute in the name of Borrower or Secured Party or both any proof of loss, notice, draft or other instruments in connection with such policies or any loss thereunder and generally to do and perform any and all acts as Borrower, but for this appointment, might or could perform.

4. Borrower shall permit Secured Party, through its authorized attorneys, accountants and representatives, to inspect and examine the Collateral and the books, accounts, records, ledgers and assets of every kind and description of Borrower with respect thereto at all reasonable times. Secured Party (by any of its officers, employees and/or agents) shall have the right to inspect, audit and make extracts from all of the Borrower's records, files and books of account, and to enter and inspect Borrower's premises. Borrower shall deliver any document or instrument necessary for Secured Party to obtain records from any service bureau maintaining records for Borrower and shall maintain duplicate records on media, including, without limitation, computer tapes and discs, owned entirely by Borrower. All reasonable out-of-pocket costs, fees and expenses incurred by Secured Party (other than salaries paid to Secured Party's employees), or for which Secured Party has become obligated, in connection with such inspection and/or verification shall be payable by Borrower to Secured Party.

5. Borrower shall promptly notify Secured Party of any condition or event which constitutes, or would constitute with the passage of time

or giving of notice or both, an Event of Default under this Agreement, and promptly inform Secured Party of any events or change in the financial condition of Borrower occurring since the date of the last financial statement of Borrower delivered to Secured Party which individually or cumulatively when viewed in light of prior financial statements, may result in a material adverse change in the financial condition of Borrower.

6. Borrower shall, if a corporation, maintain in good standing its corporate existence in its jurisdiction of

incorporation and its status as a foreign corporation qualified to do business in those jurisdictions where Borrower is required to be qualified; if Borrower is presently not incorporated, Borrower will not incorporate or transfer any of its assets to a corporation without the prior written consent of Secured Party.

7. If Borrower shall now or hereafter maintain an employee benefit plan covered by Section 4021(a) of the Employee Retirement Income Security Act of 1974 (hereinafter referred to as "ERISA") relating to plan termination insurance, it shall promptly:

(a) Notify Secured Party of filing of notice with the Pension Benefit Guaranty Corporation ("PBGC") pursuant to Section 4041 of ERISA that the plan is to be terminated; and

(b) Notify Secured Party of the institution of proceedings by the PBGC under Section 4042 of ERISA.

8. Borrower shall pay or deposit promptly when due all sales, use, excise, personal property, income, withholding, corporate, franchise and other taxes, assessments and governmental charges upon or relating to its ownership or use of any of the Collateral and submit to Secured Party proof satisfactory to Secured Party that such payments and/or deposits have been made.

9. Borrower shall, at any time and from time to time upon the request of Secured Party, execute and deliver to Secured Party, in form and substance satisfactory to Secured Party, such documents as Secured Party shall deem necessary or desirable to perfect or maintain perfected the security interest of Secured Party in the Collateral or which may be necessary to comply with the provisions of the law of the State of Florida or the law of any other jurisdiction in which Borrower may then be conducting business or in which any of the Collateral may be located.

10. Borrower shall maintain and preserve all patents, copyrights, trademarks, service marks, trade names and the like, and shall diligently

pursue all applications for any of the aforesaid.

11. Borrower shall not occupy any premises other than those currently occupied, enter into any leases for premises other than those currently in existence, or enter into any warehouse storage agreements other than those in existence,

without in each case first obtaining and delivering to Secured Party a waiver of lien by such landlord or warehouseman in form and substance satisfactory to Borrower.

12. Borrower is not a party to any contracts to supply items to the United States of America or any department, agency, subdivision or instrumentality thereof. Borrower shall not enter into any such contracts except upon prior written notice to Secured Party specifically stating whether such contract provides for progress or similar pre-delivery payments to Borrower, and Borrower shall take all action necessary to assign to Secured Party all rights to such progress payments.

D. EVENTS OF DEFAULT AND ACCELERATION.

1. The occurrence of any one or more of the following events shall constitute an Event of Default hereunder:

(a) Default in the payment of any principal, interest or other charges in respect to any of the Obligations as and when due;

(b) Default in the observance or performance of any covenant or agreement of any Borrower herein set forth or set forth in any agreement, note or instrument heretofore, now or hereafter executed by any Borrower in favor of Secured Party;

(c) Any representation, warranty, certificate, schedule or other information made or furnished by Borrower to Secured Party herein or pursuant hereto which is or shall be untrue or materially misleading;

(d) Loss, theft, damage or destruction of any material portion of the Collateral for which there is either no insurance coverage or for which in the opinion of Secured Party there is insufficient insurance coverage; or the making of any levy, seizure or attachment upon the Collateral;

