CHOKSI MARY C
Form 4
February 22, 2012

FORM 4

UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

OMB APPROVAL

OMB Number:	3235-0287
Expires:	January 31, 2005
Estimated average burden hours per response...	0.5

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STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF SECURITIES

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934, Section 17(a) of the Public Utility Holding Company Act of 1935 or Section 30(h) of the Investment Company Act of 1940

(Print or Type Responses)

1. Name and Address of Reporting Person *
CHOKSI MARY C

(Last) (First) (Middle)

6 SYLVAN WAY

(Street)

PARSIPPANY, NJ 07054

(City) (State) (Zip)

2. Issuer Name **and** Ticker or Trading Symbol
AVIS BUDGET GROUP, INC. [CAR]

3. Date of Earliest Transaction (Month/Day/Year)
02/17/2012

4. If Amendment, Date Original Filed(Month/Day/Year)

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

__X__ Director
_____ 10% Owner
_____ Officer (give title below)
_____ Other (specify below)

6. Individual or Joint/Group Filing(Check Applicable Line)
_X_ Form filed by One Reporting Person
___ Form filed by More than One Reporting Person

Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned

1.Title of Security (Instr. 3)	2. Transaction Date (Month/Day/Year)	2A. Deemed Execution Date, if any (Month/Day/Year)	3. Transaction Code (Instr. 8)		4. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5)			5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Indirect Beneficial Ownership (Instr. 4)
			Code	V	Amount	(A) or (D)	Price			
Common Stock	02/17/2012		A		1,528	A	$ 13.09 (1)	47,284	I	Held by NQ Deferred Compensation Plan
Common Stock								34,100	D	

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

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SEC 1474 (9-02)

Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned
(*e.g.*, puts, calls, warrants, options, convertible securities)

1. Title of Derivative Security (Instr. 3)	2. Conversion or Exercise Price of Derivative Security	3. Transaction Date (Month/Day/Year)	3A. Deemed Execution Date, if any (Month/Day/Year)	4. Transaction Code (Instr. 8)		5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5)		6. Date Exercisable and Expiration Date (Month/Day/Year)		7. Title and Amount of Underlying Securities (Instr. 3 and 4)		8. Price of Derivative Security (Instr. 5)	9. Nu Deriv Secur Bene Owne Follo Repo Trans (Instr
				Code	V	(A)	(D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares		

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
CHOKSI MARY C 6 SYLVAN WAY PARSIPPANY, NJ 07054	X			

Signatures

Jean M. Sera, by Power of Attorney for Mary C. Choksi	02/22/2012
**Signature of Reporting Person	Date

Explanation of Responses:

* If the form is filed by more than one reporting person, *see* Instruction 4(b)(v).

** Intentional misstatements or omissions of facts constitute Federal Criminal Violations. *See* 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).

(1) Award represents the portion of non-employee director retainer fees through March 31, 2012 paid in deferred common stock of the Company. All shares are deferred into the Non-Employee Directors Deferred Compensation Plan and converted into deferred stock units thereunder. Payable upon termination of service as director in accordance with the plan.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure.
Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB number. NOWRAP STYLE="vertical-align: text-bottom; text-align: left; border-bottom: 1pt solid white">) Total stockholders equity 47,969 32,305 (45,556) 34,718 (8,206) 26,512 Total liabilities and stockholders equity $237,317 $41,124 $(55,475) $222,966 $(8,206) $214,760

See Notes to Unaudited Pro Forma Condensed Combined Balance Sheet.

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Notes to Unaudited Pro Forma Condensed Combined Balance Sheet As of March 31, 2008 (Dollars in Thousands, Except per Share Amounts)

Pro forma adjustments are necessary to record the accounting upon consummation of the merger. No pro forma adjustments were required to conform Primoris s accounting policies to Rhapsody s accounting policies. Descriptions of the adjustments included in the unaudited pro forma condensed combined balance sheet are as follows:

(a) Reflects the release of Rhapsody s restricted cash held in trust and the transfer of the balance to cash and cash equivalents, assuming no holders of Rhapsody Public Shares exercise their right to have their shares redeemed upon consummation of the merger.

(b) Assumes the payment of cash distributions of an aggregate of $48,947 to Primoris Holders immediately prior to the consummation of the merger. However, in accordance with the merger agreement, $4,895 of the distribution will be retained after closing until the final Stub Period Taxable Income is determined. To the extent that the pre-closing estimated distribution with respect to such Stub Period Taxable Income is greater than 50% of the actual Stub Period Taxable Income, the excess will be retained by Rhapsody from such $4,895 and the balance distributed to the Primoris stockholders.

(c) Reflects conversion of $1,185 of a put/call liability into common stock of the merged company and payments of $114 in distributions to holders of the liability.

(d) Reflects the payment of $414 in deferred underwriting compensation.

(e) Reflects payment of amounts to advisors, attorneys, accountants and consultants of amounts directly attributable to the merger.

(f) Reflects the reclassification of common stock subject to conversion assuming no Rhapsody common stockholders exercise their conversion right.

(g) Reflects the issuance of 24,094,800 shares of common stock, $.0001 par value.

(h) Reflects the merger through the elimination of Rhapsody s historical retained earnings.

(i) Reflects approximate compensation expense of $4,000 relating to the issuance of 507,600 shares to Foreign Managers as part of Termination Agreements.

(j) Reflect the payment of cash to the maximum amount of converting Rhapsody stockholders as consideration for the return and cancellation of their shares of Rhapsody common stock.

See Notes to Unaudited Pro Forma Condensed Combined Statement of Operations.

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Unaudited Pro Forma Condensed Combined Statement of Operations For the Three Months Ended March 31, 2008

Unaudited Pro Forma Condensed Combined Statement of OperationsFor the Three Months Ended March 31, 2008

and the Year Ended December 31, 2007 (Dollars In Thousands, Except per Share Amounts)

The following amounts are being provided on a pro forma basis to present per share information of the combined entities assuming that the 24,095 shares that Primoris Holders will receive in the merger were outstanding as of January 1, 2007.

	Three Months Ended March 31, 2008					
	Primoris	Rhapsody	Acquisition Adjustments	Combined (Assuming No Conversion)	Adjustments for Maximum Conversion	Combined (Assuming Max Conversion)
Revenues	$ 169,391	$	$	$ 169,391	$	$ 169,391
Cost of revenues	153,178			153,178		153,178
Gross margin	16,213			16,213		16,213
Selling, general and administrative expenses	8,001	289		8,290		8,290
Operating income (loss)	8,212	(289)		7,923		7,923
Other income (expense):						
Income from non-consolidated entities	1,823			1,823		1,823
Foreign exchange gain	19			19		19
Interest income	609	(0)	(416)(k)	193		193
Interest income on trust account		267		267	(53)(q)	214
Interest expense	(686)			(686)		(686)
Income before provision for income taxes	9,977	(22)	(416)	9,539	(53)	9,486
Provision for income taxes	(195)	(43)	(3,577)(l)	(3,815)	21 (r)	(3,794)
Net income	9,782	(65)	(3,994)	5,723	(32)	5,691
Accretion of trust account relating to common stock subject to possible conversion		(53)	53 (m)			
Net income attributable to common stockholders	$ 9,782	$ (118)	$ (3,941)	$ 5,723	$ (32)	$ 5,691
Shares outstanding:						
Primoris			24,095 (n)	24,095		24,095
Rhapsody		5,266	1,034 (o)	6,300	(1,034)(s)	5,266
Dilutive shares			2,224 (p)	2,224		2,224
Weighted average number of shares outstanding						
Basic(a)		5,266	24,095	30,395		29,360
Diluted(a)		5,266	24,095	32,619		31,585
Net income per common share						
Basic(a)		$ (0.02)		$ 0.19		$ 0.19
Diluted(a)		$ (0.02)		$ 0.18		$ 0.18

See Notes to Unaudited Pro Forma Condensed Combined Statement of Operations.

Unaudited Pro Forma Condensed Combined Statement of Operations (continued) For the Three Months Ended March 31, 2008 and the Year Ended December 31, 2007 (Dollars In Thousands, Except per Share Amounts)

See Notes to Unaudited Pro Forma Condensed Combined Statement of Operations.

Notes to Unaudited Pro Forma Condensed Combined Statement of Operations For the Three Months Ended March 31, 2008 and the Year Ended December 31, 2007 (Dollars In Thousands, Except per Share Amounts)

Pro forma adjustments are necessary to record the accounting upon consummation of the merger. No pro forma adjustments were required to conform Primoris s accounting policies to Rhapsody s accounting policies. Descriptions of the adjustments included in the unaudited pro forma condensed combined statement of operations are as follows:

(k) Reflects a reduction of interest income due to the payment of cash of $48,947 to Primoris stockholders immediately prior to the consummation of the merger, payments of $6,000 to advisors, attorneys, accountants and consultants of amounts directly attributable to the merger, payment of $414 in deferred underwriting compensation, and payments of $114 in distributions to holders of the put/call liability assuming an average rate of return of 3.0%, approximately the rate of interest earned by Primoris on its investments. To the extent that the pre-closing estimated distribution with respect to such Stub Period Taxable Income is greater than 50% of the actual Stub Period Taxable Income, the excess will be retained by Rhapsody from $4,895 withheld from such $48,947 and the balance distributed to the Primoris stockholders.

(l) Reflects an adjustment to the tax rate paid by Primoris. Primoris is taxed under Subchapter S of the IRC and accordingly, federal income taxes are the liability of the individual stockholders. Upon consummation of the merger, the combined company will be subject to United States income tax. The pro forma information assumes the

combined company is liable for income taxes at the beginning of the period presented. The effective federal and state tax rate for Primoris is assumed to be 40%.

(m) Reflects elimination of the accretion of the trust account relating to Rhapsody common stock subject to possible conversion, assuming no Primoris stockholders elect to convert their shares into cash.

(n) Reflects 24,094,800 shares of common stock to be issued to Primoris Holders at the consummation of the merger (assuming no Primoris stockholders elect to convert their shares into cash).

(o) Assumes no holders of Rhapsody Public Shares elect to convert their shares into cash.

(p) Reflects inclusion of the dilutive effect of the 6,311,364 Rhapsody warrants exercisable at $5.00 per share.

(q) Reflects payment not earned due to Rhapsody stockholders electing conversion.

(r) Reflects tax effect of interest not earned due to Rhapsody stockholders electing conversion.

(s) Reflects reduction in shares outstanding for Rhapsody stockholders electing conversion.

The unaudited pro forma combined statements of operations do not reflect an adjustment to earnings per share for the 5,000,000 shares issuable as contingent consideration. If issued, the contingent shares will be accounted for similarly to a stock dividend and will be included in earnings per share from the date of issuance.

The unaudited pro forma combined statements of operations do not reflect any adjustment for the approximate $4,000 compensation expense relating to the issuance of 507,600 shares to Foreign Managers as part of the Termination Agreements. As this is a one-time, non-recurring expense, it is reflected in the pro forma balance sheet, but is not an income statement item.

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THE CHARTER AMENDMENT PROPOSALS

The charter amendment proposals, if approved, will provide for the amendment of Rhapsody s present Amended and Restated Certificate of Incorporation to:

(i) change Rhapsody s corporate name to Primoris Corporation;

(ii) increase the authorized number of shares of its common stock from 15 million to 60 million (and the total number of authorized shares of capital stock to 61 million);

(iii) change the period of its corporate existence to perpetual;

(iv) specify that the Class A directors will be elected for a term expiring at the annual meeting of stockholders to be held in 2009, the Class B directors will be elected for a term expiring at the annual meeting of stockholders to be held in 2010 and the Class C directors will be elected for a term expiring at the annual meeting of stockholders to be held in 2011, and that, beginning with the 2009 annual meeting, each class of directors will be elected for a term of office to expire at the third succeeding annual meeting of stockholders after its election.

(v) delete the present Article Fifth, which relates to Rhapsody s incorporation and is not required in a restated certificate of incorporation, and the preamble and sections A through D, inclusive, of Article Seventh and to redesignate section E of Article Seventh as Article Sixth, as such provisions will no longer be applicable to Rhapsody after the merger, and to renumber succeeding Articles accordingly;

(vi) and make certain other changes in tense, number and gender that Rhapsody s board of directors believes are immaterial.

In the judgment of our board of directors, the charter amendment proposals are desirable for the following reasons:

The change of our corporate name is desirable to reflect our merger with Primoris. The Primoris name has been used for over four years as the parent company of this engineering and construction company.
The present Amended and Restated Certificate of Incorporation provides that our corporate existence will terminate on October 3, 2008. In order to continue in existence after the consummation of the merger subsequent to such date,

this provision must be amended. Perpetual existence is the usual period of existence for corporations and our board of directors believes it is the most appropriate period for Rhapsody as the surviving company in the merger.

As no meetings of stockholders have been held since the IPO, the present directors are the same persons who were appointed at the time of Rhapsody s organization. Pursuant to the merger agreement, the directors to be elected at the special meeting of stockholders to which this proxy statement/prospectus relates will serve for terms that expire in 2009 (Class A directors), 2010 (Class B directors) and 2011 (Class C directors). The proposed amendment to the present Article Seventh incorporates these classifications.

Sections A through D of the present Article Sixth relate to the operation of Rhapsody as a blank check company prior to the consummation of a business combination and will not be applicable after consummation of the merger. Accordingly, they will serve no further purpose.

The present Article Fifth states the name and address of Rhapsody s incorporator. This information is not required in a restatement of a certificate of incorporation.

The other changes, which (i) change certain verb tenses in Articles Second and Third, (ii) add language Section A of Article Fourth to clarify that references to our preferred stock are meant to include any class or series of preferred stock, and (iii) replace the pronoun he in Section B of Article Eighth (formerly Article Ninth) with such director or officer, are believed by our board to be immaterial.

Pursuant to the merger agreement, approval of each charter amendment proposal is a condition to the consummation of the merger. If the merger proposal is not approved, the charter amendment proposals will

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not be presented at the meeting. If all of the charter amendment proposals are not approved, the merger will not be consummated even if the merger proposal is approved and the holders of fewer than 20% of the Public Shares vote against the merger proposal and properly demand that their Public Shares be converted into cash.

The approval of each charter amendment proposal will require the affirmative vote of the holders of a majority of the outstanding shares of Rhapsody common stock on the record date.

A copy of Rhapsody s Second Amended and Restated Certificate of Incorporation, as it will be in effect assuming approval of all of the charter amendment proposals and filing in the office of the Secretary of State of the State of Delaware, is attached to this proxy statement/prospectus as Annex B.

OUR BOARD OF DIRECTORS UNANIMOUSLY RECOMMENDS THAT OUR STOCKHOLDERS VOTE FOR THE APPROVAL OF EACH OF THE CHARTER AMENDMENT PROPOSALS.

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THE ADJOURNMENT PROPOSAL

The adjournment proposal allows Rhapsody s board of directors to submit a proposal to adjourn the special meeting to a later date or dates, if necessary, to permit further solicitation of proxies in the event, based on the tabulated votes, there are not sufficient votes at the time of the special meeting to approve the consummation of the merger. In no event will Rhapsody solicit proxies to adjourn the special meeting or consummate the merger beyond the date by which it may properly do so under its certificate of incorporation and Delaware law. The purpose of the adjournment proposal is to provide more time for Rhapsody, the Rhapsody Inside Stockholders, Primoris and the Primoris stockholders to make purchases of Public Shares or other arrangements that would increase the likelihood of obtaining

a favorable vote on the merger proposal and the charter amendment proposals and to meet the requirement that the holders of fewer than 20% of the Public Shares vote against the merger proposal and demand that their Public Shares be converted into cash (although no such purchases will be made by Rhapsody, itself). See the section entitled *Summary of the Proxy Statement/Prospectus Interests of Rhapsody s Directors and Officers in the Merger.*

In addition to an adjournment of the special meeting upon approval of an adjournment proposal, the board of directors of Rhapsody is empowered under Delaware law to postpone the meeting at any time prior to the meeting being called to order. In such event, Rhapsody will issue a press release and take such other steps as it believes are necessary and practical in the circumstances to inform its stockholders of the postponement.

Consequences if the Adjournment Proposal is not Approved

If an adjournment proposal is presented to the meeting and is not approved by the stockholders, Rhapsody s board of directors may not be able to adjourn the special meeting to a later date in the event, based on the tabulated votes, there are not sufficient votes at the time of the special meeting to approve the consummation of the merger (because either the merger proposal or the charter amendment proposal is not approved or because the holders of 20% or more of the Public Shares vote against the merger proposal and demand conversion of their Public Shares into cash). In such event, the merger would not be completed and, unless Rhapsody were able to consummate a business combination with another party no later than October 3, 2008, it would be required to liquidate.

Required Vote

Adoption of the adjournment proposal requires the affirmative vote of a majority of the issued and outstanding shares of Rhapsody s common stock represented in person or by proxy at the meeting and entitled to vote thereon. Adoption of the adjournment proposal is not conditioned upon the adoption of any of the other proposals.

OUR BOARD OF DIRECTORS UNANIMOUSLY RECOMMENDS THAT OUR STOCKHOLDERS VOTE FOR THE APPROVAL OF AN ADJOURNMENT PROPOSAL.

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THE INCENTIVE COMPENSATION PLAN PROPOSAL

Background

Rhapsody s 2008 Long-Term Equity Incentive Plan has been approved by Rhapsody s board of directors and will take effect upon consummation of the merger, provided that it is approved by the stockholders at the special meeting. We are submitting the plan to our stockholders for their approval so that options granted under the plan may qualify for treatment as incentive stock options and awards under the plan may constitute performance-based compensation not subject to Section 162(m) of the IRC.

