

# Comprehensive Contract Analysis Report

## Comprehensive Summary:

This Affiliate Agreement, effective December 14, 1997, governs the rights, obligations, and restrictions of GSMS shareholders who become shareholders of Physician Sales & Service, Inc. ("PSS") following the merger of GSMS into PSS Merger Corp. Under the agreement, GSMS shares are converted into PSS common stock with a par value of \$0.01 per share.

## Key Obligations and Restrictions:

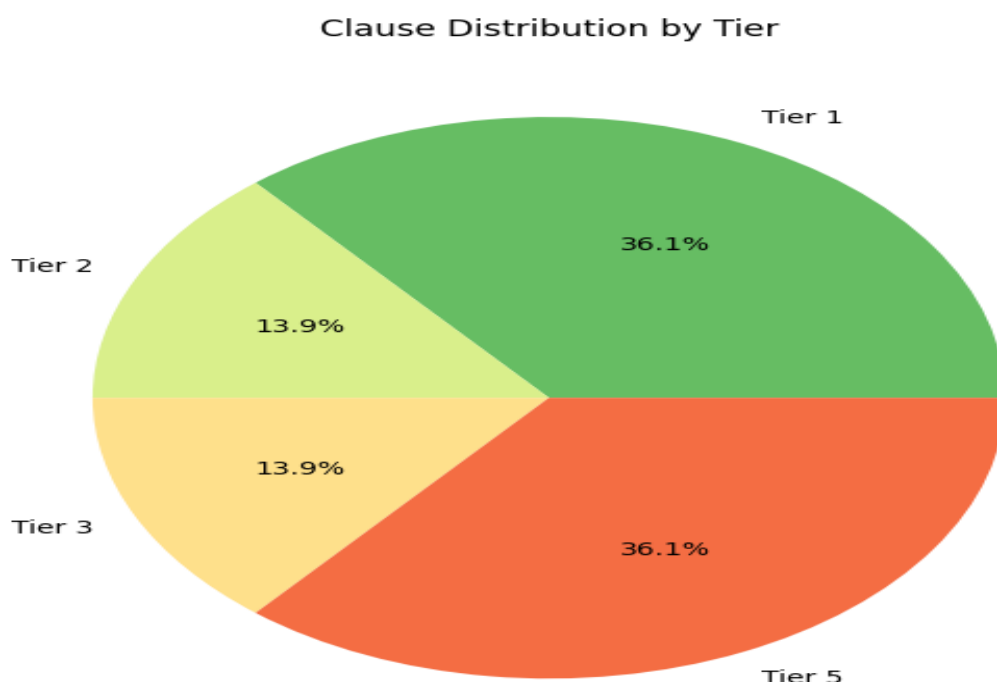
- **Affiliate Status & Transfer Restrictions:** The undersigned shareholders are deemed "affiliates" under SEC rules at the merger time and agree not to sell, transfer, or otherwise dispose of their PSS shares until certain conditions are met. Specifically, transfer restrictions remain in place until PSS publishes combined post-merger financial results covering at least 30 days of operations, which must occur within 45 days after the end of the first fiscal quarter post-merger.
- **SEC Compliance:** Transfers of shares during the restricted period require compliance with SEC Rules 144 and 145, or an effective registration statement, or a legal opinion confirming exemption. PSS will place stop-transfer instructions and legends on share certificates to enforce these restrictions. Shareholders acknowledge these limitations and confirm they have sought legal advice as needed.
- **Tax Treatment:** Shareholders must treat the merger as a tax-free reorganization under Section 368 of the Internal Revenue Code, maintaining "continuity of interest" by holding at least 50% of the aggregate fair market value of the PSS shares received. They represent no intent to reduce ownership below this threshold.
- **Beneficial Ownership Attribution:** Transfer restrictions apply not only to shares directly owned but also to shares beneficially owned through family members, trusts, estates, or entities with at least 10% ownership by the shareholder or related parties.
- **Reporting Obligations:** PSS is obligated to timely file all required SEC reports under Section 13 of the Securities Exchange Act of 1934 for three years following the merger to ensure public availability of financial information.

- **Short-Term Sale Limitations:** Directors and officers of PSS are prohibited from selling shares within six months following the merger effective date to avoid liability under Section 16(b) of the Securities Exchange Act.
- **Ownership Disclosure:** Affiliates must disclose the names and addresses of registered owners of shares beneficially owned, ensuring transparency.
- **Governing Law and Notices:** The agreement is governed by Delaware law. All notices must be sent by registered or certified mail to specified addresses.