(e) Insolvency of any Borrower; or the appointment of a creditor's committee for the business of any Borrower; or any assignment by any Borrower for the benefit of creditors; or the filing by any Borrower of a petition in bankruptcy or for reorganization or to effect a plan of arrangement with creditors; or an application by

any Borrower for or permitting the appointment of a receiver or trustee for any or all of

the property or assets of Borrower or if any such receiver or trustee shall have been appointed for any or all property or assets of any Borrower; or the commencement of any of the above actions or proceedings whatsoever by or against any Borrower or any guarantor or any other party liable for any of the Obligations;

(f) The filing or commencement of any proceeding by or against any Borrower or any guarantor of any of the Obligations for dissolution or liquidation; or any Borrower or any guarantor dies (if an individual) or voluntarily or involuntarily terminates or dissolves or is terminated or dissolved;

(g) The occurrence or existence of any situation which leads Secured Party to reasonably believe that Borrower may not, or may be unable to, pay in the normal course any of the Obligations; or

(h) The occurrence of any event which might, in Secured Party's opinion, have a material adverse effect on the Collateral or on Borrower's financial or business conditions, operations or prospects.

2. If any Event of Default shall occur, then or at any time thereafter, while such Event of Default shall continue, Secured Party may declare all Obligations to be due and payable, without notice, protest, presentment or demand, all of which are hereby expressly waived by Borrower.

E. RIGHTS AND REMEDIES. Secured Party shall have, by way of example and not of limitation, the rights and remedies set forth herein and provided by the Uniform Commercial Code in effect in the State of Florida at all times after the occurrence of an Event of Default:

1. Secured Party and any officer or agent of Secured Party is hereby constituted and appointed as true and lawful attorney-in-fact of Borrower with power:

(a) If Receivables are part of the Collateral, to notify or require Borrower to notify any and all account debtors or parties against which Borrower has a claim that the Receivables have been assigned to Secured Party and/or that Secured Party has a security interest therein and that all payments should be made to Secured Party;

(b) To endorse the name of Borrower upon any instrument of payment (including payments made under any policy of insurance) that may come into possession of Security Party in full or part payment of any amount owing to Secured Party;

(c) To sign and endorse the name of Borrower upon any invoice, freight or express bill, bill of lading, storage or warehouse receipt, drafts against account debtors or other obligors and if Receivables are a part of Collateral, to sign and endorse the name of Borrower on any assignments, verifications and notices in connection with Receivables, and any instrument or document relating thereto or to rights of Borrower therein;

(d) To notify the post office authorities to change the address for delivery of mail for Borrower to an address designated by Secured Party and to receive, open and dispose of all mail addressed to Borrower;

(e) If Receivables are a part of the Collateral, to send requests for verification to account debtors or other obligors; and

(f) To sell, assign, sue for, collect or compromise payment of all or any part of the Collateral in the name of Borrower or its own name, or make any other disposition of Collateral, or any part thereof, which disposition may be for cash, credit or any combination thereof and Secured Party may purchase all or any part of the Collateral at public or, if permitted by law, private sale, and in lieu of actual payment of such purchase price, may set-off the amount of such price against the Obligations;

granting to Secured Party, as the attorney-in-fact of Borrower, full power of substitution and full power to do any or all things necessary to be done in and about the premises as fully and effectually as Borrower might or could do but for this appointment, and hereby ratifying all that said attorney-in-fact shall lawfully do or cause to be done by virtue hereof. Neither Secured Party nor its agents shall be liable for any acts or omissions or for any error of judgment or mistake of fact or law in its capacity as such attorney-in-fact. This power of attorney is coupled with an interest and shall be irrevocable so long as any Obligations shall remain outstanding.

2. Secured Party shall have the right to enter and/or remain upon the premises of Borrower without any obligation to pay rent to Borrower or others, or any other place or places where any of the Collateral is located and kept and:

(a) Remove Collateral therefrom to the premises of Secured Party or any agent of Secured Party, for such time as Secured Party may desire, in order to maintain, collect, sell and/or liquidate the Collateral; or

(b) Use such premises, together with materials, supplies, books and records of Borrower, to maintain possession and/or the condition of the Collateral, and to prepare the Collateral for selling, liquidating or collecting. Secured Party may require Borrower to assemble the Collateral and make it available to Secured Party at a place to be designated by Secured Party which is reasonably convenient to both parties.

3. Borrower recognizes that in the event Borrower fails to perform, observe or discharge any of its obligations or liabilities under this Agreement, no remedy of law will provide adequate relief to Secured Party, and Borrower agrees that Secured Party shall be entitled to temporary and permanent injunctive relief in any such case without the necessity of proving actual damages.

4. Secured Party shall have the right to set-off, without notice to Borrower, any and all deposits or other sums at any time or times credited by or due from Secured Party to Borrower, whether in a special account or other account or represented by a certificate of deposit (whether or not matured) which deposits and other sums shall at all times constitute additional security for the Obligations and may be set-off against all or any part of the Obligations at any time if Borrower is primary obligor with respect to such Obligations, or, at or after the maturity of Obligations if Borrower is secondary obligor.