The plan reserves 1,520,000 shares of Rhapsody common stock for issuance in accordance with the plan s terms. The purpose of the plan is to enable Rhapsody to offer its employees, officers, directors and consultants whose past, present and/or potential contributions to Rhapsody have been, are or will be important to the success of Rhapsody, an opportunity to acquire a proprietary interest in Rhapsody. The various types of incentive awards that may be provided under the plan are intended to enable Rhapsody to respond to changes in compensation practices, tax laws, accounting

regulations and the size and diversity of its business.

All officers, directors and employees of Primoris and Rhapsody will be eligible to be granted awards under the plan. An incentive stock option may be granted under the plan only to a person who, at the time of the grant, is an employee of Primoris or a related corporation. No allocations of shares that may be subject to awards have been made in respect of the executive officers or any other group. All awards will be subject to the recommendations of the compensation committee and approval by the board of directors or the compensation committee.

A summary of the principal features of the plan is provided below, but is qualified in its entirety by reference to the full text of the plan, which is attached to this proxy statement/prospectus as Annex C. As used below in this section, the company refers to Rhapsody as the surviving entity of the merger.

Administration

The plan is administered by our board of directors or our compensation committee. Subject to the provisions of the plan, the committee determines, among other things, the persons to whom from time to time awards may be granted, the specific type of awards to be granted, the number of shares subject to each award, share prices, any restrictions or limitations on the awards, and any vesting, exchange, deferral, surrender, cancellation, acceleration, termination, exercise or forfeiture provisions related to the awards. In the case of awards intended to qualify as performance-based compensation within the meaning of Section 162(m) of the IRC, the committee will consist solely of at least two members who are outside directors within the meaning of that section.

Stock Subject to the Plan

Shares of stock subject to other awards that are forfeited or terminated will be available for future award grants under the plan. If a holder pays the exercise price of a stock option by surrendering any previously owned shares of common stock or arranges to have the appropriate number of shares otherwise issuable upon exercise withheld to cover the withholding tax liability associated with the stock option exercise, then the in the Board s or committee s discretion, the number of shares available under the plan may be increased by the lesser of the number of such surrendered shares and shares used to pay taxes and the number of shares purchased under the stock option.

Under the plan, on a change in the number of shares of our common stock as a result of a dividend on shares of common stock payable in shares of common stock, common stock forward split or reverse split or other extraordinary or unusual event that results in a change in the shares of common stock as a whole, the terms of the outstanding award will be proportionately adjusted.

Eligibility

We may grant awards under the plan to employees, officers, directors and consultants who are deemed to have rendered, or to be able to render, significant services to us and who are deemed to have contributed, or to have the potential to contribute, to our success.

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Types of Awards

Options. The plan provides both for incentive stock options as defined in Section 422 of the IRC, and for options not qualifying as incentive options, both of which may be granted with any other stock based award under the plan. The board or committee determines the exercise price per share of common stock purchasable under an incentive or non-qualified stock option, which may not be less than 100% of the fair market value on the day of the grant or, if greater, the par value of a share of common stock. However, the exercise price of an incentive stock option granted to a person possessing more than 10% of the total combined voting power of all classes of our stock may not be less than 110% of the fair market value on the date of grant. The aggregate fair market value of all shares of common stock with respect to which incentive stock options are exercisable by a participant for the first time during any calendar year (under all of our plans), measured at the date of the grant, may not exceed $100,000 or such other amount as may be subsequently specified under the IRC or the regulations thereunder.

An incentive stock option may only be granted within a ten-year period from the date of the consummation of acquisition and may only be exercised within ten years from the date of the grant, or within five years in the case of an incentive stock option granted to a person who, at the time of the grant, owns common stock possessing more than 10% of the total combined voting power of all classes of our stock. Subject to any limitations or conditions the board or committee may impose, stock options may be exercised, in whole or in part, at any time during the term of the stock option by giving written notice of exercise to us specifying the number of shares of common stock to be purchased. The notice must be accompanied by payment in full of the purchase price, either in cash or, if provided in the agreement, in our securities or in combination of the two.

Generally, stock options granted under the plan may not be transferred other than by will or by the laws of descent and distribution and all stock options are exercisable during the holder s lifetime, or in the event of legal incapacity or incompetency, the holder s guardian or legal representative. However, a holder, with the approval of the board or committee, may transfer a non-qualified stock option by gift to a family member of the holder, by domestic relations order to a family member of the holder or by transfer to an entity in which more than 50% of the voting interests are owned by family members of the holder or the holder, in exchange for an interest in that entity.

Generally, if the holder is an employee, no stock options granted under the plan may be exercised by the holder unless he or she is employed by us or a subsidiary of ours at the time of the exercise and has been so employed continuously from the time the stock options were granted. However, in the event the holder s employment is terminated due to disability, the holder may still exercise his or her vested stock options for a period of 12 months or such other greater or lesser period as the board or committee may determine, from the date of termination or until the expiration of the stated term of the stock option, whichever period is shorter. Similarly, should a holder die while employed by us or a subsidiary, his or her legal representative or legatee under his or her will may exercise the decedent holder s vested stock options for a period of 12 months from the date of his or her death, or such other greater or lesser period as the board or committee may determine or until the expiration of the stated term of the stock option, whichever period is shorter. If the holder s employment is terminated due to normal retirement, the holder may still exercise his or her vested stock options for a period of 12 months from the date of termination or until the expiration of the stated term of the stock option, whichever period is shorter. If the holder s employment is terminated for any reason other than death, disability or normal retirement, the stock option will automatically terminate, except that if the holder s employment is terminated by us without cause, then the portion of any stock option that is vested on the date of termination may be exercised for the lesser of three months after termination of employment, or such other greater or lesser period as the board or committee may determine but not beyond the balance of the stock option s term.

Stock Appreciation Rights. Under the plan, we may grant stock appreciation rights to participants who have been, or are being, granted stock options under the plan as a means of allowing the participants to exercise their stock options without the need to pay the exercise price in cash. In conjunction with non-qualified stock options, stock appreciation rights may be granted either at or after the time of the grant of the non-qualified stock options. In conjunction with

incentive stock options, stock appreciation rights may be granted only at the time of the grant of the incentive stock options. A stock appreciation right entitles the holder to receive a number of shares of common stock having a fair market value equal to the excess fair

market value of one share of common stock over the exercise price of the related stock option, multiplied by the number of shares subject to the stock appreciation rights. The granting of a stock appreciation right will not affect the number of shares of common stock available for awards under the plan. The number of shares available for awards under the plan will, however, be reduced by the number of shares of common stock acquirable upon exercise of the stock option to which the stock appreciation right relates.

Restricted Stock. Under the plan, we may award shares of restricted stock either alone or in addition to other awards granted under the plan. The board or committee determines the persons to whom grants of restricted stock are made, the number of shares to be awarded, the price if any to be paid for the restricted stock by the person receiving the stock from us, the time or times within which awards of restricted stock may be subject to forfeiture, the vesting schedule and rights to acceleration thereof, and all other terms and conditions of the restricted stock awards. Each share that is the subject of a restricted stock award will be deemed to be one share for purposes of calculating the number of shares remaining available for awards from the 1,520,000 shares authorized under the plan.

Restricted stock awarded under the plan may not be sold, exchanged, assigned, transferred, pledged, encumbered or otherwise disposed of, other than to us, during the applicable restriction period. In order to enforce these restrictions, the plan requires that all shares of restricted stock awarded to the holder remain in our physical custody until the restrictions have terminated and all vesting requirements with respect to the restricted stock have been fulfilled. Other than regular cash dividends and other cash equivalent distributions as we may designate, pay or distribute, we will retain custody of all distributions made or declared with respect to the restricted stock during the restriction period. A breach of any restriction regarding the restricted stock will cause a forfeiture of the restricted stock and any retained distributions. Except for the foregoing restrictions, the holder will, even during the restriction period, have all of the rights of a stockholder, including the right to receive and retain all regular cash dividends and other cash equivalent distributions as we may designate, pay or distribute on the restricted stock and the right to vote the shares.

Other Stock-Based Awards. Under the plan, we may grant other stock-based awards, subject to limitations under applicable law, that are denominated or payable in, valued in whole or in part by reference to, or otherwise based on, or related to, shares of common stock, as deemed consistent with the purposes of the plan. These other stock-based awards may be in the form of purchase rights, shares of common stock awarded that are not subject to any restrictions or conditions, convertible or exchangeable debentures or other rights convertible into shares of common stock and awards valued by reference to the value of securities of, or the performance of, one of our subsidiaries. These other stock-based awards may include performance shares or options, whose award is tied to specific performance criteria. These other stock-based awards may be awarded either alone, in addition to, or in tandem with any other awards under the plan or any of our other plans.

Accelerated Vesting and Exercisability. If any one person, or more than one person acting as a group, acquires the ownership of stock of the company that, together with the stock held by such person or group, constitutes more than 50% of the total fair market value or combined voting power of the stock of the company, and the company s board of directors does not authorize or otherwise approve such acquisition, then the vesting periods of any and all stock options and other awards granted and outstanding under the plan shall be accelerated and all such stock options and awards will immediately and entirely vest, and the respective holders thereof will have the immediate right to purchase and/or receive any and all common stock subject to such stock options and awards on the terms set forth in the plan and the respective agreements respecting such stock options and awards. An increase in the percentage of

stock owned by any one person, or persons acting as a group, as a result of a transaction in which the company acquires its stock in exchange for property is not treated as an acquisition of stock.

The committee may, in the event of an acquisition by any one person, or more than one person acting as a group, together with acquisitions during the 12-month period ending on the date of the most recent acquisition by such person or persons, of assets from the company that have a total gross fair market value equal to or more than 50% of the total gross fair market value of all of the assets of the company immediately before such acquisition or acquisitions, or if any one person, or more than one person acting as a group, acquires the ownership of stock of the company that, together with the stock held by such person or group, constitutes more than 50% of the total fair market value or combined voting power of the stock of the company, which

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has been approved by the company s board of directors, (i) accelerate the vesting of any and all stock options and other awards granted and outstanding under the plan, or (ii) require a holder of any award granted under the plan to relinquish such award to the company upon the tender by the company to the holder of cash in an amount equal to the repurchase value of such award. For this purpose, gross fair market value means the value of the assets of the company, or the value of the assets being disposed of, determined without regard to any liabilities associated with such assets.

Notwithstanding any provisions of the plan or any award granted thereunder to the contrary, no acceleration shall occur with respect to any award to the extent such acceleration would cause the plan or an award granted thereunder to fail to comply with IRC Section 409A.

Repurchases. Unless otherwise provided in the grant of an award, the board or committee may, in the event of a corporate transaction that has been approved by our board of directors, require a holder of any award granted under the plan to relinquish the award to us upon payment by us to the holder of cash in an amount equal to the fair market value of the award.

Award Limitation. No participant may be granted awards for more than 40,000 shares in any calendar year.

Other Limitations. The board or committee may not modify or amend any outstanding option or stock appreciation right to reduce the exercise price of such option or stock appreciation right, as applicable, below the exercise price as of the date of grant of such option or stock appreciation right. In addition, no option or stock appreciation right may be granted in exchange for, or in connection with, the cancellation or surrender of an option or stock appreciation right or other award having a lower exercise price.

Withholding Taxes

Upon the exercise of any award granted under the plan, the holder may be required to remit to us an amount sufficient to satisfy all federal, state and local withholding tax requirements prior to delivery of any certificate or certificates for shares of common stock.

Term and Amendments

Unless terminated by the board, the plan shall continue to remain effective until no further awards may be granted and all awards granted under the plan are no longer outstanding. Notwithstanding the foregoing, grants of incentive stock

options may be made only until ten years from the date of the consummation of the merger. The board may at any time, and from time to time, amend the plan, provided that no amendment will be made that would impair the rights of a holder under any agreement entered into pursuant to the plan without the holder s consent.

Federal Income Tax Consequences

The following discussion of the federal income tax consequences of participation in the plan is only a summary of the general rules applicable to the grant and exercise of stock options and other awards and does not give specific details or cover, among other things, state, local and foreign tax treatment of participation in the plan. The information contained in this section is based on present law and regulations, which are subject to being changed prospectively or retroactively.

Incentive Stock Options. Participants will recognize no taxable income upon the grant of an incentive stock option. The participant generally will realize no taxable income when the incentive stock option is exercised. The excess, if any, of the fair market value of the shares on the date of exercise of an incentive stock option over the exercise price will be treated as an item of adjustment for a participant s taxable year in which the exercise occurs and may result in an alternative minimum tax liability for the participant. We will not qualify for any deduction in connection with the grant or exercise of incentive stock options. Upon a disposition of the shares after the later of two years from the date of grant or one year after the transfer of the shares to a participant, the participant will recognize the difference, if any, between the amount realized and the exercise price as long-term capital gain or long-term capital loss, as the case may be, if the shares are capital assets.

If common stock acquired upon the exercise of an incentive stock option is disposed of prior to the expiration of the holding periods described above, the participant will recognize ordinary compensation

income in the taxable year of disposition in an amount equal to the excess, if any, of the fair market value of the shares on the date of exercise over the exercise price paid for the shares; and we will qualify for a deduction equal to any amount recognized, subject to the limitation that the compensation be reasonable.

Non-Qualified Stock Options. With respect to non-qualified stock options:

upon grant of the stock option, the participant will recognize no income provided that the exercise price was not less than the fair market value of our common stock on the date of grant;
upon exercise of the stock option, if the shares of common stock are not subject to a substantial risk of forfeiture, the participant will recognize ordinary compensation income in an amount equal to the excess, if any, of the fair market value of the shares on the date of exercise over the exercise price, and we will qualify for a deduction in the same amount, subject to the requirement that the compensation be reasonable; and
we will be required to comply with applicable federal income tax withholding requirements with respect to the amount of ordinary compensation income recognized by the participant.

On a disposition of the shares, the participant will recognize gain or loss equal to the difference between the amount realized and the sum of the exercise price and the ordinary compensation income recognized. The gain or loss will be treated as capital gain or loss if the shares are capital assets and as short-term or long-term capital gain or loss, depending upon the length of time that the participant held the shares.

If the shares acquired upon exercise of a non-qualified stock option are subject to a substantial risk of forfeiture, the participant will recognize ordinary income at the time when the substantial risk of forfeiture is removed, unless the

participant timely files under Section 83(b) of the IRC to elect to be taxed on the receipt of shares, and we will qualify for a corresponding deduction at that time. The amount of ordinary income will be equal to the excess of the fair market value of the shares at the time the income is recognized over the amount, if any, paid for the shares.

Stock Appreciation Rights. Upon the grant of a stock appreciation right, the participant recognizes no taxable income and we receive no deduction. The participant recognizes ordinary income and we receive a deduction at the time of exercise equal to the cash and fair market value of common stock payable upon the exercise.

Restricted Stock. A participant who receives restricted stock will recognize no income on the grant of the restricted stock and we will not qualify for any deduction. At the time the restricted stock is no longer subject to a substantial risk of forfeiture, a participant will recognize ordinary compensation income in an amount equal to the excess, if any, of the fair market value of the restricted stock at the time the restriction lapses over the consideration paid for the restricted stock. A participant s shares are treated as being subject to a substantial risk of forfeiture so long as his or her sale of the shares at a profit could subject him or her to a suit under Section 16(b) of the Exchange Act. The holding period to determine whether the participant has long-term or short-term capital gain or loss begins when the restriction period expires, and the tax basis for the shares will generally be the fair market value of the shares on this date.

A participant may elect under Section 83(b) of the IRC, within 30 days of the transfer of the restricted stock, to recognize ordinary compensation income on the date of transfer in an amount equal to the excess, if any, of the fair market value on the date of transfer of the shares of restricted stock, as determined without regard to the restrictions, over the consideration paid for the restricted stock. If a participant makes an election and thereafter forfeits the shares, no ordinary loss deduction will be allowed. The forfeiture will be treated as a sale or exchange upon which there is realized loss equal to the excess, if any, of the consideration paid for the shares over the amount realized on such forfeiture. The loss will be a capital loss if the shares are capital assets. If a participant makes an election under Section 83(b), the holding period will commence on the day after the date of transfer and the tax basis will equal the fair market value of shares, as determined without regard to the restrictions, on the date of transfer.

On a disposition of the shares, a participant will recognize gain or loss equal to the difference between the amount realized and the tax basis for the shares.

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Whether or not the participant makes an election under Section 83(b), we generally will qualify for a deduction, subject to the reasonableness of compensation limitation, equal to the amount that is taxable as ordinary income to the participant, in the taxable year in which the income is included in the participant s gross income. The income recognized by the participant will be subject to applicable withholding tax requirements.

Dividends paid on restricted stock that is subject to a substantial risk of forfeiture generally will be treated as compensation that is taxable as ordinary compensation income to the participant and will be deductible by us subject to the reasonableness limitation. If, however, the participant makes a Section 83(b) election, the dividends will be treated as dividends and taxable as ordinary income to the participant, but will not be deductible by us.

Other Stock-Based Awards. The federal income tax treatment of other stock-based awards will depend on the nature and restrictions applicable to the award.