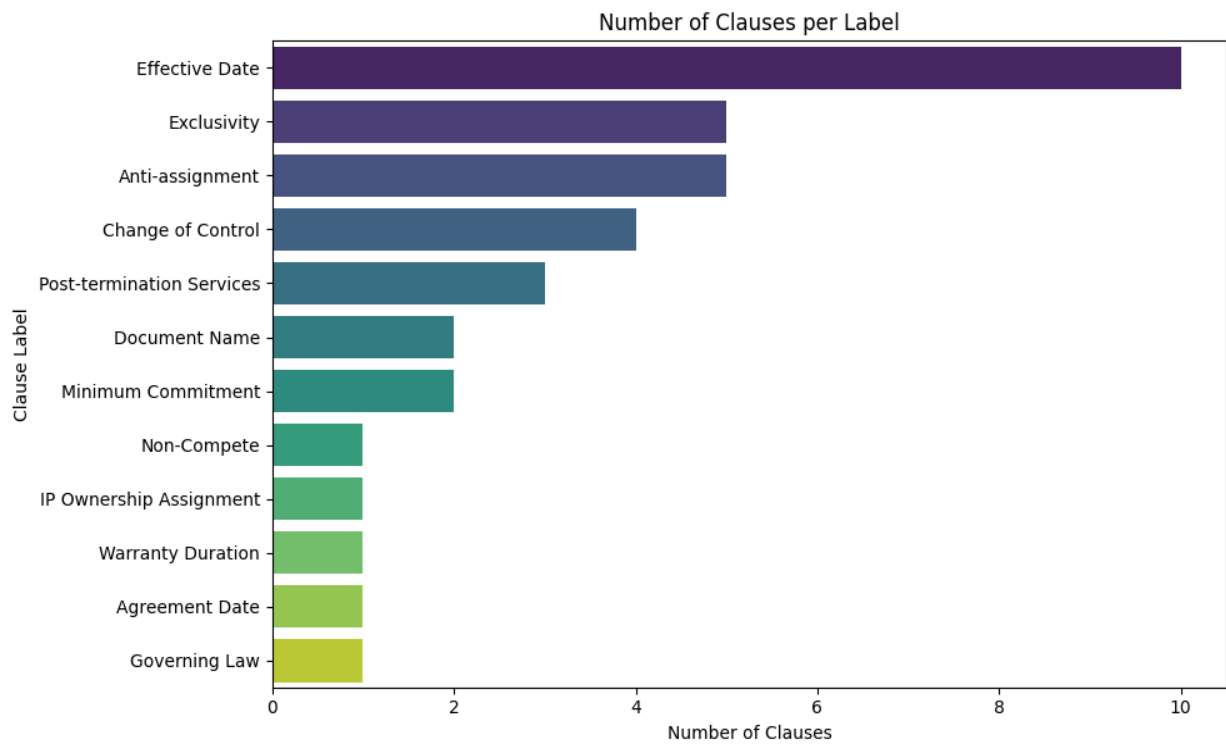
#### **Important Dates and Numeric Values:**

- **Effective date of the agreement and merger:** December 14, 1997
- **Par value of common stock:** \$0.01 per share
- **Financial results publication deadline:** within 45 days after the end of the first fiscal quarter post-merger
  - Transfer restrictions last until PSS publishes at least 30 days of combined financial results post-merger
  - Reporting obligations continue for three years post-merger