5. Secured Party shall have, in addition to any other rights and remedies contained in this Agreement, and any other agreements, guarantees, notes, instruments and documents heretofore, now or at any time or times hereafter executed by Borrower and delivered to Secured Party, all of the rights and remedies of a secured party under the Uniform Commercial Code in force in the State of Florida, as of the date hereof, all of which rights and remedies shall be

cumulative, and nonexclusive, to the extent permitted by law.

6. Any notice required to be given by Secured Party of a sale or other disposition or other intended action by Secured Party with respect to any of the Collateral, or otherwise, made in accordance with the terms of this Agreement at least five (5) days prior to such proposed action, shall constitute fair and reasonable notice to Borrower of any such action. In the event that any of the Collateral is used in conjunction with any real estate, the sale of the Collateral in conjunction with and as one parcel

with any such real estate of Borrower shall be deemed to be a commercially reasonable manner of sale. The net proceeds realized by Secured Party upon any such sale or other disposition, after deduction of the expenses of retaking, holding, preparing for sale, selling or the like and reasonable attorneys' fees and any other expenses incurred by Secured Party, shall be applied toward satisfaction of the Obligations hereunder. Secured Party shall account to Borrower for any surplus realized upon such sale or other disposition and Borrower shall remain liable for any deficiency. The commencement of any action, legal or equitable, shall not affect the security interest of Secured Party in the Collateral until the Obligations hereunder or any judgment therefor are fully paid. Secured Party may, if Secured Party deems it reasonable, postpone or adjourn any sale of the Collateral, or any part thereof, from time to time by an announcement at the time and place of sale or by announcement at the time and place of such postponed or adjourned sale, without being required to give a new notice of sale. Borrower agrees that Secured Party has no obligation to preserve rights against prior parties to the Collateral.

F. GENERAL PROVISIONS.

1. The failure of Secured Party at any time or times hereafter to require strict performance by Borrower of any of the provisions, warranties, terms and conditions contained in this Agreement or in any other agreement, guaranty, note, instrument or document now or at any time or times hereafter executed by Borrower and delivered to Secured Party shall not waive, affect or diminish any right of Secured Party at any time or times thereafter to demand strict performance thereof. No rights of Secured Party hereunder shall be deemed to have been waived by any act or knowledge of Secured Party, its agents, officers or employees, unless such waiver is contained in an instrument

in writing signed by an officer of Secured Party and directed to Borrower specifying such waiver. No waiver by Secured Party of any of its rights shall operate as a waiver of any other of its rights or any of its rights on a future occasion.

2. Any written demand or notice required or permitted to be given hereunder shall be deemed effective when deposited in the United States mail, and sent by certified mail, return receipt requested, postage prepaid, addressed to Secured Party's address or to Borrower's address, as applicable; or to such other address as may be provided by the party to be notified, on ten (10) days' prior written notice to the other party.

3. This Agreement contains the entire understanding between the parties hereto with respect to the transactions contemplated herein and such understanding shall not be modified except in writing signed by or on

behalf of the parties hereto.

4. Wherever possible, each provision of this Agreement shall be interpreted in such manner as to be effective and valid under applicable law; should any portion of this Agreement be declared invalid for any reason in any jurisdiction, such declaration shall have no effect upon the remaining portion of this Agreement; furthermore, the entirety of this Agreement shall continue in full force and effect in all other jurisdictions and said remaining portions of this Agreement shall continue in full force and effect in the subject jurisdiction as if this Agreement had been executed with the invalid portions thereof deleted.

5. In the event Secured Party seeks to take possession of any or all of the Collateral by court process, Borrower hereby irrevocably waives any bonds and any surety or security relating thereto required by any statute, court rule or otherwise as an incident to such possession, and waives any demand for possession prior to the commencement of any suit or action to recover with respect thereto.

6. The provisions of this Agreement shall be binding upon and shall inure to the benefit of the heirs, administrators, successors and assigns of Secured Party and Borrower, provided, however, Borrower may not assign any of its rights or delegate any of its obligations hereunder without the prior written consent of Secured Party.

7. This Agreement is and shall be deemed to be a contract entered into and made pursuant to the laws of the State of Florida and shall in all respects be governed, construed, applied and enforced in accordance with the laws of said state; in the event that the Secured Party brings any action hereunder in any court of record of Florida or the federal government, Borrower consents to and confers personal jurisdiction over Borrower by such court and agrees that service of process may be made upon Borrower by mailing a copy of the summons to Borrower at Borrower's address; and in any action hereunder Borrower waives the right to demand a trial by jury.

8. This Agreement is the result of the joint efforts and negotiations of the parties hereto, with each party being represented, or having the opportunity to be represented, by legal counsel of its own choice, and no singular party is the author or drafter of the provisions hereof. Each of the parties assumes joint responsibility for the form and composition of each and all of the contents of this Agreement and each party agrees that this Agreement shall be interpreted as though each of the parties participated equally in the composition of this Agreement and each and every provision and part hereof. The parties agree that the rule of judicial interpretation to the effect that any ambiguity or uncertainty contained in an agreement is to be construed against the party who drafted

the agreement shall not be applied in the event of any disagreement or dispute arising out of this Agreement.