Section 162(m) Limits. Section 162(m) of the IRC places a limit of $1,000,000 on the amount of compensation that a publicly traded company may deduct in any one year with respect to each of its chief executive officer and 4 most highly paid executive officers. Certain performance-based compensation approved by stockholders is not subject to the deduction limit. The plan is qualified such that awards under the plan may constitute performance-based

compensation not subject to Section 162(m) of the IRC. One of the requirements for equity compensation plans is that there must be a limit to the number of shares granted to any one individual under the plan. Accordingly, the plan provides that the maximum number of shares for which awards may be made to any employee in any calendar year is 40,000. The maximum amount payable pursuant to that portion of a cash award granted under the plan for any fiscal year to any employee that is intended to satisfy the requirements for performance-based compensation under Section 162(m) of the IRC may not exceed $500,000. Under the plan the board of directors or the compensation committee has the power to impose restrictions on awards to ensure that such awards satisfy the requirements for performance-based compensation under Section 162(m) of the IRC.

Certain Awards Deferring or Accelerating the Receipt of Compensation. Section 409A of the IRC, enacted as part of the American Jobs Creation Act of 2004, imposes certain new requirements applicable to nonqualified deferred compensation plans. If a nonqualified deferred compensation plan subject to Section 409A fails to meet, or is not operated in accordance with, these new requirements, then all compensation deferred under the plan may become immediately taxable. Stock appreciation rights and deferred stock awards that may be granted under the plan may constitute deferred compensation subject to the Section 409A requirements. It is our intention that any award agreement governing awards subject to Section 409A will comply with these rules.

Recommendation and Vote Required

Approval of our incentive compensation plan will require the affirmative vote of the holders of a majority of the outstanding shares of our common stock represented in person or by proxy at the meeting and entitled to vote thereon.

OUR BOARD OF DIRECTORS UNANIMOUSLY RECOMMENDS THAT OUR STOCKHOLDERS VOTE FOR THE APPROVAL OF THE INCENTIVE COMPENSATION PLAN PROPOSAL.

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THE DIRECTOR ELECTION PROPOSAL

Election of Directors

At the special meeting, seven directors will be elected to Rhapsody s board of directors, of whom two will serve until the special meeting to be held in 2009, three will serve until the special meeting to be held in 2010 and two will serve until the special meeting to be held in 2011 and, in each case, until their successors are elected and qualified.

Upon consummation of the merger, if management s nominees are elected, the directors of Rhapsody will be classified as follows:

- in the class to stand for reelection in 2009: Brian Pratt and Thomas E. Tucker;
- in the class to stand for reelection in 2010: John P. Schauerman, Stephen C. Cook and Peter J. Moerbeek; and
- in the class to stand for reelection in 2011: Eric S. Rosenfeld and David D. Sgro.

The election of directors requires a plurality vote of the shares of common stock present in person or represented by proxy and entitled to vote at the special meeting. Plurality means that the individuals who receive the largest number of votes cast FOR are elected as directors. Consequently, any shares not voted FOR a particular nominee (whether as a result of abstentions, a direction to withhold authority or a broker non-vote) will not be counted in the nominee s favor.

Unless authority is withheld, the proxies solicited by the board of directors will be voted FOR the election of these nominees. In case any of the nominees becomes unavailable for election to the board of directors, an event that is not anticipated, the persons named as proxies, or their substitutes, will have full discretion and authority to vote or refrain from voting for any other candidate in accordance with their judgment.

If the merger is not authorized by the approval of both the merger proposal and the charter amendment proposal and the proper election by the holders of fewer than 20% of the Public Shares to convert their Public Shares into cash, the director election proposal will not be submitted to the stockholders for a vote and Rhapsody s current directors will continue in office until Rhapsody is liquidated.

At the effective time of the Primoris acquisition and assuming the election of the individuals set forth above, the board of directors and executive officers of Rhapsody will be as follows:

Name	Age	Position
Brian Pratt	56	Chairman of the Board, Chief Executive Officer, President and Director
John P. Schauerman	51	Chief Financial Officer and Director
Eric S. Rosenfeld	50	Director
Peter J. Moerbeek	60	Director
Stephen C. Cook	58	Director
David D. Sgro	31	Director
Thomas E. Tucker	65	Director
John M. Perisich	43	Senior Vice President and General Counsel
Alfons Theeuwes	56	Senior Vice President of Accounting and Finance

Observer

During the three-year period following the closing, Rhapsody will be entitled to appoint a person to be an observer at board meetings and to receive all information distributed to the board members while acting in such capacity. During such period, Rhapsody may appoint the person then serving as observer for election to the board in place of its then-designee and the then-designee shall serve as observer for the balance of the period. It is expected that Arnaud Ajdler, who is currently a director of Rhapsody, will initially serve as observer and that, at some point during the term being served by David D. Sgro as a director, Mr. Ajdler will be designated to replace Mr. Sgro as a director and Mr. Sgro will thereafter serve as Rhapsody s observer for the balance of the three-year period.

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Information about the Nominees and Initial Observer

Eric S. Rosenfeld has been our chairman of the board, chief executive officer and president since our inception. Mr. Rosenfeld has been the president and chief executive officer of Crescendo Partners, L.P., a New York-based investment firm, since its formation in November 1998. He has also been the senior managing member of Crescendo Advisors II LLC, the entity providing us with general and administrative services, since its formation in August 2000. From its inception in April 2004 until June 2006, Mr. Rosenfeld was the chairman of the board, chief executive officer and president of Arpeggio Acquisition Corporation, an OTC BB-listed blank check company formed to effect a merger, capital stock exchange, asset acquisition or other similar business combination with an operating business. Arpeggio Acquisition Corporation completed its business combination in June 2006 with Hill International, Inc., now

listed on the New York Stock Exchange, and since such time Mr. Rosenfeld has served as a director of that company. Mr. Rosenfeld is currently chairman of the board of CPI Aerostructures, Inc., an American Stock Exchange-listed company engaged in the contract production of structural aircraft parts principally for the U.S. Air Force and other branches of the U.S. armed forces. He became a director in April 2003 and chairman in January 2005. Since October 2005, he has been the chairman of the board of Computer Horizons Corp., quoted on the OTC-BB, that, before the sale of its operating businesses (at which time it was Nasdaq-listed), provided information technology professional services with a concentration in sourcing and managed services. Mr. Rosenfeld has also served on the board of Matrikon Inc., a Toronto Stock Exchange-listed provider of solutions for industrial intelligence, since July 2007. He has also been a member of the board of Dalsa Corporation, a Toronto Stock Exchange-listed company that designs and manufactures digital imaging products, since February 2008.

Prior to forming Crescendo Partners, Mr. Rosenfeld had been managing director at CIBC Oppenheimer and its predecessor company Oppenheimer & Co., Inc. since 1985. He was also chairman of the board of Spar Aerospace Limited, a company that provides repair and overhaul services for aircraft and helicopters used by governments and commercial airlines, from May 1999 through November 2001, until its sale to L-3 Communications. He served as a director of Hip Interactive, a Toronto Stock Exchange-listed company that distributes and develops electronic entertainment products, from November 2004 until July 2005. Mr. Rosenfeld also served as a director of AD OPT Technologies Inc., which was a Toronto Stock Exchange-listed company from April 2003 to November 2004, when it was acquired by Kronos Inc. Mr. Rosenfeld also served as a director and head of the special committee of Pivotal Corporation, a Canadian based customer relations management software company that was sold to chinadotcom in February 2004. He was a director of Sierra Systems Group, Inc., a Toronto Stock Exchange-listed information technology, management consulting and systems integration firm based in Canada from October 2003 until its sale in January 2007. From October 2005 through March 2006, Mr. Rosenfeld was a director of Geac Computer Corporation Limited, a Toronto Stock Exchange and Nasdaq listed software company, which was acquired by Golden Gate Capital. He was also a director of Emergis Inc., a Toronto Stock Exchange-listed company that enables the electronic processing of transactions in the finance and healthcare industries, from July 2004 until its sale to Telus in January 2008.

Mr. Rosenfeld is a regular guest lecturer at Columbia Business School and has served on numerous panels at Queen s University Business Law School Symposia, McGill Law School, the World Presidents Organization and the Value Investing Congress. He is a faculty member at the Director s College. He has also been a regular guest host on CNBC. Mr. Rosenfeld received an A.B. in economics from Brown University and an M.B.A. from the Harvard Business School.

Peter J. Moerbeek is currently a director and chief executive officer of Ni America, LLC, a private-equity funded company engaged in the acquisition and operation of water and wastewater utilities. As a founder of the company from June 2006 to February 2007, he was involved in raising equity capital for Ni America. From August 1995to June 2006, Mr. Moerbeek held several positions with publicly traded Southwest Water including as director from 2001 to 2006; as president and chief operating officer from 2004 to 2006; as president of the Services Group from 1997 to 2006; as secretary from 1995 to 2004; and as chief financial officer from 1995 to 2002. From 1989 to 2005, Mr. Moerbeek was the chief financial and operations officer for publicly-traded Pico Products, Inc. Mr. Moerbeek received a BSEE in 1969 and a MBA in 1971 from the University of Washington.

Stephen C. Cook has served as president and principal shareholder of Fieldstone Partners, a Houston TX-based investment banking firm, focused primarily on corporate merger and acquisition advisory services, since 1990. He has over 30 years of experience in the investment banking business, including 10 years with Rotan Mosle, Inc., a Texas-based regional investment firm and underwriter, where he served as co-head of the corporate finance

department and as a director of the firm. Mr. Cook received his A.B. in Economics from Princeton University in 1971 and his M.B.A. from Harvard Business School in 1974.

David D. Sgro, CFA, has been our chief financial officer since our inception. Mr. Sgro has been a Senior Vice President of Crescendo Partners, L.P., a Delaware limited partnership, since December 2007, a Vice President from December 2005 to December 2007, and an investment analyst from May 2005 to December 2005. From June 1998 to May 2003, he worked as an analyst and then senior analyst at Management Planning, Inc., a firm engaged in the valuation of privately held companies. Simultaneously, Mr. Sgro worked as an associate with MPI Securities, Management Planning, Inc. s boutique investment banking affiliate. From June 2004 to August 2004, Mr. Sgro worked as an analyst at Brandes Investment Partners. Mr. Sgro received a B.S. in Finance from The College of New Jersey and an M.B.A. from Columbia Business School. In 2001, he became a Chartered Financial Analyst (CFA) Charterholder. Mr. Sgro is a regular guest lecturer at the College of New Jersey and Columbia Business School.

Arnaud Ajdler has been our secretary and a member of our board of directors since our inception. From April 2004 until its merger with Hill International in June 2006, he served as the chief financial officer and secretary and a member of the board of directors of Arpeggio Acquisition Corporation. He has continued to serve as a member of the board of directors of Hill International, a NYSE listed company, since June 2006. Since March 2008, Mr. Ajdler has served as a director and on the Compensation Committee of Mothers Work, Inc., a designer and retailer of maternity apparel. Mr. Ajdler has also served as a director and on the Compensation Committee of O Charley s Inc., a NASDAQ listed company. Since October 2005, Mr. Ajdler has also been an assistant to the chairman of the board and a board observer to Computer Horizon Corp., formerly a NASDAQ and now pink sheets listed company. He was also a member of the board of directors of The Topps Company, Inc., a Nasdaq listed designer and marketer of confectionary and entertainment products, from August 2006 through September 2007. Mr. Ajdler has been a Managing Director of Crescendo Partners, L.P., a Delaware limited partnership, since December 2005, a Senior Vice President from December 2004 to December 2005 and an investment analyst from September 2003 to December 2004. Mr. Ajdler is has also been an adjunct professor at Columbia Business School since January 2007. From January 2000 to July 2001, he worked as a management consultant at Mercer Management Consulting, an international strategy consulting firm, before completing his M.B.A. at Harvard Business School in June 2003. He also worked as an investment analyst at Tilson Capital, a New York-based hedge fund, from July to September 2003, as an investment banker at Deutsche Bank, an international financial service provider, from June to August 2002, and as a management consultant at the Boston Consulting Group from June to August 1999. Mr. Ajdler received a B.S. in engineering from the Free University of Brussels, Belgium, an S.M. in Aeronautics from the Massachusetts Institute of Technology and an M.B.A from the Harvard Business School.

Thomas E. Tucker is currently Chairman of Pennhill Land Company, a real estate development and investment company, where he has worked since he founded such company in 1983. Since 2002, he has served as a Board Member of RSI Holding Corporation, a privately held large national manufacturer of cabinets for homes. Previously he has served as an Advisory Board Member of ORCO Block Company, a Southern California manufacturer of block products, and Gemini Investors, a Boston based Investment Capital firm. Mr. Tucker received a Bachelors of Science degree in business from the University of Southern California.

Biographical information regarding Messrs. Pratt, Schauerman, Perisich and Theeuwes is contained in the section entitled *Business of Primoris* *Management of Primoris.*

Meetings and Committees of the Board of Directors of Rhapsody

During the fiscal year ended March 31, 2007, Rhapsody s board of directors held 3 meetings. Although Rhapsody does not have any formal policy regarding director attendance at annual stockholder meetings, Rhapsody will attempt to schedule its special meetings so that all of its directors can attend. Rhapsody expects

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its directors to attend all board and any committee meetings and to spend the time needed and meet as frequently as necessary to properly discharge their responsibilities. Each of Rhapsody s current directors attended at least two-thirds of the aggregate number of meetings of the board in fiscal 2007.

Independence of Directors; Controlled Company Exemption

In anticipation of being listing on Nasdaq, Rhapsody will adhere to the rules of Nasdaq in determining whether a director is independent. The board of directors of Rhapsody also will consult with our counsel to ensure that the board s determinations are consistent with those rules and all relevant securities and other laws and regulations regarding the independence of directors. The Nasdaq listing standards define an independent director as a person, other than an executive officer of a company or any other individual having a relationship which, in the opinion of the issuer s board of directors, would interfere with the exercise of independent judgment in carrying out the responsibilities of a director. Consistent with these considerations, the board of directors of Rhapsody has affirmatively determined that, upon election to the board of directors of Rhapsody on the closing of the merger, Messrs. Moerbeek, Cook and Tucker will be the independent directors of Rhapsody after the consummation of the merger.

Upon the closing of the merger, it is anticipated that a number of the Primoris Holders will deliver revocable proxies to Brian Pratt, for their shares in Rhapsody. Through the ownership of his own shares and through these revocable proxies, it is anticipated that Brian Pratt will hold more than 50% of the voting power of Rhapsody after the merger. As a result, it is anticipated that Rhapsody will be considered a controlled company for the purposes of the Nasdaq listing requirements (a corporation of which more than 50% of the voting power is held by an individual, a group or another company). Therefore, Rhapsody will not be subject to the Nasdaq listing requirements that would otherwise require the board of directors to have a majority of independent directors and the compensation and nominating committees to be comprised entirely of independent directors. Accordingly, the Rhapsody stockholders will not have the same protections afforded to stockholders of companies that are subject to all of such Nasdaq corporate governance requirements, and the ability of independent directors to influence the business policies and affairs will likely be substantially reduced.

Audit Committee Information

Upon consummation of the merger, the board of directors will establish an audit committee with Messrs. Moerbeek, Cook and Tucker as its members and Mr. Moerbeek as chairman, each an independent director under Nasdaq listing standards. The purpose of the audit committee will be to appoint, retain, set compensation of, and supervise our independent accountants, review the results and scope of the audit and other accounting related services and review our accounting practices and systems of internal accounting and disclosure controls.

The audit committee s duties, which will be specified in the audit committee charter, will include, but will not be limited to:

reviewing and discussing with management and the independent auditor the annual audited financial statements, and recommending to the board whether the audited financial statements should be included in our Form 10-K;
discussing with management and the independent auditor significant financial reporting issues and judgments made in connection with the preparation of our financial statements;
discussing with management and the independent auditor the effect on our financial statements of (i) regulatory and

accounting initiatives and (ii) off-balance sheet structures;
discussing with management major financial risk exposures and the steps management has taken to monitor and control such exposures, including our risk assessment and risk management policies;
reviewing disclosures made to the audit committee by our principal executive officer and principal financial officer during their certification process for our Form 10-Ks and Form 10-Qs about any significant deficiencies in the design or operation of internal controls or material weaknesses therein and any fraud involving management or other employees who have a significant role in our internal controls;

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verifying the rotation of the lead (or coordinating) audit partner having primary responsibility for the audit and the audit partner responsible for reviewing the audit as required by law;
reviewing and approving all related-party transactions including analyzing the shareholder base of each target business so as to ensure that we do not consummate a business combination with an entity that is affiliated with our management;
inquiring and discussing with management our compliance with applicable laws and regulations;
pre-approving all audit services and permitted non-audit services to be performed by our independent auditor, including the fees and terms of the services to be performed;
appointing or replacing the independent auditor;
reviewing proxy disclosure to ensure that it is in compliance with SEC rules and regulations;
determining the compensation and oversight of the work of the independent auditor (including resolution of disagreements between management and the independent auditor regarding financial reporting) for the purpose of preparing or issuing an audit report or related work; and
establishing procedures for the receipt, retention and treatment of complaints received by us regarding accounting, internal accounting controls or reports which raise material issues regarding our financial statements or accounting policies.