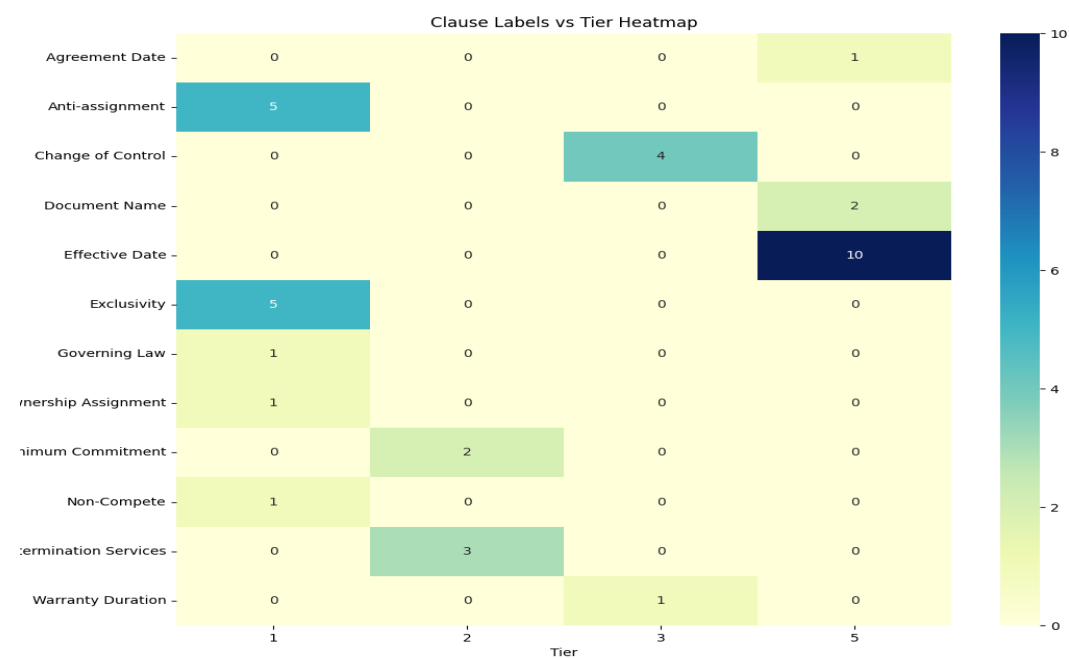
#### **Clause Distribution by Tier**



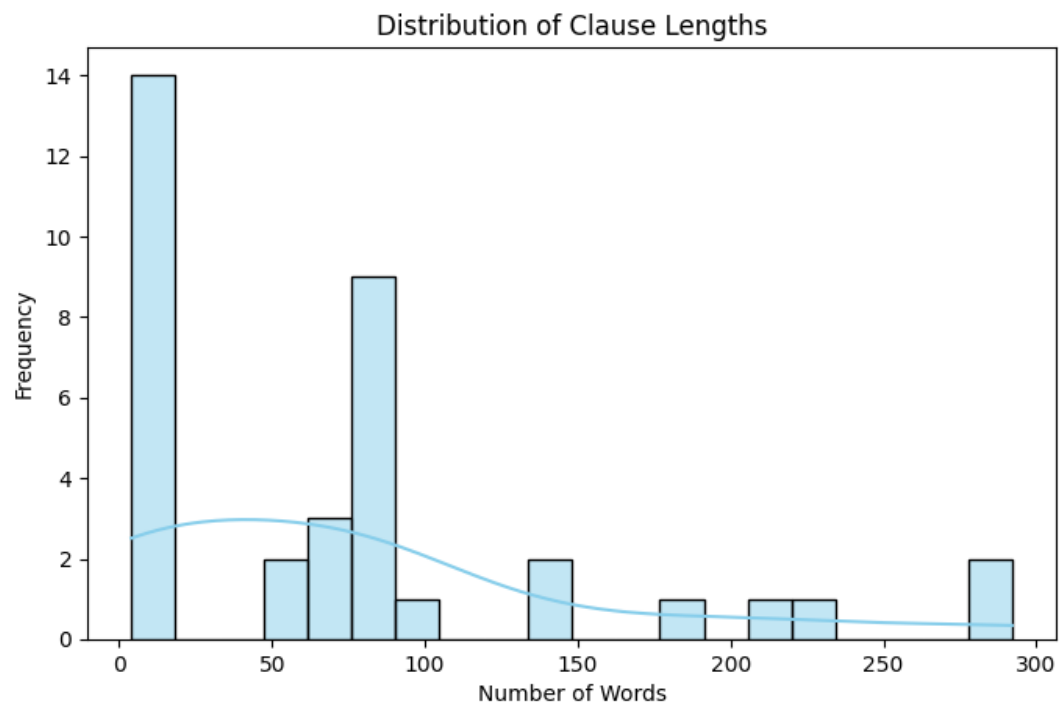
#### **Number of Clauses per Label**



Clause Labels vs Tier Heatmap



Distribution of Clause Lengths



## Clauses Requiring Expert Review vs Low Risk

**Clauses Requiring Expert Review vs Low Risk**