9. If, prior hereto and/or at any time or times hereafter, Secured Party shall employ counsel in connection with the execution and consummation of the transactions contemplated by this Agreement or to commence, defend or intervene, file a petition, complaint, answer, motion or other pleadings, or to take any other action in or with respect to any suit or proceeding (bankruptcy or otherwise) relating to this Agreement, the Collateral or any other agreement, guaranty, note, instrument or document heretofore, now, or at any time or times hereafter executed by Borrower and delivered to Secured Party, or to protect, collect, lease, sell, take possession of or liquidate any of the Collateral, or to attempt to enforce or to enforce any security interest in any of the Collateral, or to enforce any rights of Secured Party hereunder, whether before or after the occurrence of any Event of Default, or to collect any of the Obligations, then in any of such event, all of the reasonable attorneys' fees arising from such services, and any expenses, costs and charges relating thereto, shall

be part of the Obligations, payable on demand and secured by the Collateral.

10. This Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original, but all of which together shall constitute but one and the same instrument.

11. Each reference herein to Secured Party shall be deemed to include its successors and assigns, and each reference to Borrower and any pronouns referring thereto as used herein shall be construed in the masculine, feminine, neuter, singular or plural, as the context may require, and shall be deemed to include the legal representatives, successors and assigns of Borrower, all of whom shall be bound by the provisions hereof. The term "Borrower" as used herein shall, if this Agreement is signed by more than one Borrower, mean, unless this Agreement otherwise provides or unless the context otherwise requires, the "Borrower and each of them" and each and every representation, promise, agreement and undertaking shall be joint and several, except that the granting of the security interest, right of set-off and lien shall be by each Borrower in its several respective property. In the event that there is more than one Borrower, any loan which is secured by this Agreement shall be deemed to be made at the request of and for the benefit of each Borrower.

12. The section headings herein are included for convenience only and shall not be deemed to be a part of this Agreement.

G. ASSIGNMENT BY SECURED PARTY. Secured Party, from time to time,

without notice to the Borrower, may sell, assign, transfer or otherwise dispose of all or any part of the Obligations and/or the Collateral therefor. In such event, each and every immediate and successive purchaser, assignee, transferee or holder of all or any part of the Obligations and/or the Collateral shall have the right to enforce this Agreement, by legal action or otherwise, for its own benefit as fully as if such purchaser, assignee, transferee or holder were herein by name specifically given such rights. Secured Party shall have an unimpaired right to enforce this Agreement for its benefit to that portion of the Obligations of Borrower as Secured Party has not sold, assigned, transferred or otherwise disposed of.

IN WITNESS WHEREOF, this agreement has been duly executed as of the 30th day of September, 1996.

SIGNED, SEALED AND DELIVERED
IN THE PRESENCE OF:

BORROWER:

ECKLER INDUSTRIES, INC., a Florida corporation

/s/ Donald A. Nohrr

Witness Signature

By: /s/ Ralph H. Eckler

RALPH H. ECKLER, President

DONALD A. NOHRR

Print Witness Name

Address: 5200 So. Washington Avenue
Titusville, FL 32780

/s/ Barry H. Chait

Witness Signature

Barry H. Chait

Print Witness Name

STATE OF FLORIDA)
) ss:
COUNTY OF BREVARD)

THE FOREGOING INSTRUMENT was acknowledged before me this 30th day of September, 1996, by RALPH H. ECKLER, as President of ECKLER INDUSTRIES, INC., a Florida corporation, who is personally known to me, or who produced Fl. Drivers License as identification, and who did take an oath.

/s/ Kim Marie Dexter

Notary Public Signature

Print Notary Public Name

My commission expires:

[Notary Stamp]

THE CREDIT ACCOMMODATION MADE PURSUANT TO THIS NOTE REPRESENTS A LINE OF CREDIT

PROMISSORY NOTE
("NOTE")

$1,000,000.00

September 30, 1996

THE UNDERSIGNED, ("Maker"), promises to pay to the order of BARNETT BANK, N.A., a national banking association, ("Payee"), whose mailing address is Post Office Box 678267, Orlando, Florida 32867-8267, Attention: Closing Department Manager, the principal sum of ONE MILLION AND NO/100 ($1,000,000.00) DOLLARS, or so much thereof as may be advanced and outstanding from time to time, with interest on the unpaid principal from the date of each such advance at the following rate and payable in the following manner:

(a) The interest rate ("Stated Rate") shall be a variable rate of One and One-half percent (1.50%) per annum simple interest in excess of the "Prime Rate". The term "Prime Rate" shall be the "prime rate" announced from time to time by the BARNETT BANKS, INC. which rate is a reference rate for the information and use of the BARNETT BANKS, INC. in establishing the actual rates to be charged borrowers. The variable rate applied to this loan will be adjusted prospectively on interest payment dates based on the rate in effect on said date. Notwithstanding anything herein to the contrary, the interest rate applied to this Note shall at no time exceed the maximum rate permitted by applicable law, whether now or hereafter in effect.