Financial Experts on Audit Committee

The audit committee will at all times be composed exclusively of independent directors who are financially literate as defined under Nasdaq s listing standards. Nasdaq s listing standards define financially literate as being able to read and understand fundamental financial statements, including a company s balance sheet, income statement and cash flow statement. In addition, we will be required to certify to Nasdaq that the committee has, and will continue to have, at least one member who has past employment experience in finance or accounting, requisite professional certification in accounting, or other comparable experience or background that results in the individual s financial sophistication. The board of directors has determined that Mr. Moerbeek satisfies Nasdaq s definition of financial sophistication and also qualifies as an audit committee financial expert, as defined under rules and regulations of the SEC.

Meetings and Attendance

Since the Rhapsody audit committee will not be formed until the consummation of the merger, it did not meet in the year ended March 31, 2008.

Independent Auditors Fees

The firm of BDO Seidman, LLP (BDO) acts as Rhapsody s principal accountant. The following is a summary of fees paid or to be paid to BDO for services rendered. The firm of Moss Adams, LLP (Moss Adams) acts as Primoris s principal accountant. Moss Adams will act as Rhapsody s principal accountant after consummation of the merger.

Audit Fees

During the fiscal year ended March 31, 2007, fees paid to BDO were $58,412 for the services they performed in connection with (i) the audit of our financial statements as of August 31, 2006 and for the period from April 24, 2006 (inception) through August 31, 2006, appearing in our prospectus and registration statement; and the audit of our financial statements as of October 10, 2006 and for the period from April 24, 2006 (inception) through October 10, 2006 appearing in our Form 8-K filed on October 10, 2006 (total $50,217), and (ii) the review of our quarterly financial statements set forth in our quarterly reports on Form 10-QSB for the quarters ended September 30 and December 31, 2006 (total $8,195). During the fiscal year ended March 31, 2008, fees paid to BDO were $28,635 for the services they performed in connection with (i) the audit of our financial statements for the period from April 24, 2006 (inception) through March 31, 2007 (total $13,325); and (ii) the review of our quarterly financial statements set forth in our quarterly reports on Form 10-QSB for the quarters ended June 30, 2007, September 30, 2007 and December 31, 2007 (total $15,310). The fee for the audit of our annual financial statements for the year ended March 31, 2008 is estimated to be $16,000.

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BDO has not waived its right to make claims against the funds in Rhapsody s trust account for fees of any nature owed to it.

Tax Fees

During the fiscal year ended March 31, 2007, BDO did not render services to us for tax compliance, tax advice and tax planning. For the fiscal year ended March 31, 2008, BDO billed us $5,425 for tax compliance and advice, all of which has been paid.

All Other Fees

During the fiscal year ended March 31, 2007, there were no fees billed for products and services provided by BDO to Rhapsody other than those set forth above. For the fiscal year ended March 31, 2008, BDO billed us $36,989 for accounting and tax due diligence, all of which have been paid.

Audit Committee Pre-Approval Policies and Procedures

Since the Rhapsody audit committee will not be formed until the consummation of the merger, the audit committee did not pre-approve any accounting-related or tax services. However, the Rhapsody board of directors has approved the services described above. In accordance with Section 10A(i) of the Exchange Act, before Rhapsody engages its independent accountant to render audit or permitted non-audit services, the engagement will be approved by the audit committee. Since the Rhapsody audit committee will not be formed until the consummation of the merger, it has not yet met or prepared a committee report.

Code of Ethics

In October 2007, our board of directors adopted a code of ethics that applies to Rhapsody s directors, officers and employees as well as those of its subsidiaries. A copy of our code of ethics may be obtained free of charge by submitting a request in writing to Arnaud Ajdler, Secretary, Rhapsody Acquisition Corp., 825 Third Avenue, 40th Floor, New York, New York 10022.

Compensation Committee Information

Upon consummation of the merger, the board of directors of Rhapsody will establish a compensation committee with Messrs. Cook, Moerbeek and Pratt as its members and Mr. Cook serving as chairman. Messrs. Cook and Moerbeek are independent directors under Nasdaq listing requirements. The purpose of the compensation committee will be to review and approve compensation paid to our officers and directors and to administer Rhapsody s incentive compensation plans, including authority to make and modify awards under such plans. Initially, the only plan will be the incentive compensation plan.

Compensation Committee Interlocks and Insider Participation

None of the persons designated as directors of Rhapsody currently serves on the compensation committee of any other company on which any other director designee of Rhapsody or any officer or director of Rhapsody or Primoris is currently a member.

Nominations Committee Information

Upon consummation of the merger, the board of directors of Rhapsody will establish a nominations committee with Messrs. Pratt, Rosenfeld and Cook as its members and Mr. Pratt serving as chairman. Mr. Cook is an independent director under Nasdaq listing requirements. The nominating committee will consider persons identified by its members, management, stockholders, investment bankers and others. During the period commencing with the closing of the merger and ending immediately prior to the Rhapsody 2011 annual meeting, the nominees for Rhapsody s board of directors will be determined pursuant to the terms of the voting agreement and approved by the nominating committee.

Rhapsody does not have any restrictions on stockholder nominations under its certificate of incorporation or by-laws. The only restrictions are those applicable generally under Delaware corporate law and the federal proxy rules. Prior to the consummation of the merger agreement, Rhapsody has not had a nominating committee or a formal means by which stockholders can nominate a director for election. Currently the entire board of directors decides on nominees, on the recommendation of one or more members of the board. None of the

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current members of the board of directors is independent. Currently, the board of directors will consider suggestions from individual stockholders, subject to evaluation of the person s merits. Stockholders may communicate nominee suggestions directly to any of the board members, accompanied by biographical details and a statement of support for the nominees. The suggested nominee must also provide a statement of consent to being considered for nomination. Although there are no formal criteria for nominees, the board of directors believes that nominees should be actively engaged in business endeavors.

Upon the consummation of the merger, the nominating committee will be responsible for overseeing the selection of persons to be nominated to serve on our board of directors. The nominating committee will consider persons identified by its members, management, shareholders, investment bankers and others. The guidelines for selecting nominees, which will be specified in the nominating committee charter, will provide that, generally, persons to be nominated should be actively engaged in business, have an understanding of financial statements, corporate budgeting and capital structure, be familiar with the requirements of a publicly traded company, be familiar with industries relevant to our business, be willing to devote significant time to the oversight duties of the board of directors of a public company,

and be able to promote a diversity of views based on the person s education, experience and professional employment. The nominating committee will evaluate each individual in the context of the board as a whole, with the objective of recommending a group of persons that can best implement our business plan, perpetuate our business and represent shareholder interests. The nominating committee may require certain skills or attributes, such as financial or accounting experience, to meet specific board needs that arise from time to time. The nominating committee will not distinguish among nominees recommended by shareholders and other persons.

Compensation of Officers and Directors

Through the closing of the merger, Rhapsody has and will continue to pay Crescendo Advisors, II, an affiliate of Eric S. Rosenfeld, a fee of $7,500 per month fee for providing Rhapsody with office space and certain office and secretarial services. This arrangement is solely for our benefit and is not intended to provide Mr. Rosenfeld compensation in lieu of a salary. Included in general and administrative costs is $134,516 incurred in this respect from inception to March 31, 2008; of this amount $22,500 is unpaid and included in accrued expenses and taxes.

Other than the $7,500 per-month fee, no compensation of any kind, including finders and consulting fees, have been or will be paid to any of Rhapsody s officers or their affiliates for services rendered through the closing of the merger. However, Rhapsody s executive officers are reimbursed for any out-of-pocket expenses incurred in connection with activities on Rhapsody s behalf such as identifying potential target businesses and performing due diligence on suitable business combinations. As of March 31, 2008, an aggregate of approximately $10,233 has been reimbursed to them for such expenses. There is no limit on the amount of these out-of-pocket expenses and there will be no review of the reasonableness of the expenses by anyone other than our board of directors, which includes persons who may seek reimbursement, or a court of competent jurisdiction if such reimbursement is challenged. Because of the foregoing, we generally do not have the benefit of independent directors examining the propriety of expenses incurred on our behalf and subject to reimbursement.

The policies of Rhapsody with respect to the compensation of its executive officers and following the merger will be administered by Rhapsody s board in consultation with its compensation committee (as described above). The compensation policies followed by Rhapsody will be intended to provide for compensation that is sufficient to attract, motivate and retain executives of outstanding ability and potential and to establish an appropriate relationship between executive compensation and the creation of shareholder value. To meet these goals, the compensation committee will be charged with recommending executive compensation packages to Rhapsody s board of directors.

It is anticipated that performance-based and equity-based compensation will be an important foundation in executive compensation packages as we believe it is important to maintain a strong link between executive incentives and the creation of shareholder value. We believe that performance and equity-based compensation can be an important component of the total executive compensation package for maximizing shareholder value while, at the same time, attracting, motivating and retaining high-quality executives. The employment agreements to be entered into by future executive officers of Rhapsody and the adoption of the proposed 2008

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Long-Term Incentive Equity Plan reflect and will reflect what we believe is a focus on performance- and equity-based compensation. Since Rhapsody will not have a compensation committee until completion of the merger, we have not yet adopted any formal guidelines for allocating total compensation between equity compensation and cash compensation for executives hired in the future.

Compensation Discussion and Analysis

Upon consummation of the merger, Rhapsody will seek to provide total compensation packages that are competitive in terms of potential value to its executives, and which are tailored to the unique characteristics and needs of Rhapsody within its industry in order to create an executive compensation program that will adequately reward its executives for their roles in creating value for Rhapsody stockholders. Rhapsody intends to be competitive with other similarly situated companies in its industry following completion of the merger.

The compensation decisions regarding Rhapsody s executives will be based on Rhapsody s need to attract individuals with the skills necessary for Rhapsody to achieve its business plan, to reward those individuals fairly over time, and to retain those individuals who continue to perform at or above Rhapsody s expectations.

It is anticipated that Rhapsody s executives compensation will have three primary components salary, cash incentive bonus and stock-based awards. Rhapsody will view the three components of executive compensation as related but distinct. Although Rhapsody s compensation committee will review total compensation, we do not believe that significant compensation derived from one component of compensation should negate or reduce compensation from other components. We anticipate determining the appropriate level for each compensation component based in part, but not exclusively, on our view of internal equity and consistency, individual performance and other information deemed relevant and timely. Since Rhapsody s compensation committee will not be formed until consummation of the merger, we have not adopted any formal or informal policies or guidelines for allocating compensation between long-term and currently paid out compensation, between cash and non-cash compensation, or among different forms of compensation.

In addition to the guidance provided by its compensation committee, Rhapsody may utilize the services of third parties from time to time in connection with the hiring and compensation awarded to executive employees. This could include subscriptions to executive compensation surveys and other databases.

Rhapsody s compensation committee will be charged with performing an annual review of Rhapsody s executive officers cash compensation and equity holdings to determine whether they provide adequate incentives and motivation to executive officers and whether they adequately compensate the executive officers relative to comparable officers in other companies.

Benchmarking of Cash and Equity Compensation

We believe it is important when making compensation-related decisions to be informed as to current practices of similarly situated publicly held companies in the engineering, construction and related industries. We expect that the compensation committee will stay apprised of the cash and equity compensation practices of publicly held companies in the engineering, construction and related industries through the review of such companies public reports and through other resources. It is expected that any companies chosen for inclusion in any benchmarking group would have business characteristics comparable to Rhapsody, including revenues, financial growth metrics, stage of development, employee headcount and market capitalization. While benchmarking may not always be appropriate as a stand-alone tool for setting compensation due to the aspects of Rhapsody post-merger business and objectives that may be unique to Rhapsody, we generally believe that gathering this information will be an important part of its compensation-related decision-making process.

Compensation Components

Base Salary. Generally, Rhapsody, working with the compensation committee, anticipates setting executive base salaries at levels comparable with those of executives in similar positions and with similar responsibilities at comparable companies. Rhapsody will seek to maintain base salary amounts at or near the industry norms, while

avoiding paying amounts in excess of what it believes is necessary to motivate executives to meet corporate goals. It is anticipated base salaries will generally be reviewed annually, subject to terms of employment agreements, and that the compensation committee and board will seek to adjust base salary amounts to realign such salaries with industry norms after taking into account individual responsibilities, performance and experience.

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Annual Bonuses. Rhapsody intends to utilize cash incentive bonuses for executives to focus them on achieving key operational and financial objectives within a yearly time horizon. Near the beginning of each year, the board, upon the recommendation of the compensation committee and subject to any applicable employment agreements, will determine performance parameters for appropriate executives. At the end of each year, the board and compensation committee will determine the level of achievement for each corporate goal.

The performance parameters for which executive officers are eligible to receive cash bonuses under the terms of the employment agreements to be executed in connection with the consummation of the merger will be set by the compensation committee each year, within 45 days of approval of such year s annual budget.

Rhapsody will structure cash incentive bonus compensation so that it is taxable to its employees at the time it becomes available to them. At this time, it is not anticipated that any executive officer s annual cash compensation will exceed $1 million, and we have accordingly not made any plans to qualify for any compensation deductions under Section 162(m) of the Internal Revenue Code.

Equity Awards. Rhapsody also will use stock options and other stock-based awards to reward long-term performance. It believes that providing a meaningful portion of its executives total compensation package in stock options and other stock-based awards will align the incentives of its executives with the interests of Rhapsody s stockholders and with Rhapsody s long-term success. The compensation committee and board will develop their equity award determinations based on their judgments as to whether the complete compensation packages provided to Rhapsody s executives, including prior equity awards, are sufficient to retain, motivate and adequately award the executives.

Equity awards will be granted through Rhapsody s 2008 Long-Term Incentive Equity Plan, which was adopted by Rhapsody board and is being submitted to the stockholders of Rhapsody for their consideration at the special meeting. All of Rhapsody s employees, directors, officers and consultants will be eligible to participate in the 2008 Incentive Plan. The material terms of the 2008 Incentive Plan are further described in the section of this proxy statement/prospectus entitled Incentive Compensation Plan Proposal. No awards have been made under the Plan as of the date of this proxy statement/prospectus. It is anticipated that all options granted under the Plan in the future will have an exercise price at least equal to the fair market value of Rhapsody s common stock on the date of grant.

Rhapsody will account for any equity compensation expense under the rules of SFAS 123R, which requires a company to estimate and record an expense for each award of equity compensation over the service period of the award. Accounting rules also will require Rhapsody to record cash compensation as an expense at the time the obligation is accrued.

Severance Benefit. Rhapsody currently has no severance benefits plan. Rhapsody may consider the adoption of a severance plan for executive officers and other employee in the future. The employment agreements to be entered into by the persons who will initially serve as executive officers of Rhapsody following consummation of the merger provide for certain rights and obligations in the event of the termination of employment as more fully described in the section below entitled *Employment Agreements.*

Other Compensation. Rhapsody will establish and maintain various employee benefit plans, including medical, dental, life insurance and 401(k) plans. These plans will be available to all salaried employees and will not discriminate in favor of executive officers. Rhapsody may extend other perquisites to its executives that are not available to its employees generally.

Director and Consultant Compensation. Rhapsody currently does not have a definitive compensation plan for its future directors or consultants. Rhapsody, working with the compensation committee, anticipates setting director and consultant compensation at a level comparable with those directors and consultants with similar positions at comparable companies. It is currently anticipated that such compensation will be based on cash and/or equity compensation under Rhapsody s 2008 Long-Term Incentive Equity Plan.

Employment Agreements

At the time of the signing of the merger agreement, Brian Pratt, chief executive officer of Primoris, and eight other executive officers of Primoris or its subsidiaries (John P. Schauerman, Primoris; Alfons Theeuwes, Primoris; John M. Perisich, Primoris; Scott E. Summers, ARB, Inc.; Timothy R. Healy, ARB, Inc.; Mark A.

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Thurman, Structures, Inc.; David J. Baker, Onquest, Inc.; and William J. McDevitt, Cardinal Contractors, Inc.) entered into employment agreements with either Primoris or one of its subsidiaries that will become effective upon consummation of the merger. Each employment agreement is for a five-year term (with the exception of David J. Baker, chief executive officer and president of Onquest, Inc., which is for a one-year term), subject to earlier termination in certain circumstances, and may be extended by mutual agreement of the executive and the employing company. Upon consummation of the merger, Rhapsody will become the employing entity pursuant to the employment agreements for the executives employed by Primoris.

The employment agreements that provide for the five highest initial base salaries are as follows: Brian Pratt ($500,000), Scott E. Summers ($300,000), Timothy R. Healy ($300,000), David J. Baker ($300,000), and John P. Schauerman ($275,000). The employment agreements also provide for discretionary bonuses in accordance with policies to be established by the board of directors or compensation committee of the surviving company, and the provision of additional (fringe) benefits to the covered executive, including limited personal use of the employer owned or leased aircraft, and other perquisites as may be provided under the policies and practices then in place at the time of the closing date and/or by the compensation committee of the surviving company, including company vehicles, or vehicle allowances and reasonable club membership dues and expenses.

The agreements also require that the employer continue providing health benefits for one year if their employment is terminated by the employer without cause except where comparable health insurance is available from a subsequent employer. The employment agreements also provide that, in the event of the termination of an executive s employment by the employer without cause (as defined in the employment agreement), the employer will pay him a lump sum equal to one-half of one year s base salary of the executive.

The employment agreements contain certain restrictive covenants that prohibit the executives from disclosing information that is confidential to Primoris and its subsidiaries and generally prohibit them, during the employment term and for two years thereafter, from soliciting or hiring the employees of Primoris and its subsidiaries and from using Primoris s confidential information (as defined in the employment agreements), to divert any customer business or income from Primoris, or to otherwise alter the manner in which a customer does business with Primoris. The employment agreements do not contain provisions restricting a terminated executive from competing with Primoris

subsequent to termination of employment.