(b) Interest on this Note, as calculated above, shall be payable

monthly in arrears on the 30th day of each month commencing the 30th day of October, 1996 and continuing thereafter on the same day of each successive month until date of demand for payment, except that in any month that does not contain a 30th day, the payment shall be due on the last day of that month.

(c) The entire unpaid principal balance, together with accrued interest, shall be due and payable on DEMAND ("Maturity Date").

DEFAULT RATE. After the occurrence of an Event of Default, as hereinafter defined or after maturity, this Note and all sums due hereunder shall bear interest at the Stated Rate plus five percent (5%) per annum ("Penalty Rate") (but in no event at a rate which is higher than the maximum allowable rate permitted by law) from the date of default or maturity until paid.

INTEREST BASIS. Interest shall be calculated on the basis of a three hundred sixty (360) day year for actual days elapsed.

LATE CHARGE. If any payment hereunder (other than the final payment) is not made within ten (10) days after it is due, the Maker shall pay to Payee a late charge equal to five percent (5%) of the late payment.

DISBURSEMENT OF PROCEEDS. Advances hereunder may be made upon the telephone request of any person authorized to borrow or any person Payee reasonably believes is authorized to borrow, accompanied by a Borrowing Base Certificate of even date herewith, which by reference is made a part hereof. Any advance hereunder shall be conclusively presumed to have been made to and at the request and for the benefit of the Maker when the proceeds of such advance are deposited to the credit of the Maker in any account of Maker with Payee regardless of the fact that persons other than those authorized to borrow may have authority to draw against such account.

PREPAYMENT. The Maker shall have the privilege of prepaying this Note in part or in full, without penalty, at any time, and any prepayment shall be applied to the installment or installments of principal last maturing. No partial prepayment shall excuse or

defer Maker's subsequent payment obligations.

APPLICATION OF PAYMENTS. All payments made on the indebtedness evidenced by this Note shall be applied first to repayment of monies paid or advanced by Payee on behalf of the Maker in accordance with the terms of the Credit Agreement and Security Agreement securing this Note, and thereafter shall be applied to payment of accrued interest, and lastly to payment of principal.

PLACE AND MANNER OF PAYMENT. All payments of interest and principal are payable at the office of Payee, or at such other place as the holder may designate in writing, in lawful money of the United States of America.

SECURITY. This Note is secured by, among other things, a Security Agreement and UCC-1 Financing Statement (the "Security Agreement"). This

Note, the Security Agreement, UCC-1 Financing Statement and other loan documents as may be now or hereafter executed in connection therewith ("Loan Document(s)") shall together evidence the debt and constitute the security for the Note.

PRIMARY BANKING RELATIONSHIP. The Borrower will maintain its primary depository relationship with the Holder unless and until this Note is assigned to a Holder not affiliated with Barnett Banks, Inc. Upon written request of the Holder, the Holder shall have the right to debit the Borrower's deposit account with the Holder for the monthly and other payments to be made to the Holder under this Note. If the funds in the Borrower's deposit account are insufficient to satisfy any payments on the dates required herein, the Borrower shall immediately remit to the Holder the amount of such deficiency.

EVENTS OF DEFAULT. Maker shall be in default in this Note upon the occurrence of any of the following events, circumstances or conditions (each an "Event of Default"):

(a) Maker's failure to make any payment of any sum due hereunder within ten (10) days of the due date thereof without further notice or demand, or to make any other payment due by the

Maker to the Payee under any other promissory note or under any security agreement or other written obligation of any kind now existing or hereinafter created.

(b) The existence of a default or breach of any of the terms of this Note or any other Loan Document that is not cured within any applicable grace and/or cure period.

REMEDIES AFTER DEFAULT. At the option of Payee, all or any part of the principal and accrued interest on the Note, and all other obligations of the Maker to the Payee shall become immediately due and payable without additional notice or demand, upon the occurrence of an Event of Default or at any time thereafter. Payee may exercise all rights and remedies provided by law, equity, this Note or any other Loan Document or any other obligation of the Maker to the Payee. All rights and remedies as set forth in the Loan Documents are cumulative and concurrent and may be pursued singly, successively or together, at the sole discretion of Payee, and may be exercised as often as occasion therefore shall arise. Such remedies are not exclusive, and Payee is entitled to all remedies provided at law or equity, whether or not expressly set forth therein. No act, or omission or commission or waiver of Payee, including specifically any failure to exercise any right, remedy or recourse, shall be effective unless set forth in a written document executed by Payee and then only to the extent specifically recited therein. A waiver or release with reference to one event shall not

be construed as continuing, as a bar to, or as a waiver or release of, any subsequent right, remedy or recourse as to any subsequent event.

RIGHT OF SET-OFF. Neither the Maker, any co-signer, endorser, surety nor guarantor shall have any right of set-off against the Payee under this Note or under any Loan Document executed in connection with the loan evidenced by this Note. In addition to the remedies provided for herein, the Maker, each co-signer, endorser, surety or guarantor grants to the Payee a security interest in any funds or other assets from time to time on deposit with or in possession of the Payee, and the Payee may, at any time set-off the indebtedness evidenced by this Note against any such funds or other assets, including but not limited to, all money owed by Payee to Maker, each co-signer, endorser, surety or guarantor

whether or not due. Maker, each co-signer, endorser, surety or guarantor acknowledge and agree that Payee may exercise its right of set-off to pay all or any part of the outstanding principal balance and accrued interest owed on this Note or on any other obligation of the Maker to the Payee against any obligation Payee may have, now or hereafter, to pay money to Maker, each co-signer, endorser, surety or guarantor. This right of set-off includes, but is not limited to, the following:

(a) Any deposit, account balance, securities account balance or certificate of deposit balance Maker has with Payee whether special, general, time, savings, checking or NOW account; and

(b) Any money owing to Maker on an item presented to Payee or in Payee's possession for collection or exchange; and

(c) Any repurchase agreement or any other non-deposit obligation or any credit in favor of Maker.

If any such money is also owned by some other person who has not agreed to pay this Note (such as another depositor on a joint account), Payee's right of set-off will extend to the amount which could be withdrawn or paid directly to Maker on Maker's request, endorsement or instruction alone. In addition, (where Maker may obtain payment from Payee only with the endorsement or consent of someone who has not agreed to pay this Note), Payee's right of set-off will extend to Maker's interest in the obligation. Payee's right of set-off will not apply to any account if it clearly appears that Maker's rights in the account are solely as a fiduciary for another or to any account, which by its nature and applicable law (for example an IRA or other tax deferred retirement account), must be exempt from the claims of creditors. Maker hereby appoints Payee as its attorney-in-fact and authorizes Payee to redeem or obtain payment on any certificate of deposit in which Maker has an interest in order to exercise Payee's right of set-off. Such authorization applies to any certificate of deposit even if not matured. Maker further authorizes Payee to assess and

withhold any early withdrawal penalty without liability against Payee in the event such penalty is applicable as a result of Payee's set-off against a certificate of deposit prior to its

maturity.

Payee's right of set-off may be exercised upon an Event of Default:

(a) Without prior demand or notice; and

(b) Without regard to the existence or value of any collateral securing this Note; and

(c) Without regard to the number or creditworthiness of any other persons who have agreed to pay this Note.

Payee will not be liable for dishonor of a check or other request for payment where there is insufficient funds in the account (or other obligation) to pay such request because of Payee's exercise of its right of set-off. Maker agrees to indemnify and hold Payee harmless from any person's claims, arising as the result of Payee's right of set-off and the costs and expenses, including without limitation, attorneys' fees.

COLLECTION EXPENSES. All parties liable for the payment of the Note agree to pay the Payee all costs incurred by the Payee, whether or not an action be brought, in collecting the sums due under the Note, enforcing the performance and/or protecting its rights under the Loan Documents and in realizing on any of the security for the Note. Such costs and expenses shall include, but are not limited to, filing fees, costs of publication, deposition fees, stenographer fees, witness fees and other court and related costs. Sums advanced by the Payee for the payment of collection costs and expenses shall accrue interest at the Penalty Rate, from the time they are advanced or paid by the Payee, and shall be due and payable upon payment by Payee without notice or demand and shall be secured by the lien of the Credit Agreement and Security Agreement.

ATTORNEYS' FEES. All parties liable for the payment of the Note agree to pay the Payee reasonable attorneys' fees incurred by the Payee, whether or not an action be brought, in collecting the sums due under the Note, enforcing the performance and/or

protecting its rights under the Loan Documents and in realizing on any of the security for the Note. Such reasonable attorneys' fees shall include, but not be limited to, fees for attorney's, paralegal's, legal assistant's, and

expenses incurred in any and all judicial, bankruptcy, reorganization, administrative receivership, or other proceedings effecting creditor's rights and involving a claim under the Note or any Loan Document, which such proceedings may arise before or after entry of a final judgment. Such fees shall be paid regardless whether suit is brought and shall include all fees incurred by Payee at all trial and appellate levels including bankruptcy court. Sums advanced by the Payee for the payment of attorneys' fees shall accrue interest at the Penalty Rate, from the time they are advanced by the Payee, and shall be due and payable upon payment by Payee without notice or demand and shall be secured by the lien of the Credit Agreement and Security Agreement.