A copy of the form of employment agreement which, except for provisions noted therein, is essentially identical for all of the executives, is annexed to this proxy statement/prospectus as Annex F.

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OTHER INFORMATION RELATED TO RHAPSODY

Business of Rhapsody

Rhapsody was formed on April 24, 2006, to serve as a vehicle for the merger of one or more operating businesses. Prior to executing the merger agreement with Primoris, Rhapsody s efforts were limited to organizational activities, completion of its IPO and the evaluation of possible business combinations.

Offering Proceeds Held in Trust

Rhapsody consummated its IPO on October 10, 2006. The net proceeds of the offering, including proceeds from the exercise of the underwriters over-allotment option, and after payment of underwriting discounts and expenses were approximately $38,833,559. Of that amount, $38,028,250 was placed in the trust account and invested in government securities, together with proceeds of $1,250,000 from the private sale of warrants, for a total of $39,278,250 placed in the trust account. The remaining proceeds have been used by Rhapsody in its pursuit of a business combination. In addition, as provided for in the prospectus for Rhapsody s IPO, subsequent to October 3, 2007, Rhapsody withdrew an additional $200,000 from interest earned on funds in the trust account to fund its business combination expenses. The trust account will not be released until the earlier of the consummation of a business combination or the liquidation of Rhapsody. The trust account contained approximately $41,191,000 as of May 31, 2008. If the merger with Primoris is consummated, the trust account will be released to Rhapsody, less the amounts paid to holders of Public Shares who vote against the merger and elect to convert their shares of common stock into their pro-rata share of the trust account.

The holders of Public Shares will be entitled to receive funds from the trust account only in the event of Rhapsody s liquidation or if the stockholders seek to convert their respective shares into cash and the merger is actually completed. In no other circumstances will a stockholder have any right or interest of any kind to or in the trust account.

Fair Market Value of Target Business

Pursuant to the underwriting agreement for Rhapsody s IPO, the initial target business that Rhapsody acquires must have a fair market value equal to at least 80% of the balance in the trust account at the time of such acquisition. Rhapsody s board of directors determined that this test was met in connection with its acquisition of Primoris. Further, Rhapsody has received an opinion from Ladenburg that this test has been met.

Stockholder Approval of Business Combination

Rhapsody will proceed with the merger of Primoris only if the holders of a majority of the Public Shares voted on the merger proposal at the special meeting is voted in favor of the merger proposal. The Rhapsody Inside Stockholders have agreed to vote their common stock issued prior to the IPO on the merger proposal in accordance with the vote of

holders of a majority of the Public Shares present in person or represented by proxy and entitled to vote at the special meeting. If the holders of 20% or more of the Public Shares vote against the merger proposal and properly demand that Rhapsody convert their Public Shares into their pro rata share of the trust account, then Rhapsody will not consummate the merger. In this case, Rhapsody will be forced to liquidate.

Liquidation If No Business Combination

Rhapsody s certificate of incorporation provides for the termination of Rhapsody s corporate existence and mandatory liquidation of Rhapsody if Rhapsody does not consummate a business combination by October 3, 2008. If we have not completed a business combination by such date, our corporate existence will cease except for the purposes of winding up our affairs liquidating, pursuant to Section 278 of the DGCL. This has the same effect as if our board of directors and stockholders had formally voted to approve our dissolution pursuant to Section 275 of the DGCL. Accordingly, limiting our corporate existence to a specified date as permitted by Section 102(b)(5) of the DGCL removes the necessity to comply with the formal procedures set forth in Section 275 (which would have required our board of directors and stockholders to formally vote to approve our dissolution and liquidation and to have filed a certificate of dissolution with the Delaware Secretary of State).

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We anticipate notifying the trustee of the trust account within 10 business days to begin liquidating such assets promptly after such date and anticipate it will take no more than 10 business days to effectuate such distribution. The Rhapsody Inside Stockholders have waived their rights to participate in any liquidation distribution with respect to their Original Shares. Also, as there will be no funds remaining to pay the costs associated with the implementation and completion of our liquidation and distribution, the Rhapsody Inside Stockholders have agreed to advance us the funds necessary to pay such costs and complete such liquidation (currently anticipated to be no more than approximately $15,000) and not to seek repayment for such expenses.

In connection with its liquidation, Rhapsody will distribute to the holders of its Public Shares, in proportion to their respective amounts of Public Shares, an aggregate sum equal to the amount in the trust account, inclusive of any interest thereon, plus remaining net assets (subject to our obligations under Delaware law to provide for claims of creditors as described below). Rhapsody s stockholders who obtained their Rhapsody stock prior to Rhapsody s IPO have waived their rights to participate in any liquidation distribution with respect to shares of common stock owned by them immediately prior to the IPO. As a consequence of the provisions of Rhapsody s certificate of incorporation and such waivers, a liquidating distribution will be made only with respect to the Public Shares and no liquidating distribution will be made with respect to any other shares of Rhapsody capital stock. There will be no distribution from the trust account with respect to Rhapsody s warrants, which will expire worthless.

Rhapsody expects to have expended all of the net proceeds of the IPO, other than the proceeds deposited in the trust account, in pursuit of its business combination transaction. Accordingly, the per-share liquidation price for the Public Shares as of , 2008, the record date for Rhapsody s special meeting, is approximately $, or $ less than the per-unit offering price of $8.00 in Rhapsody s IPO. The proceeds deposited in the trust account could, however, become subject to the claims of Rhapsody s creditors (which could be prior to the claims of the holders of the Public Shares and could include vendors and service providers Rhapsody has engaged to assist it in connection with its search for a target business and that are owed money by it, as well as target businesses themselves) and there is no assurance that the actual per-share liquidation price will not be less than $, due to those claims. If Rhapsody liquidates prior to the consummation of a business combination, Eric S. Rosenfeld, one of our directors, has agreed to be personally liable to pay debts and obligations to vendors and other entities that are owed money by Rhapsody for services rendered or products sold to Rhapsody, or to any target business, to the extent such creditors bring claims that would otherwise

require payment from moneys in the trust account. There is no assurance, however, that he would be able to satisfy those obligations. Accordingly, we cannot assure you that the per-share distribution from the trust account, if we liquidate, will not be less than $, plus interest, due to claims of creditors.

The holders of our Public Shares will be entitled to receive funds from the trust account only in the event of our liquidation or if they seek to convert their respective shares into cash upon a business combination which the stockholder properly demanded conversion of his Public Shares into cash and which is completed by us. In no other circumstances will a stockholder have any right or interest of any kind to or in the trust account.

Under the DGCL, stockholders may be held liable for claims by third parties against a corporation to the extent of distributions received by them in a dissolution. If the corporation complies with certain procedures set forth in Section 280 of the DGCL intended to ensure that it makes reasonable provision for all claims against it, including a 60-day notice period during which any third-party claims can be brought against the corporation, a 90-day period during which the corporation may reject any claims brought, and an additional 150-day waiting period before any liquidating distributions are made to stockholders, any liability of stockholders with respect to a liquidating distribution is limited to the lesser of such stockholder s pro rata share of the claim or the amount distributed to the stockholder, and any liability of the stockholder would be barred after the third anniversary of the dissolution. However, as stated above, it is our intention to make liquidating distributions to our stockholders as soon as reasonably possible after October 3, 2008 and, therefore, we do not intend to comply with those procedures. As such, our stockholders could potentially be liable for any claims to the extent of distributions received by them and any liability of our stockholders may extend well beyond the third anniversary of such date. Because we will not be complying with Section 280,

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Section 281(b) of the DGCL requires us to adopt a plan that will provide for our payment, based on facts known to us at such time, of (i) all existing claims, (ii) all pending claims and (iii) all claims that may be potentially brought against us within the subsequent 10 years. Accordingly, we would be required to provide for any claims of creditors known to us at that time or those that we believe could be potentially brought against us within the subsequent 10 years prior to our distributing the funds in the trust account to our public stockholders. However, because we are a blank check company, rather than an operating company, and our operations will be limited to searching for prospective target businesses to acquire, the only likely claims to arise would be from potential target businesses, many of whom have given us agreements waiving any right, title, interest or claim of any kind they may have in or to any monies held in the trust account, or our vendors (such as accountants, lawyers, investment bankers, etc.). As a result, the claims that could be made against us are significantly limited and the likelihood that any claim that would result in any liability extending to the trust is remote. Nevertheless, such agreements may not be enforceable. Accordingly, we cannot assure you that third parties will not seek to recover from our stockholders amounts owed to them by us.

Additionally, if we are forced to file a bankruptcy case or an involuntary bankruptcy case is filed against us that is not dismissed, the proceeds held in the trust account could be subject to applicable bankruptcy law, and may be included in our bankruptcy estate and subject to the claims of third parties with priority over the claims of our stockholders. Also, in any such case, any distributions received by stockholders could be viewed under applicable debtor/creditor and/or bankruptcy laws as either a preferential transfer or a fraudulent conveyance. As a result, a bankruptcy court could seek to recover all amounts received by our stockholders. Furthermore, because we intend to distribute the proceeds held in the trust account to our public stockholders promptly after October 3, 2008, this may be viewed or interpreted as giving preference to our public stockholders over any potential creditors with respect to access to or distributions from our assets. In addition, our board may be viewed as having breached their fiduciary duties to our creditors and/or may have acted in bad faith, and thereby exposing itself and our company to claims of punitive damages, by paying public stockholders from the trust account prior to addressing the claims of creditors and/or

complying with certain provisions of the DGCL with respect to our liquidation. We cannot assure you that claims will not be brought against us for these reasons. To the extent any bankruptcy or other claims deplete the trust account, we cannot assure you we will be able to return to our public stockholders at least $ per share.

Facilities

Rhapsody maintains executive offices at 825 Third Avenue, 40th Floor, New York, New York. The cost for this space is included in a $7,500 per-month fee that Crescendo Advisors II LLC, an affiliate of Eric S. Rosenfeld, our chairman, chief executive officer and president, charges Rhapsody for general and administrative services. Included in general and administrative costs is $134,516 incurred in this respect from inception to March 31, 2008; of this amount $22,500 is unpaid and included in accrued expenses and taxes. Amounts due thereafter have been accrued. Rhapsody believes, based on rents and fees for similar services in the New York City area, that the fees charged by Crescendo Advisors II LLC are at least as favorable as Rhapsody could have obtained from an unaffiliated person. Rhapsody considers its current office space adequate for current operations. Upon consummation of the merger, the principal executive offices of Rhapsody will be located at 26000 Commercentre Drive, Lake Forest, California 92630.

Employees

Rhapsody has three executive officers and five directors (of whom two are also executive officers). These individuals are not obligated to contribute any specific number of hours per week and devote only as much time as they deem necessary to our affairs. Rhapsody does not intend to have any full time employees prior to the consummation of the merger.

Periodic Reporting and Audited Financial Statements

Rhapsody has registered its securities under the Exchange Act and has reporting obligations, including the requirement to file annual and quarterly reports with the SEC. In accordance with the requirements of the Exchange Act, Rhapsody s annual reports contain financial statements audited and reported on by Rhapsody s independent accountants. Rhapsody has filed with the SEC its Annual Reports on Form 10-KSB covering the fiscal years ended March 31, 2007 and March 31, 2008.

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Legal Proceedings

There are no legal proceedings pending against Rhapsody.

Rhapsody s Plan of Operations

The following discussion should be read in conjunction with Rhapsody s financial statements and related notes thereto included elsewhere in this proxy statement/prospectus.

Rhapsody is a blank check company formed on April 24, 2006 to effect a merger, capital stock exchange, asset acquisition or other similar business combination with an operating business. We intend to utilize a combination of cash derived from the proceeds of our public offering and our capital stock in effecting the Primoris business combination.

Results of Operations Fiscal Year Ended March 31, 2008

Net income for the fiscal year ended March 31, 2008 of $450,562 consisted of $1,333,697 of interest income, offset by $90,000 of monthly administrative fees, $63,507 of directors and officers liability insurance, $81,579 of marketing expenses, $26,250 of Delaware franchise taxes, $1,617 of printing expenses, $25,557 of travel expenses, $209,959 of professional fees and licenses (of which $122,224 was related to potential transactions that were not consummated), $222,924 of legal, due diligence and other costs related to the transaction with Primoris, $1,697 of other operating costs and $160,045 of state and local taxes. Since the majority of our interest income is not subject to federal income taxes, we generated a net operating loss of approximately $717,000 for federal income tax purposes. A full valuation allowance was made for the resulting deferred tax asset, as it is uncertain if and when we will be able to utilize this net operating loss.

Net income for the period from April 24, 2006 (inception) to March 31, 2008 of $801,664 consisted of $1,987,752 of interest income, offset by $134,516 of monthly administrative fees, $94,566 of directors and officers liability insurance, $155,193 of marketing expenses, $51,127 of Delaware franchise taxes, $13,275 of printing expenses, $43,452 of travel expenses, $233,693 of professional fees and licenses (of which $122,224 was related to potential transactions that were not consummated), $222,924 of legal, due diligence and other costs related to the transaction with Primoris, $4,343 of other operating costs and $232,999 of state and local taxes. Since the majority of our interest income is not subject to federal income taxes, we generated a net operating loss of approximately $937,000 for federal income tax purposes. A full valuation allowance was made for the resulting deferred tax asset, as it is uncertain if and when we will be able to utilize this net operating loss.

Results of Operations Fiscal Year Ended March 31, 2007

Net income for the period from April 24, 2006 (inception) to March 31, 2007 of $351,102 consisted of $654,055 of interest income, offset by $44,516 of monthly administrative fees, $31,059 of directors and officers liability insurance, $73,614 of marketing expenses, $24,877 of Delaware franchise taxes, $11,658 of printing expenses, $17,895 of travel expenses, $24,594 of professional fees and licenses, $1,786 of other operating costs and $72,954 of state and local taxes. Since the majority of the Company s interest income is not subject to federal income taxes, Rhapsody generated a net operating loss of approximately $220,000 for federal income tax purposes. A full valuation allowance was made for the resulting deferred tax asset, as it is uncertain if and when the Company will be able to utilize this net operating loss.

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Use of Net Proceeds Not Held in Trust

Rhapsody has incurred the following expenses through March 31, 2008 as compared to its estimates of such expenses contained in the Use of Proceeds disclosure in Rhapsody s IPO Registration Statement on Form S-1:

	Actual Through March 31, 2008	Per S-1
Legal, accounting and other third-party expenses attendant to the due diligence investigations, structuring and negotiation of a business combination	$ 339,338	$ 250,000

Due diligence of prospective target businesses by officers, directors, existing stockholders or special advisors	$ 61,395	$ 50,000
Legal and accounting fees relating to SEC reporting obligations	$ 45,261	$ 100,000
Payment of administrative fee to Crescendo Advisors II LLC ($7,500 per month for two years)	$ 134,516	$ 180,000
Working capital to cover miscellaneous expenses, D&O insurance, taxes, general corporate purposes, dissolution obligations and reserves	$ 582,624	$ 248,750
Total	$ 1,163,134	$ 828,750

We have agreed to pay Crescendo Advisors II LLC, an affiliate of Eric S. Rosenfeld, our chairman, chief executive officer and president, approximately $7,500 per month for office space and administrative support services. Costs for certain items have exceeded Rhapsody s original estimate for several reasons. Working capital to cover miscellaneous expenses has amounted to more than twice Rhapsody s original estimates, the primary reason being higher than anticipated state and local taxes, which have totaled approximately $233,000 through March 31, 2008. In addition, Rhapsody incurred higher than anticipated marketing expenses due to a marketing campaign and a conference sponsorship. Legal, accounting and other third-party expenses related to due diligence and the completion of a merger have also significantly exceeded Rhapsody s estimates due in part to expenses related to due diligence on, and negotiations with, several merger candidates. Due diligence costs for Rhapsody s officers and directors slightly exceeded our expectations due in part to a greater than anticipated number of merger candidates.

As of March 31, 2008 Rhapsody had $69,123 in cash and $213,802 of accrued expenses and taxes; however, Rhapsody believes it will have sufficient available funds outside of the trust account to operate through October 3, 2008 because its officers and directors have agreed with Rhapsody to advance funds (without recourse to the trust account) to meet Rhapsody s reasonable out-of-pocket expenses when available funds held outside the trust account are insufficient for that purpose. Rhapsody has incurred and expects to incur significant costs in pursuit of its acquisition plans. There is no assurance that Rhapsody s plans to consummate a business combination with Primoris will be successful or successful within the target business acquisition period. Eric S. Rosenfeld, our chairman, chief executive officer and president, has agreed that, if we are unable to complete the business combination with Primoris and are forced to liquidate, he will be personally liable to pay debts and obligations to vendors or other entities that are owed money by us for services rendered or products sold to us, or to any target business, to the extent they have successful claims against the funds in our trust account.

On February 19, 2008, Rhapsody signed the merger agreement with Primoris and certain of Primoris s stockholders. Holders of all the issued and outstanding shares of common stock of Primoris and its foreign managers will receive an aggregate of (i) 24,094,800 shares of Rhapsody common stock at the closing of the merger (subject to reduction in the event of exercise of dissenters rights by any of the Primoris stockholders) plus (ii) the right to receive 2,500,000 shares of Rhapsody common stock for each of the fiscal years ending December 31, 2008 and 2009 during which Rhapsody achieves specified EBITDA (as defined in the merger agreement) milestones.

We anticipate using approximately $1,500,000 of the net proceeds in our trust account to consummate the Primoris merger, including transaction expenses but not including payments with respect to the conversion of

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Public Shares. Transaction expenses will include professional fees for legal and accounting services, deferred underwriting compensation of $414,000 and an investment banking fee of $360,000 to the representative of the underwriters of our IPO. The balance of the proceeds held in the trust account, which we anticipate will be approximately $39,550,000, will be used to fund conversions into cash of our Public Shares and to finance the operations of Primoris s business.

We have agreed to pay Crescendo Advisors II LLC, an affiliate of Eric S. Rosenfeld, our chairman, chief executive officer and president, approximately $7,500 per month for office space and administrative support services. Included in general and administrative costs is $134,516 incurred in this respect from inception to March 31, 2008; of this amount $22,500 is unpaid and included in accrued expenses and taxes.

Off-Balance Sheet Arrangements

Options and warrants issued in conjunction with our IPO are equity-linked derivatives and accordingly represent off-balance sheet arrangements. The options and warrants meet the scope exception in paragraph 11(a) of Financial Accounting Standard (FAS) 133 and are accordingly not accounted for as derivatives for purposes of FAS 133 but instead are accounted for as equity.

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BUSINESS OF PRIMORIS

Primoris Corporation, a Nevada corporation formed in November 2003, is a holding company of various subsidiaries which cumulatively form a diversified engineering and construction company providing a wide range of construction, fabrication, maintenance, replacement and engineering services to major public utilities, petrochemical companies, energy companies, municipalities and other customers. Primoris s primary subsidiary, ARB, Inc., a California corporation whose predecessor was formed in 1946 (ARB), has been engaged in the construction industry since its formation.

Primoris installs, replaces, repairs and rehabilitates natural gas, refined product, water and wastewater pipeline systems, and also constructs mechanical facilities, and other structures, including power plants, petrochemical facilities, refineries and parking structures. In addition, Primoris provides maintenance services, including inspection, overhaul and emergency repair services, for cogeneration plants, refineries and similar mechanical facilities. Through its subsidiary Onquest, Inc., Primoris provides engineering design of fired heaters and furnaces primarily for refinery applications, and, through its subsidiary Cardinal Contractors, Inc., Primoris constructs water and wastewater facilities in Florida. A substantial portion of Primoris s activities are performed in the Western United States, primarily in California. In addition, Primoris has strategic presence in Florida, Texas, Latin America and Canada.

In the late 1980s, to reduce its dependence on the pipeline construction business, Primoris began to expand into related markets and broadened the scope of services offered to include construction and maintenance services for power plants, petrochemical facilities and refineries. Following is a summary of key expansion events undertaken by Primoris to accomplish the foregoing:

1989: acquired certain assets and key operating personnel of Oilfield Construction Co., a subsidiary of Combustion Engineering, to expand Primoris s expertise in the construction of energy processing facilities.
1991: acquired certain assets and key operating personnel of Harcro, Inc. to develop directional drilling expertise.
1992: acquired substantially all of the assets of OFCCO to expand Primoris s California customer base and industrial construction expertise.
1993: acquired substantially all of the assets of Macco Constructors, Inc. to expand Primoris s construction activities and customer base in the Los Angeles area.
1996: acquired substantially all of the assets of Saffel & McAdam to increase Primoris s concrete structure design and construction capabilities.
2002: formed Onquest to specialize in designing and supplying high performance furnaces for the oil industry.

2004: acquired substantially all of the assets of Cardinal Contractors, Inc. to expand Primoris s expertise in design/build water and wastewater facilities and to establish a footprint in Florida.
2005: acquired substantially all of the assets of Born Heaters Canada to enable Primoris s Onquest subsidiary to expand its ability to provide refinery furnace design and burner management engineered systems.

Primoris s customers include many of the leading energy and utility companies in the United States, including, among others, Duke Energy, Conoco Phillips, British Petroleum, Pacific Gas & Electric, Sempra Energy, Williams, Valero, Chevron, Calpine, Kinder Morgan and Praxair.

Services

Primoris provides services through the following groups:

Underground
Industrial
Structures

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Engineering
Water and wastewater

The following table sets forth Primoris s revenues by business unit for the fiscal years ended December 31, 2007, 2006 and 2005:

Business Unit	Year Ended December 31 2007 Revenue (000 s)	%	2006 Revenue (000 s)	%	2005 Revenue (000 s)	%
Underground	$197,367	36.0 %	$210,336	47.9	$156,322	43.0 %
Industrial	151,707	27.7	67,458	15.4	90,461	25.0
Structures	60,706	11.1	70,506	16.0	45,965	12.7
Engineering	77,300	14.1	39,733	9.0	26,014	7.2
Water and wastewater	60,586	11.1	51,372	11.7	43,723	12.1
Total (note: totals may not add due to rounding)	$547,666	100.0 %	$439,405	100.0 %	$362,485	100.0 %

Underground

Primoris installs, replaces, repairs and rehabilitates natural gas, refined product, water and wastewater pipelines. Substantially all of Primoris s pipeline and distribution projects involve underground installation of pipe with diameters ranging from one-half to 102 inches.

New Construction. Cross country transmission pipeline installation typically involves three phases. First, the right of way is cleared and the necessary trench is excavated. The pipe is then delivered, strung down the right of way and bent to match the contours of the terrain, welded, coated and lowered into the trench. The final phase includes trench backfill, restoring the terrain and vegetation to their original condition and hydrostatically testing the pipeline to insure its integrity. A major pipeline can involve as many as 500 Primoris employees and proceed at a rate of up to two miles per day. Primoris s construction techniques and equipment enable it to install pipelines efficiently under difficult conditions found in all types of terrain, including city streets, deserts and mountain ranges. In addition, Primoris s

directional drilling technology and equipment enable it to install pipelines cost-effectively beneath bays, river beds, land fills and other environmentally sensitive areas.

Primoris s new construction activity has benefited from increased demand for natural gas and the resulting growth in construction of natural gas transmission pipelines that typically range in diameter from six to 48 inches. In addition to installing new natural gas pipelines, Primoris typically constructs feeder lines from the main gas transmission lines to cogeneration plants, processing plants and other gas fueled systems. Primoris also installs steel and plastic natural gas distribution mains, service lines, and other natural gas distribution system components.

In addition to natural gas transmission pipelines, Primoris installs carbon steel product pipelines for transportation of petrochemical products, including unrefined crude oil, refined petroleum products and assorted chemical products. Petrochemical product pipelines typically range in diameter from four to 36 inches.

Primoris installs water pipeline systems made out of carbon steel, reinforced concrete and plastic that range in diameter from 10 to 102 inches, and also constructs water distribution and treatment facilities, and pumping and lift stations.

Replacement, Repair and Rehabilitation. In addition to new pipeline construction, Primoris provides replacement, repair and rehabilitation services to existing pipeline systems. Replacement services are typically provided to customers who desire to replace existing pipeline with new pipeline in order to increase capacity or pressure, or to replace weak or leaking sections. Rehabilitation services include removal, refurbishing and

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reinstallation of existing pipeline. Repair services include routine maintenance services, such as inspection, pressure testing and coating integrity work. A portion of Primoris s replacement, repair and rehabilitation services are performed pursuant to annual contracts and alliances.

Following is a listing of notable projects completed by the Underground group since 2003:

Client	Job Location	Contract Amount (Millions)	Project	Description
Long Beach Gas and Oil Department	Long Beach, CA	$ 6.4	Gas Distribution	Replacement of multiple natural gas mains, which range from 2-inch polyethylene to 12-inch steel pipe
Port of Long Beach	Port of Long Beach, CA	1.4	Transmission Pipeline and Horizontal Directional Drilling	Pier D and Pier T pipeline relocation
Makar Development	Huntington Beach, CA	13.3	Water & Sewer	Built the Pacific City infrastructure
Pacific Gas & Electric	Holt, CA	25.2	Transmission Pipeline	McDonald Island Line 57C replacement project

Industrial

Primoris s Industrial group provides a comprehensive range of services, from turnkey construction to retrofits, upgrades, repairs, and maintenance of industrial plants and facilities. It executes contracts as the prime contractor or as a subcontractor utilizing a variety of delivery methods including fixed price competitive bids, fixed fee, cost plus and a variety of negotiated incentive based contracts.

The Industrial group is a leader in performing difficult fast track projects combining the talents and experience of seasoned construction management and skilled craft personnel. The Industrial group serves a wide variety of industries, including: power generation, water and wastewater treatment, refining, petrochemical, oil and gas, manufacturing, mining, pulp and paper, and food and beverage processing.

The Industrial group s focus is on heavy industrial projects related to utilities, such as power plants, compressor stations, liquid terminals and manufacturing facilities. It self-performs all civil, mechanical, piping and structural aspects of a project. Installation of engineered equipment includes combustion turbines, generators, heat recovery steam generators, selective catalytic reduction systems, boilers, reformers, compressors, pumps, material handling systems, and associated piping systems.

The water division of the Industrial group is experienced in constructing a variety of water related projects including plants utilizing reverse osmosis and other membrane technologies as well as the more traditional water and wastewater treatment plants, water reclamation facilities and distribution facilities.

The Industrial group competitively bids and executes turnkey design/build projects in the power generation, and the water and wastewater treatment arena as well as power plant emissions reduction projects.

Primoris s manufacturing facility provides full service fabrication of carbon steel and alloy pipe, ASME Section IX pressure vessels, as well as fabrication of skid-mounted equipment.

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Following is a listing of notable projects completed by the Industrial group since 2003:

Client	Job Location	Contract Amount (Millions)	Project	Description
Turlock Irrigation District	Turlock, CA	$ 24	Walnut Energy Center	Erect heat recovery steam generators (HRSG). Erect balance of plant piping and equipment
Sunrise Power, LLC	Fellows, CA	114	Sunrise Power Plant	Phase I: Complete turnkey assignment of a 320 megawatt (MW) simple cycle power plant constructed in just six months. Phase II: Expansion of the 320 MW simple cycle power plant into a 550 MW

				cogeneration plant, adding two HRSGs and a steam turbine
Elk Hills Power LLC	Tupman, CA	110	Elk Hills Power Plant	Complete turnkey assignment, including the installation of 500 MW combined cycle power plant
Fluor Constructors International	Moss Landing, CA	29	Moss Landing Power Plant	1060 MW combined cycle power plant, including the installation of four HRSGs
Jacobs/British Petroleum	Carson, CA	47	Carson Refinery	Construction of an electrostatic-precipitator and fluid-feed hydro desulpherization unit

Structures

The Structures group designs and constructs complex commercial and industrial cast-in-place concrete structures. This business unit was formed in 1996 in connection with the acquisition of the assets of Saffel & McAdam, which specialized in concrete parking structures for many years.

The current focus of the Structures group is long-span, cast-in-place parking structures in the Southern California region for a mix of private and public sector clients. This market segment is strong given the diminishing land available for parking and the increased cost of land. Competition is generally limited to approximately five firms that also specialize in this particular type of project. The average project size is approximately $15 million.

Many of these projects are performed under a design-build delivery method. Architectural design, civil and structural engineering services are contracted with a number of key firms who specialize in this market segment. The balance of the design is typically contracted with design-build mechanical and electrical subcontracting firms.

All structural concrete, carpentry and specialty trade work is performed by Primoris employees, many who have been with Primoris since 1996 and came with the acquisition of Saffel & McAdam. The balance of the work is performed by select, qualified subcontractors that also specialize in the long-span, post-tensioned concrete parking structure business. The Structures group s competitive advantage comes from a proprietary concrete forming system that has been perfected through several generations of innovation and improvement.

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Following is a listing of notable projects completed by the Structures group since 2003:

Client	Job Location	Contract Amount (Millions)	Project	Description
Los Angeles County Museum of Art	Los Angeles, CA	$ 9	LACMA Transformation Parking Structure	Two-level, 500 stall below-grade parking structure constructed in the La Brea Tar Pit area, complicated by extensive

				methane, ground water on a congested site
City of Santa Monica	Santa Monica, CA	30	Santa Monica Civic Center Parking Garage	Six-level, 890 stall above-grade parking structure built to Leadership in Energy and Environmental Design (LEED) Green Building Standards complete with a unique canopy of glass and photovoltaic solar panels to generate over 30% of the building s power
Qualcomm	San Diego, CA	18	Qualcomm Parking Structure	Six-level, 1,200 stall above-grade parking structure on the expanded Qualcomm office campus
University of Southern California	Los Angeles, CA	13	USC Parking Structure #1	Seven-level, 1,100 stall above-grade parking structure on a congested work site with a limited lay down area

Engineering

The Engineering group specializes in designing, supplying, and installing high-performance furnaces, heaters, burner management systems, and related combustion and process technologies for clients in the oil refining, petrochemical, and power generation industries. It furnishes turn-key project management with technical expertise, and a proven ability to deliver custom engineering solutions worldwide.

Design. The oil industry processes crude oil through a combination of unit operations to extract the maximum products from a barrel. These unit operations require furnaces that heat the feedstock to levels that permit distillation for production of gasoline, aviation fuel, diesel, and by-products for downstream petrochemicals.

The furnace designs are complex and require a broad range of engineering expertise to provide operational stability at economical energy levels that conform to the environmental demands of the public.

Solutions. The Engineering group provides performance engineering solutions and single-point management responsibility on critical projects, from process simulation, heater design, burner safety controls, and environmental applications to construction, retrofits, and revamps.

Primoris acquired Born Heaters Canada ULC in 2005. This subsidiary, based in Calgary, Canada, specializes in furnaces for heating service in oil refinery operations with direct applications throughout Canada, the Canadian Tar Sands development and a geographical reach in the Middle and Far East through an agency network. The Calgary operation has particular expertise in the design, component supply and skid assembly of Burner Management Systems (BMS) for safety applications to fired heaters.

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Following is a listing of notable projects completed by the Engineering group since 2003.

Client	Job Location	Contract Amount (Millions)	Project	Description
Chevron	El Segundo, California	$4.7	El Segundo Refinery	Revamp of continuous catalytic reformer unit to increase capacity by 20% with three naphtha feedstocks to provide flexibility and an environmental limit of 5 parts per million volume dry nitrogen oxides
PCS Nitrogen Ltd.	Trinidad, West Indies	5.4	Ammonia Reformer Expansion	Expansion of the primary ammonia reformer from 830 short tons per day to 1050 short tons per day and increased operational reliability of the plant
Midway Sunset	Taft, California	1.8	Selective Catalytic Reduction Systems	The design, supply and installation of selective catalytic reduction systems to reduce nitrogen oxides emissions from 3 single-train 75 MW gas turbines on the cogeneration facility
Valero Energy	Lake Charles, Louisiana	5.7	Charge Heater and Interstage Heaters	Design and supply of fourfurnaces for the Ultra Low Sulfur Diesel project plus distillate hydroheater furnace

Water and Wastewater

The Water and wastewater group specializes in design build, general contracting and construction management of facilities and plants dedicated to reverse osmosis, desalinization, conventional water treatment, water reclamation, wastewater treatment, sludge processing, solid waste, pump stations, lift stations, power generation cooling, cogeneration, flood control, wells and pipeline projects.

The Water and wastewater management team has successfully constructed projects together for over 25 years. In addition, many other key management professionals have been with the team in excess of 15 years.

The customer base of Water and wasterwater is composed of municipalities, counties, state and federal agencies as well as private utilities. The assortment of contract delivery vehicles are competitive bid, negotiated, design/build, construction management, GMP and fee. The dollar range of the projects is $0.5 million to $50 million.

The Water and wastewater group self performs the majority of the civil, structural and mechanical skilled labor work required to construct these projects throughout the Southeast, primarily in Florida.

Water and wastewater s future work is fueled by the population growth, water shortages, environmental considerations, treatment upgrades, elimination of antiquated systems and evolving technology.

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Following is a listing of notable projects completed by the Water and wastewater group since 2004:

Client	Job Location	Contract Amount (Million)	Project	Description
City of Clewiston	Clewiston, FL	$13	Water Treatment Plant	Reverse osmosis water treatment facility
City of Pembroke Pines	Pembroke Pines, FL	17	Water Treatment Plant	Design / build water treatment facility improvements
City of Miami Beach	Miami Beach, FL	23	Pump Stations	Pump station upgrade
Tohopekaliga Water Auth.	Kissimmee, FL	14	Wastewater Treatment Plant	Wastewater treatment plant expansion

Geographic Areas Financial Information

The following table sets forth Primoris s revenues from external customers attributable to its operations in the countries identified below for the years ended December 31, 2007, 2006 and 2005, and the total assets located in those countries for the years ended December 31, 2007 and 2006 Primoris s revenue from operations in the United States and Ecuador are related to projects primarily in those countries. Primoris s revenue from operations in Canada are primarily derived from our office in Calgary, Canada, but may relate to specific projects in other countries.

External Revenue	Year Ended December 31						Total Assets at December 31	
	2007		2006		2005		2007	2006
Country	Revenue (Thousands)	%	Revenue (Thousands)	%	Revenue (Thousands)	%		
United States	$521,663	95.3	$411,095	93.6	$354,929	97.9	$203,047	$148,116
Canada	20,961	3.8	18,911	4.3	1,714	0.5	14,818	11,077
Ecuador	5,042	0.9	9,399	2.1	5,842	1.6	3,108	3,116
TOTAL	$547,666	100.0	$439,405	100.0	$362,485	100.0	$220,973	$162,309

Risks Attendant to Foreign Operations

International operations are subject to foreign economic and political uncertainties. Unexpected and adverse changes in the foreign countries in which Primoris operates could result in project disruptions, increased cost and potential losses. The business is subject to fluctuations in demand and to changing domestic and international economic and political conditions which are beyond our control. As set forth in the table above, in 2007, approximately 4.7% of revenue was attributable to external customers in foreign countries. The current expectation is that a similar portion of revenue will continue to come from international projects for the foreseeable future.