WAIVER AND CONSENT. By the making, signing, endorsement or guaranty of this Note:

(a) Maker and each co-signor, endorser, surety or guarantor waive protest, presentment for payment, notice of dishonor, notice of intent to accelerate and notice of acceleration;

(b) Each co-signer, endorser, surety or guarantor consents to any renewals or extensions of time for payment on this Note;

(c) Maker and each co-signor, endorser, surety or guarantor consents to Payee's release of any co-signer, endorser, surety or guarantor;

(d) Maker and each co-signor, endorser, surety or guarantor waive and consent to the release, substitution or impairment of any collateral securing this Note;

(e) Each co-signer, endorser, surety or guarantor consents to any modification of the terms of this Note or any other Loan Document;

(f) Maker and each co-signor, endorser, surety or guarantor consent to any and all sales, repurchases and participations of this Note to or by any person or entity in any amounts and waive notice of such sales, repurchases and participations of this Note; and

(g) Maker and each co-signor, endorser, surety or guarantor consent to Payee's right of set-off as well as any participating bank's right of set-off.

(h) Maker and each co-signor, endorser, surety or guarantor waive the right of exemption under the Constitution and the laws of the State of Florida.

(i) Maker and each co-signor, endorser, surety or guarantor

promise to pay all collection costs, including reasonable attorneys' fees, whether incurred in connection with collection, trial, appeal or otherwise.

USURY LIMITATION. The parties agree and intend to comply with the applicable usury law, and notwithstanding anything contained herein or in any of the Loan Documents, or other document related to the loan evidenced by this Note, the effective rate of interest to be paid on this Note (including all costs, charges and fees which are characterized as interest under applicable law) shall not exceed the maximum contract rate of interest permitted under applicable law, as it exists from time to time. Payee agrees not to knowingly collect or charge interest (whether denominated as fees, interest or other charges) which will render the interest rate hereunder usurious, and if any payment of interest or fees by Maker to Payee would render this Note usurious, Maker agrees to give Payee written notice of such fact with or in advance of such payment. If Payee should receive any payment which constitutes interest under applicable law in excess of the maximum lawful contract rate permitted under applicable law (whether denominated as interest, fees or other charges), the amount of interest received in excess of the maximum lawful rate shall automatically be applied to reduce the principal balance, regardless of how such sum is characterized or recorded by the parties.

JOINT AND SEVERAL. The obligations of this Note shall be

joint and several.

NO OBLIGATION TO EXTEND. This Note is payable in full on demand. If the Payee demands payment, Maker must repay the entire principal balance of this Note and unpaid interest then due. The Payee shall be under no obligation to refinance the loan at that time. Maker will therefore be required to make payment out of other assets Maker may own, or Maker will have to find a lender willing to lend Maker the money at prevailing market rates, which may be considerably higher than the interest rate on this Note.

DISCLAIMER OF RELATIONSHIP. The Maker and all co-signers, endorsers, sureties and guarantors, if any, to this obligation acknowledge that:

(a) The relationship between the Payee, Maker and any co-signer, endorser, surety or guarantor is one of creditor and debtor and not one of partner or joint venturer;

(b) There exists no confidential or fiduciary relationship between Payee and Maker and any co-signer, endorser, surety or guarantor imposing a duty of disclosure upon the Payee; and

(c) The Maker and any co-signer, endorser, surety or guarantor have not relied on any representation of the Payee regarding the merits of

the use of proceeds of the loan.

Maker and any co-signer, endorser, surety or guarantor waive any and all claims and causes of action which exist now or may exist in the future arising out of any breach or alleged breach of a duty on the part of the Payee to disclose any facts material to this loan transaction and the use of the proceeds.

CHOICE OF LAW AND VENUE. This Note shall be governed by the Laws of the State of Florida, and the United States of America, whichever the context may require or permit. The Maker and all guarantors, if any, to this obligation expressly agree that proper venue for any action which may be brought under this Note in addition to any other venue permitted by law shall be any county in which property encumbered by the Credit Agreement and Security

Agreement is located as well as Orange County, Florida. Should Payee institute any action under this Note, the Maker and all guarantors, if any, hereby submit themselves to the jurisdiction of any court sitting in Florida.

SEVERABILITY. If any provision of this Note shall be held unenforceable or void, then such provision shall be deemed severable from the remaining provisions and shall in no way affect the enforceability of the remaining provisions nor the validity of this Note.

MAKER AND PAYEE DEFINED. The term "Maker" includes each and every person or entity signing this Note and any co-signers, guarantors, their successors and assigns. The term "Payee" shall include the Payee and any transferee and assignee of Payee or other holder of this Note.

CAPTIONS AND PRONOUNS. The captions and headings of the various sections of this Note are for convenience only, and are not to be construed as confining or limiting in any way the scope or intent of the provisions hereof. Whenever the context requires or permits, the singular shall include the plural, the plural shall include the singular, and the masculine, feminine and neuter shall be freely interchangeable.

RECEIPT OF COPY. By signing this Note, Maker acknowledges that it was read by Maker prior to execution and a copy was received by Maker.