The lack of a well-developed legal system in some foreign countries may also make it difficult to enforce contractual rights. There are significant risks due to civil strife, acts of war, terrorism and insurrection. The level of exposure to these risks will vary with respect to each project, depending on the particular stage of each such project. For example, the risk exposure with respect to a project in an early development stage will generally be less than the risk exposure with respect to a project in the middle of construction. To the extent that Primoris s international business is affected by unexpected and adverse foreign economic and political conditions, we may experience project disruptions and losses, which can significantly reduce overall revenue and profits. Primoris is able to mitigate significant portions of these risks by focusing on U.S. and European based clients (although the projects may be located elsewhere) and U.S. dollar based or hedged contracts.

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Business Strategy

Primoris s strategy emphasizes the following key elements:

Diversification through Controlled Expansion. Primoris continues to emphasize both the expansion of services beyond its traditional focus and the addition of new customers. New areas of focus include engineering, through the formation of Onquest and the acquisition of Born Heaters, and water/wastewater projects through the acquisition of Cardinal Contractors, Inc. Primoris has expanded into these markets, both by internal growth and through acquisitions. It will continue to evaluate acquisitions which offer growth opportunities and the ability to leverage Primoris s resources as a leading service provider to the natural gas and petroleum product pipeline industries. The current strategy also includes selective expansion to new geographic regions.

Emphasis on Retention of Existing Customers and Recurring Revenue. Primoris believes it is important to maintain strong customer relationships and to expand its base of recurring revenue sources in order to lessen its dependence on new construction projects and mitigate the cyclical nature of its industry. Gas distribution services are typically provided by Primoris pursuant to renewable, one or multi-year contracts. Other facilities maintenance services, such as regularly scheduled and emergency repair work, are provided on an ongoing basis.

Ownership of Equipment. Many of the services offered by Primoris are capital intensive. The cost of construction and transportation equipment provides a significant barrier to entry into Primoris s businesses. The ownership of a large and varied construction fleet and of its own maintenance facilities assures availability of reliable equipment at a favorable cost. Today, Primoris has a large and modern fleet of construction equipment. This is important with the new and more stringent state and federal requirements for emissions.

Stable Work Force. Primoris maintains a stable work force of skilled, experienced laborers, many of whom are cross-trained in projects such as pipeline and cogeneration plant construction, refinery maintenance, and fabrication of complex processing units. This stable and experienced work force has contributed to Primoris s excellent safety record, which has significantly reduced insurance costs and made Primoris more attractive to existing and prospective customers.

Selective Bidding. Primoris selectively bids projects which it believes offer an opportunity to meet its profitability objectives, or which offer the opportunity to enter promising new markets. In addition, Primoris carefully reviews its bidding opportunities to minimize concentration of work with any one customer, in any one industry, or in stressed labor markets.

Concentration on Private Sector Work. Primoris focuses on private sector work, which it believes is more profitable than public sector work. In 2007, revenue of approximately $412.7 million, or 75.4% of revenue, was derived from private sector projects.

Customers

Primoris has longstanding relationships with major utility, refining, petrochemical, power and engineering companies. It has completed major underground and industrial projects for a number of large natural gas transmission and petrochemical companies in the Western U.S., as well as significant projects through its engineering subsidiary. A large number of contracts are entered into each year, many of which are completed within three months from commencement, as well as other larger projects that may take 12 to 24 months to complete. Although Primoris has not been dependent upon any one customer, a small number of customers may constitute a substantial portion of its total revenue in any given period.

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Ongoing Projects

The following is a summary of selected ongoing construction projects of Primoris at December 31, 2007.

Group	Client	Project	Location	Contract Amount	Estimated Completion Date	Remaining Backlog at December 31, 2007
				(Millions)		
Underground	Kinder Morgan	Pipeline	Palm Springs, CA	$16	01/2008*	$ 2
Industrial	Imperial Irr. District	Power Plant	Palmdale, CA	50	05/2008	24
Industrial	Black & Veatch	Power Plant	Antioch, CA	27	11/2008	26
Industrial	Praxair	260M std cu ft Hydrogen Reformer	Richmond, CA	94	02/2010	92
Structures	CSU	Long Beach Parking Garage	Long Beach, CA	19	01/2009	19
Engineering	Clean Energy	LNG facility	Boron, CA	46	09/2008	31
Engineering	Marathon Oil	Platformer	Garyville, LA	14	10/2008	8
Engineering	PTT Public Co	Waste Heat Rec.	Thailand	27	06/2009	27
Water and wastewater	Everest WRF	Major modifications waste recovery	Pembroke Pines, FL	19	01/2009	7
Water and wastewater	Hillsborough County Valrico	6 million gallon per day expansion	Hillsborough, FL	50	04/2009	39

* Project has since been completed.

Backlog

Primoris s backlog consists of anticipated revenue from the uncompleted portions of existing construction contracts. A construction project is included in backlog at such time as a construction contract is awarded or a firm commitment letter is obtained. Substantially all of the contracts in the backlog may be cancelled or modified at the election of the customer.

A substantial percentage of anticipated revenue in any quarter results from construction contracts entered into during that quarter or the immediately preceding quarter. A majority of construction contracts in both 2006 and 2007 were completed within three months. In addition, Primoris does not include in its backlog anticipated revenue from facilities maintenance, alliance contracts and gas distribution contracts because this work is performed on a cost-plus basis. As a result of the foregoing, the level of backlog is not an accurate indicator of Primoris s future performance on an annual basis.

Competition

Primoris believes that the primary factors of competition are price, reputation for quality, delivery and safety, relevant experience, availability of skilled labor, machinery and equipment, financial strength, knowledge of local markets and conditions, and estimating abilities. Primoris believes that it competes favorably on the basis of the foregoing factors.

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Primoris faces substantial competition on large construction projects from regional and national contractors. Competitors on small construction projects range from a few large construction companies to a variety of smaller contractors. Primoris competes with many local and regional firms for construction services and with a number of large firms on select projects. Each of Primoris s business groups faces varied competition depending on the type of project and services offered.

Contract Provisions and Subcontracting

A substantial portion of Primoris s revenue is derived from contracts that are fixed price or fixed unit price contracts. Under a fixed price contract, Primoris undertakes to provide labor, equipment and services required by a project for a competitively bid or negotiated fixed price. The materials required under a fixed price contract, such as pipe, turbines, boilers and vessels are often supplied by the party retaining Primoris. Under a fixed unit price contract, Primoris is committed to provide materials or services required by a project at fixed unit prices. While the fixed unit price contract shifts the risk of estimating the quantity of units required for a particular project to the party retaining Primoris, any increase in Primoris s unit cost over the unit price bid, whether due to inflation, inefficiency, faulty estimates or other factors, is borne by Primoris.

Construction contracts are primarily obtained through competitive bidding or through negotiations with long-standing customers. Primoris is typically invited to bid on projects undertaken by recurring customers who maintain pre-qualified contractor lists. Contractors are selected for the pre-approved contractor lists by virtue of their prior performance for such customers, as well as their experience, reputation for quality, safety record, financial strength and bonding capacity.

In evaluating bid opportunities, Primoris considers such factors as the customer, the geographic location of the work, the availability of labor, its competitive advantage or disadvantage relative to other likely contractors, its current and

projected workload, the likelihood of additional work, and the project s cost and profitability estimates. Primoris uses computer-based estimating systems; its estimating staff averages about 15 years of experience in the construction industry. The project estimates form the basis of a project budget against which performance is tracked through a project cost system, enabling management to monitor projects effectively. Project costs are accumulated real time and monitored weekly against billings and payments to assure adequate cash flow on the project.

All government contracts and many other contracts provide for termination of the contract for the convenience of the party retaining Primoris. In addition, many contracts are subject to certain completion schedule requirements with liquidated damages in the event schedules are not met. Primoris has not been materially adversely affected by these provisions in the past.

Primoris acts as prime contractor on a majority of the construction projects it undertakes. In the construction industry, the prime contractor is normally responsible for the performance of the entire contract, including subcontract work. Thus, when acting as a prime contractor, Primoris is subject to increased costs associated with the failure of one or more subcontractors to perform as anticipated. In its capacity as prime contractor and, when acting as a subcontractor, Primoris performs most of the work on its projects with its own resources and subcontracts specialized activities such as blasting, hazardous waste removal and electrical work.

Primoris s gas distribution services are typically provided pursuant to renewable, one-year contracts, on a cost-plus basis. Fees on cost-plus contracts are negotiated and are earned based on the project cost expensed. Historically, substantially all of the gas distribution customers have renewed their annual maintenance contracts. Facilities maintenance services, such as regularly scheduled and emergency repair work, are provided on an ongoing basis.

Employees

Primoris believes its employees are its most valuable resource. Its ability to maintain sufficient continuous work for approximately 1,000 hourly employees instills in such employees loyalty to and understanding of Primoris s policies and contributes to Primoris s strong safety and quality record.

On December 31, 2007, Primoris employed approximately 300 salaried and approximately 1,250 hourly employees. The total number of hourly personnel employed is subject to the volume of construction in progress. During 2007, the number of hourly employees ranged from approximately 800 to 1,450.

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Following is a summary of employees by function and geography at December 31, 2007:

	CA	FL	TX	Canada	Ecuador	Total
Salaried	233	11	17	18	22	301
Hourly	926	150	32	21	138	1,267
Total	1,159	161	49	39	160	1,568

Several of Primoris s subsidiaries have operations that are unionized through the negotiation and execution of collective bargaining agreements. These collective bargaining agreements have varying terms and are subject to renegotiation upon expiration. Primoris has experienced no recent work stoppages and believes its employee and union relations are good.

Equipment

Primoris owns and maintains both construction and transportation equipment. In 2007, 2006 and 2005, Primoris spent approximately $6.7 million, $1.5 million and $2.7 million, respectively, for capital equipment. An estimated breakdown of capital equipment as of December 31, 2007 is as follows:

Heavy construction equipment	400 units
Trucks, autos and trailers	560 units
Specialized tools and equipment	100 units

Primoris believes the ownership of equipment is preferable to leasing to ensure the equipment is available as needed. In addition, such ownership has historically resulted in lower equipment costs. Primoris attempts to obtain projects that will keep its equipment fully utilized in order to increase profit. All equipment is subject to scheduled maintenance to insure reliability. Maintenance facilities exist at each of its regional offices as well as on-site on major jobs to properly service and repair equipment. Major equipment not currently utilized, is being rented to third parties to supplement equipment income.

Facilities

Primoris s executive offices are located at 26000 Commercentre Drive, Lake Forest, California 92630. The telephone number at Primoris s executive office is (949) 598-9242. Primoris also maintains regional offices in Pittsburg, San Francisco, Bakersfield, San Dimas and San Diego, California; Conroe and Pasadena, Texas; Sarasota and Ft. Lauderdale, Florida; Calgary, Alberta; and Quito, Ecuador.

Primoris leases all of the facilities used in its operations. The leases are generally for 10 to 12-year terms, expiring through 2019. The aggregate lease payments made for its facilities in 2007 were $2,510,000. Primoris believes that its facilities are adequate to meet its current and foreseeable requirements for the next several years.

Primoris leases some of its facilities, employees and certain construction and transportation equipment from Stockdale Investment Group, Inc. (SIGI). All of these leases are at market rates and on arms-length terms which would be negotiated with an independent third party. The majority stockholder, chief executive officer, president and chairman of the board of Primoris, Brian Pratt, also holds a majority interest in SIGI. In addition, the following officers and directors of Primoris also serve as officers and/or directors of SIGI (with their respective positions with SIGI reflected in parentheses): Brian Pratt (chairman and director), John P. Schauerman (president and director), Scott Summers (vice president and director), John M. Perisich (secretary), and Arline Pratt (director).

Primoris maintains a website at www.arbinc.com. The information contained on Primoris s website is not part of this proxy statement/prospectus nor is it incorporated by reference into this proxy statement/prospectus.

Insurance and Bonding

Primoris maintains general liability and excess liability insurance, covering its construction equipment, and workers compensation insurance, in amounts consistent with industry practices. Primoris self-insures its workers compensation claims in the State of California in an amount of up to $250,000 per occurrence, and maintains insurance covering larger claims. Annual premiums for workers compensation are used to pay expenses and claims, the balance of which is periodically remitted to Primoris. Management believes its insurance programs are adequate.

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Primoris maintains a diligent safety and risk management program that has resulted in a favorable loss experience factor. Through its safety director and the employment of a large staff of regional and site specific safety managers, Primoris has been able to effectively assess and control potential losses and liabilities in both the pre-construction and performance phases of its projects.

In connection with its business, Primoris generally is required to provide various types of surety bonds guaranteeing its performance under certain public and private sector contracts. Primoris s ability to obtain surety bonds depends upon its capitalization, working capital, backlog, past performance, management expertise and other factors. Surety companies consider such factors in light of the amount of surety bonds then outstanding for Primoris and their current underwriting standards, which may change from time to time.

Legal Proceedings

Primoris is a party to a number of legal proceedings, which it believes are typical in nature and number for a firm of its size engaged in its type of business. Because Primoris carries sufficient insurance coverage for most of the legal proceedings, and because the self-insured retentions have been satisfied or recognized by it, it believes that the proceedings for which it has insurance are not material to its financial position. Primoris cannot estimate any loss, or range of loss, in addition to amounts already recognized, for any uninsured legal proceedings, but believes that its exposure from these proceedings, singly or in the aggregate, is not material to its financial position.

Government Regulations

Primoris s operations are subject to compliance with regulatory requirements of federal, state, and municipal agencies and authorities, including regulations concerning labor relations, affirmative action and the protection of the environment. While compliance with applicable regulatory requirements has not adversely affected operations in the past, there can be no assurance that these requirements will not change and that compliance with such requirements will not adversely affect operations.

Management of Primoris

Executive Officers

Primoris has developed a team of leaders to manage its operations. Most of the senior managers have long tenure with Primoris and longer tenures in the industry. Primoris believes that its high level of repeat business is a testament to its staff s uncompromising commitment to customer service. The executive officers of Primoris as of March 31, 2008 are as follows:

Name	Age	Position with Primoris[1]
Brian Pratt	56	Chief Executive Officer, President and Chairman of the Board
John P. Schauerman	51	Chief Financial Officer and Director
Alfons Theeuwes	56	Senior Vice President, Finance and Accounting and Director
John M. Perisich	43	Senior Vice President, General Counsel and Director
Scott E. Summers	49	President ARB Underground Group and Director
Timothy R. Healy	48	President Industrial Group and Director
Mark A. Thurman	49	President Structures, Inc. and Director
David J. Baker	70	President Onquest, Inc and Director
William J. McDevitt	60	President Cardinal Contractors, Inc.

(1) All of the officers listed in the preceding table serve in their respective capacities at the pleasure of the board of directors.

Brian Pratt. Mr. Pratt has been president and chief executive officer since 1983. He also has served as chairman of the board of Primoris and its predecessor, ARB, since 1983 and also as a director since 1983. Mr. Pratt directs strategy, establishes goals, and oversees Primoris s operations. He assumed operational and financial control of ARB in 1983 and is the majority owner of Primoris. Mr. Pratt has over 30 years of hands-on operations and management experience in the construction industry. Mr. Pratt completed four years of courses in Civil Engineering at California Polytechnic College in Pomona in 1974.

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John P. Schauerman. Mr. Schauerman has served as chief financial officer since February 2008 and as a director since 1993. He joined ARB in 1993 as senior vice president, and is responsible for all financial activities of Primoris as well as corporate planning and maintaining Primoris s banking relationships. He is involved in capital commitments, acquisitions and sale of business segments, and project development. Prior to joining ARB in 1993, he was senior vice president of Wedbush Morgan Securities. Mr. Schauerman received a B.S. in Electrical Engineering from UCLA in 1979 and an MBA in 1984 from Columbia University.

Alfons Theeuwes. Mr. Theeuwes has served as senior vice president, finance and accounting, of Primoris since February 2008. Prior to that, he was chief financial officer. Mr. Theeuwes is responsible for administration and accounting of Primoris. He joined ARB in 2001 after a 23 year career with a major engineering company in Europe and the U.S. Mr. Theeuwes received a degree in finance and accounting and is registered as an accountant with the IDAC in Belgium.

John M. Perisich. Mr. Perisich has been senior vice president and general counsel of Primoris since February 2006. Prior to that, he served as vice president and general counsel of Primoris. Mr. Perisich joined ARB in 1995. Prior to joining Primoris, Mr. Perisich practiced law at Klein, Wegis, a full service law firm based in Bakersfield, California. He received a B.A. degree from UCLA in 1987, and a J.D. from the University of Santa Clara in 1991.

Scott E. Summers. Mr. Summers has served as president, ARB Underground group, since February 2006. From 1996 through February 2006, he served as senior vice president of ARB. Currently, Mr. Summers is responsible for the day-to-day operations of the Underground group. Additionally, he oversees international operations. In 2001, Mr. Summers served as President of the PLCA (Pipeline Contractors Association) and in 2004, he was President of the IPLOCA (International Pipeline and Offshore Contractors Association). Mr. Summers received a B.S. in Civil Engineering from California Polytechnic State University.