BUSINESS PURPOSE. Maker represents and warrants that the loan or credit represented by this Note is only for business or commercial purposes of the Maker other than agricultural purposes and the proceeds of the loan are not being used for personal, family, household or agricultural purposes.

TIME OF THE ESSENCE. Time is of the essence with respect to each provision in this Note where a time or date for performance is stated. All time periods or dates for performance stated in this Note are material

provisions of this Note.

WAIVER OF TRIAL BY JURY. THE MAKER HEREBY, AND THE PAYEE BY

ITS ACCEPTANCE OF THIS NOTE, KNOWINGLY, VOLUNTARILY AND INTENTIONALLY WAIVE THE RIGHT EITHER MAY HAVE TO A TRIAL BY JURY IN RESPECT OF ANY LITIGATION ARISING OUT OF, UNDER, OR IN CONNECTION WITH THIS NOTE AND ALL LOAN DOCUMENTS AND OTHER AGREEMENTS EXECUTED OR CONTEMPLATED TO BE EXECUTED IN CONNECTION HEREWITH, OR ARISING OUT OF, UNDER, OR IN CONNECTION WITH ANY COURSE OF CONDUCT, COURSE OF DEALING, STATEMENTS (WHETHER VERBAL OR WRITTEN) OR ACTION OF EITHER PARTY, WHETHER IN CONNECTION WITH THE MAKING OF THE LOAN, COLLECTION OF THE LOAN, OR OTHERWISE. THIS PROVISION IS A MATERIAL INDUCEMENT FOR THE PAYEE MAKING THE LOAN EVIDENCED BY THIS NOTE.

IN WITNESS WHEREOF, Maker has executed and delivered this instrument the day and year first above written.

ECKLER INDUSTRIES, INC.,
a Florida corporation

By: /s/ RALPH H. ECKLER
_____
Ralph H. Eckler, President

WITNESSES:

_____
Printed name: _____

_____
Printed name: _____

STATE OF _____
COUNTY OF _____

The foregoing instrument was acknowledged before me this 30th day of September, 1996, by Ralph H. Eckler, as President of ECKLER INDUSTRIES, INC., a Florida corporation, on behalf of said corporation, who is personally known to me or who provided _____ as identification and who did take an oath.

_____

Notary Public

My Commission expires: Printed name: _____

Commission No. _____

EXHIBIT 10.25

October 28, 1996

Eckler Industries, Inc.
5200 W. Washington Avenue
Titusville, FL 32780

Gentlemen:

I hereby acknowledge and agree that the Stock Option Agreement and Financial Public Relations Consulting Agreement previously entered into between Gerald Larder and Eckler Industries, Inc. is hereby terminated. I understand tht the Promissory Note signed by me in favor of Eckler Industries, Inc. and dated August 29, 1996 will be extended in accordance with the attached Amendment to Promissory Note.

I hereby release, acquit and discharge Eckler Industries, Inc., its directors and officers from and against any and all actions and causes of action, debts, liabilities, claims, amounts and demands of any kind or nature whatsoever, whether in law or in equity, including without limitation any of the foregoing arising out of or in relation to the foregoing Stock Option Agreement and Financial Public Relations Consulting Agreement regardless of whether such claims or the nature thereof are known or unknown as of the date of this letter.

Sincerely,

/s/ GERALD LARDER

Gerald Larder

On acceptance of this contract, bal. due of 5,000 shares of Eckler's stock for work completed up to October 25th, 1996.

/s/ GERLAD A. LARDER

/s/ RALPH H. ECKLER

Gerald A. Larder

Ralph H. Eckler, President

Amendment to
Promissory Note
Dated August 29, 1996

REPAYMENT TERMS:

Repayment of the Promissory Note has been extended an additional sixty (60) days to and including December 31, 1996.

INTEREST RATE:

Interest will be calculated at eight percent (8%) per annum.

COLLATERAL:

This Promissory Note is secured by an account in the name of Gerald A. Larder located at Empire Financial Group, 1485 N. Atlantic Avenue, Suite 200, Cocoa Beach, Florida 32931.

The remaining terms of the Promissory Note remain unchanged.

/s/ GERALD A. LARDER

Gerald A. Larder
6459 S. Gibraltar Circle
Aurora, CO 80016

Agreed:

ECKLER INDUSTRIES, INC.

By: /s/ RALPH H. ECKLER

Ralph H. Eckler, President

CONSENT OF INDEPENDENT
CERTIFIED PUBLIC ACCOUNTANTS

Eckler Industries, Inc.
Titusville, Florida

We hereby consent to the use in the Prospectus constituting a part of this Registration Statement of our report dated December 20, 1995 relating to the financial statements of Eckler Industries, Inc. which is contained in that Prospectus.

We also consent to the reference to us under the caption "Experts" in the Prospectus.

/s/ BDO Seidman, LLP

Orlando, Florida
November 14, 1996