Timothy R. Healy. Mr. Healy has served as president, Industrial group, since February 2006. Prior to that, he was senior vice president of ARB. Mr. Healy is responsible for the day-to-day operations of the Industrial group. He joined Primoris through Primoris s acquisition of Oilfield Construction in 1989. In 2006, Mr. Healy was elected president of the CPMCA (California Piping and Mechanical Contractors Association). He received a B.S. in Construction Engineering from the State University of New York at Alfred.

Mark A. Thurman. Mr. Thurman has been president of Structures, Inc. since February 2006. Prior to that, he served as vice president of ARB. Mr. Thurman began his construction career in 1975. Prior to joining Primoris in 2004, Mr. Thurman spent 18 years with Pepper Construction where he served as president for the last seven of those years. Active in numerous trade and industry organizations, Mr. Thurman was president of AGC of California in 1995 and currently serves as a national director of AGC of America.

David J. Baker. Mr. Baker joined Primoris in 2002 and has been president of Onquest Inc., the engineering arm of Primoris, since its formation. Educated at the Hendon College of Technology in London, England he is a Chartered Mechanical Engineer and Fuel Technologist and holds a Fellowship in both The Institution of Mechanical Engineers and The Energy Institute.

William J. McDevitt. Mr. McDevitt has participated in the water / wastewater treatment plant construction industry for more than 35 years, forming Cardinal Contractors, Inc. in 1984 and serving as its president since that date. Prior to founding Cardinal Contractors, Inc., he was executive vice president of Gulf Constructors a major commercial, institutional, transportation and utility contractor. Mr. McDevitt received a B.S. in Business Economics from Regis University in Denver, Colorado.

Security Ownership

The common stock of Primoris is currently owned by 43 stockholders and is not publicly traded. Approximately 58% of Primoris s shares of common stock are owned by Brian Pratt, Primoris s chairman, chief executive officer and president, and approximately 75% of Primoris s shares of common stock are owned or controlled by members of the Pratt family, including Brian Pratt.

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Dividend Policy

Primoris is taxed under Sub-Chapter S of the Internal Revenue Code and, accordingly, federal income taxes are the liability of the individual stockholders. Primoris has made certain dividend or distribution payments, from time to time, to its stockholders primarily for purposes of assisting its stockholders in satisfying their individual tax liabilities relating to Primoris. The dividends, or distributions, made to Primoris stockholders are identified in the Primoris Consolidated Financial Statements in the Consolidated Statements of Stockholders Equity in the line labeled *Distribution to stockholders.*

Upon consummation of the merger, the combined company will be subject to United States income tax, and as such similar dividends for the payment of individual stockholder s tax obligations will no longer be made. As part of the merger, and as more fully described in the section entitled *The Merger Agreement Primoris Cash Distributions,* Primoris will be making distributions to its stockholders prior to the closing.

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

The following discussion and analysis should be read in conjunction with the financial statements and accompanying notes of Primoris appearing elsewhere in this proxy statement/prospectus.

Overview

Business Overview

Primoris is a Nevada corporation that was formed in November 2003 as the successor corporation to ARB, Inc., which has been in existence since 1946. It is a holding company of various subsidiaries that cumulatively form a diversified engineering and construction company providing a wide range of construction, fabrication, maintenance, replacement and engineering services to major public utilities, petrochemical companies, energy companies, municipalities and other customers.

Primoris installs, replaces, repairs and rehabilitates natural gas, refined product, water and wastewater pipeline systems, and also constructs mechanical facilities and other structures, including power plants, petrochemical facilities, refineries and parking structures. In addition, Primoris provides maintenance services, including inspection, overhaul and emergency repair services, for cogeneration plants, refineries and similar mechanical facilities. Through its subsidiary Onquest, Inc. (Onquest), Primoris provides engineering design of fired heaters and furnaces primarily for refinery applications, and, through its subsidiary Cardinal Contractors, Inc., Primoris constructs water and wastewater facilities in Florida. A substantial portion of Primoris s activities are performed in the Western United States, primarily in California. In addition, Primoris has strategic presence in Florida, Texas, Latin America and Canada.

Services

Primoris provides services in the following sectors:

Underground

Primoris Underground group installs, replaces, repairs and rehabilitates natural gas, refined product, water and wastewater pipelines. Substantially all of Primoris s pipeline and distribution projects involve underground installation of pipe with diameters ranging from one-half to 102 inches.

Industrial

Primoris Industrial group provides a comprehensive range of services, from turnkey construction to retrofits, upgrades, repairs and maintenance of industrial plants and facilities. It executes contracts as the prime contractor or as a subcontractor utilizing a variety of delivery methods, including fixed price competitive bids, fixed fee, cost plus and a variety of negotiated incentive based contracts.

Structures

The Structures group designs and constructs complex commercial and industrial cast-in-place concrete structures.

Engineering

The Engineering group specializes in designing, supplying and installing high-performance furnaces, heaters, burner management systems, and related combustion and process technologies for clients in the oil refining, petrochemical, and power generation industries. It furnishes turn-key project management with technical expertise and the ability to

deliver custom engineering solutions worldwide.

Water and Wastewater

This group specializes in design-build, general contracting and construction management of facilities and plants dedicated to reverse osmosis, desalinization, conventional water treatment, water reclamation, wastewater treatment, sludge processing, solid waste, pump stations, lift stations, power generation cooling, cogeneration, flood control, wells and pipeline projects, primarily in the Southeastern United States.

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Strategy

Primoris s strategy emphasizes the following key elements:

Diversification through Controlled Expansion. Primoris continues to emphasize both the expansion of services beyond its traditional focus and the addition of new customers. Primoris intends to continue to evaluate acquisitions that offer growth opportunities and the ability to leverage Primoris s resources as a leading service provider to the oil and gas, power, refining and water industries. The current strategy also includes selective expansion to new geographic regions.

Emphasis on Retention of Existing Customers and Recurring Revenue. Primoris believes it is important to maintain strong customer relationships and to expand its base of recurring revenue sources and recurring customers, in order to mitigate the cyclical nature of its businesses.

Ownership of Equipment. Many of the services offered by Primoris are capital intensive. The cost of construction equipment provides a significant barrier to entry into several of the businesses of Primoris. Management believes that Primoris s ownership of a large and varied construction fleet and of its own maintenance facilities enhances its access to reliable equipment at a favorable cost.

Stable Work Force. Primoris maintains a stable work force of skilled, experienced laborers, many of whom are cross-trained in projects such as pipeline and facility construction, refinery maintenance and piping systems.

Selective Bidding. Primoris selectively bids projects that it believes offer an opportunity to meet its profitability objectives, or that offer the opportunity to enter promising new markets. In addition, Primoris reviews its bidding opportunities to attempt to minimize concentration of work with any one customer, in any one industry, or in stressed labor markets.

Concentration on Private Sector Work. Primoris focuses on private sector work, which it believes is generally more profitable than public sector work. In 2007, revenue of approximately $405.9 million, or 74.1% of revenue, was derived from private sector projects.

Planned Merger

As discussed elsewhere in this proxy statement/prospectus, Primoris has entered into a merger agreement pursuant to which Primoris would merge with and into Rhapsody, with Rhapsody being the surviving legal entity and changing its name to Primoris Corporation. If the merger is completed, holders of all the issued and outstanding shares of common stock of Primoris and Primoris s two foreign managers will receive an aggregate of (i) 24,094,800 shares of Rhapsody common stock at the closing of the merger (subject to reduction in the event of exercise of dissenter s rights by any of the Primoris stockholders) plus (ii) the right to receive 2,500,000 shares of Rhapsody common stock for each of the fiscal years ending December 31, 2008 and 2009 during which Rhapsody achieves specified EBITDA (as defined in the merger agreement) milestones as discussed in the section of this proxy statement/prospectus entitled The Merger Proposal Structure of the Merger. Of the shares to be issued by Rhapsody, 1,807,110 will be placed in escrow to provide a fund to satisfy Rhapsody s rights to indemnification.

The merger will be accounted for as a reverse acquisition in accordance with U.S. generally accepted accounting principles (GAAP). Under this method of accounting, Rhapsody will be treated as the acquired company for financial reporting purposes. This determination was primarily based on Primoris comprising the ongoing operations of the combined entity and senior management of the combined company. In accordance with guidance applicable to these circumstances, the merger will be considered to be a capital transaction in substance. Accordingly, for accounting purposes, the merger will be treated as the equivalent of Primoris issuing stock for the net assets of Rhapsody, accompanied by a recapitalization. The net assets of Rhapsody will be stated at historical cost, with no goodwill or other intangible assets recorded. Operations prior to the merger will be those of Primoris.

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Critical Accounting Policies and Estimates

General

The discussion and analysis of Primoris s financial condition and results of operations are based on Primoris s consolidated financial statements, which have been prepared in accordance with GAAP. The preparation of financial statements in conformity with GAAP requires Primoris to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities as of the date of the financial statements, and also affect the amounts of revenues and expenses reported for each period. These estimates and assumptions must be made because certain information that is used in the preparation of Primoris s financial statements cannot be calculated with a high degree of precision from data available, is dependent on future events, or is not capable of being readily calculated based on generally accepted methodologies. Often times, these estimates are particularly difficult to determine and Primoris must exercise significant judgment. Estimates may be used in Primoris s assessments of revenue recognition under percentage-of-completion accounting, the allowance for doubtful accounts, useful lives of property and equipment, fair value assumptions in analyzing goodwill and long-lived asset impairments, and self-insured claims liabilities. Actual results could differ from those that result from using the estimates.

SEC regulations define critical accounting policies as those that require application of management s most difficult, subjective or complex judgments, often as a result of the need to make estimates about the effect of matters that are inherently uncertain and may change in subsequent periods.

Primoris s significant accounting policies are described in note 2 to the notes to Primoris s consolidated financial statements for the year ended December 31, 2007. Not all of these significant accounting policies require management to make difficult, subjective or complex judgments or estimates. However the following policies are considered to be critical within the SEC definition:

Revenue Recognition

A number of factors relating to the business of Primoris affect the recognition of contract revenue. Primoris typically structures contracts as unit-price, time and material, fixed-price or cost plus fixed fee. Primoris believes that its operating results should be evaluated over a time horizon during which major contracts in progress are completed and change orders, extra work, variations in the scope of work and cost recoveries and other claims are negotiated and realized.

Revenue is recognized on the percentage-of-completion method for all of the types of contracts described in the paragraph above. Under the percentage-of-completion method, estimated contract income and resulting revenue is generally accrued based on costs incurred to date as a percentage of total estimated costs, taking into consideration physical completion. Total estimated costs, and thus contract income, are impacted by changes in productivity, scheduling, and the unit cost of labor, subcontracts, materials and equipment. Additionally, external factors such as weather, client needs, client delays in providing permits and approvals, labor availability, governmental regulation and politics may affect the progress of a project s completion and thus the timing of revenue recognition. If a current estimate of total contract cost indicates a loss on a contract, the projected loss is recognized in full when determined.

Primoris considers unapproved change orders to be contract variations on which Primoris has customer approval for scope change, but not for price associated with that scope change. Costs associated with unapproved change orders are included in the estimated cost to complete the contracts and are expensed as incurred. Primoris recognizes revenue equal to cost incurred on unapproved changed orders when realization of price approval is probable and the estimated amount is equal to or greater than its cost related to the unapproved change order. Revenue recognized on unapproved change orders is included in Costs and estimated earnings in excess of billings on the consolidated balance sheets.

Unapproved change orders involve the use of estimates, and it is reasonably possible that revisions to the estimated costs and recoverable amounts may be required in future reporting periods to reflect changes in estimates or final agreements with customers.

Primoris considers claims to be amounts Primoris seeks or will seek to collect from customers or others for customer-caused changes in contract specifications or design, or other customer-related causes of unanticipated additional contract costs on which there is no agreement with customers on both scope and price

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changes. Revenue from claims is recognized when agreement is reached with customers as to the value of the claims, which in some instances may not occur until after completion of work under the contract. Costs associated with claims are included in the estimated costs to complete the contracts and are expensed when incurred.

Allowance for Doubtful Accounts

Primoris records an estimate of its anticipated bad debt expense based on Primoris s historical experience. If the financial condition of Primoris s clients were to deteriorate, or if the payment behavior were to change, resulting in either their inability or refusal to make payment to Primoris, additional allowances would be required.

Useful Lives of Property and Equipment

Primoris depreciates property, plant and equipment assets over their estimated useful lives, usually ranging from three to 30 years, and reviews these assets for impairment whenever events or changes in circumstances indicate that the related carrying amounts may not be recoverable.

Goodwill and Impairment of Long-Lived Assets

Goodwill arising from acquisitions is not amortized but is instead tested for impairment at the reporting unit level at least annually in accordance with the provisions of Statement of Financial Accounting Standards (SFAS) No. 142, Goodwill and Other Intangible Assets. Application of the goodwill impairment test requires significant judgments including estimation of future cash flows, which is dependent on internal forecasts, estimation of the long-term rate of

growth for Primoris, the period over which cash flows will occur, and determination of the weighted average cost of capital. Changes in these estimates and assumptions could materially affect the determination of fair value and/or goodwill impairment for each reporting unit.

Changes in future market conditions, business strategy, or other factors could impact the future values of Primoris s reporting units, which could result in future impairment charges. At December 31, 2007, total goodwill amounted to $2,227,000.

Primoris amortizes other intangible assets over their estimated useful lives and reviews the long-lived assets for impairment at least annually, or whenever events or changes in circumstances indicate that the related carrying amounts may not be recoverable. Determining whether impairment has occurred typically requires various estimates and assumptions, including determining which cash flows are directly related to the potentially impaired asset, the useful life over which cash flows will occur, and the asset s residual value, if any. In turn, measurement of an impairment loss requires a determination of fair value, which is based on the best information available.

Reserve for Uninsured Risks

Management estimates are inherent in the assessment of our exposure to material uninsured risks. Significant judgments by management and reliance on third-party experts are utilized in determining probable and/or reasonably estimable amounts to be recorded or disclosed in the financial statements. The results of any changes in accounting estimates are reflected in the financial statements of the period in which the changes are determined. Primoris does not believe that material changes to its current estimates are reasonably likely to occur.

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Results of Operations

Overview

Overall Results

The following table sets forth Primoris s overall results of operations for the three months ended March 31, 2008 and 2007 and the years ended December 31, 2007, 2006 and 2005:

Revenue by Segment

Primoris operates in five reportable segments. The accounting policies of the segments are the same as those described in the Summary of Significant Accounting Policies in note 2 to the notes to Primoris s consolidated financial statements for the year ended December 31, 2007. Primoris evaluates performance based on gross profit before allocations of selling, general and administrative expenses, other income and expense items and income taxes. Primoris accounts for intersegment sales and transfers as if the sales or transfers were to third parties, that is, at current market prices. Intercompany sales and transfers, including any profit on those sales, are eliminated in consolidation. Primoris s reportable segments are strategic business units that are managed separately because each segment offers different services. The following table sets forth Primoris s revenue by segment for the three months ended March 31, 2008 and 2007, and the years ended December 31, 2007, 2006 and 2005:

	Three Months Ended March 31,				Year Ended December 31,					
	2008		2007		2007		2006		2005	
Segment:	Dollars	% of Revenue	Dollars	% of Revenue	Dollars	% of Revenue	Dollars	% of Revenue	Dollars	% of Revenue
	(Dollars in Thousands)									
Underground	$30,824	18.2 %	$44,133	38.8 %	$197,367	36.0	$210,336	47.9	$156,322	43.1 %
Industrial	85,538	50.5	20,591	18.1	151,707	27.7	67,458	15.4	90,461	25.0
Structures	11,722	6.9	19,578	17.2	60,706	11.1	70,506	16.0	45,965	12.7
Engineering	23,022	13.6	15,213	13.4	77,300	14.1	39,733	9.0	26,014	7.2
Water and Wastewater	18,285	10.8	14,322	12.6	60,586	11.1	51,372	11.7	43,723	12.1
Total revenue	$169,391	100.0%	$113,837	100.0%	$547,666	100.0%	$439,405	100.0%	$362,485	100.0%

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Geographic Areas Financial Information

The following tables set forth Primoris s revenue from external customers attributable to its operations in the countries identified below for the three months ended March 31, 2008 and 2007, and the years ended December 31, 2007, 2006 and 2005, and the total assets located in those countries at March 31, 2008 and at December 31, 2007 and 2006. Primoris s revenue from operations in the United States and Ecuador is related to projects primarily in those countries. Primoris s revenue from operations in Canada is primarily derived from Primoris s office in Calgary, Canada, but may relate to specific projects in other countries.

	March 31,	December 31,	
	2008	2007	2006
Country:	Total Assets	Total Assets	Total Assets
	(In Thousands)		
United States	$ 222,643	$ 203,047	$ 148,116
Canada	12,716	14,818	11,077
Ecuador	1,958	3,108	3,116
Total	$ 237,317	$ 220,973	$ 162,309

Material Trends and Uncertainties

Primoris generates its revenue from both large and small construction and engineering projects. The award of these contracts is dependent on a number of factors, many of which are not in the control of Primoris. Business in the construction industry is cyclical. Primoris depends in part on spending by companies in the energy, and oil and gas industries, as well as on water and wastewater customers that are primarily municipalities. As a result, the volume of business may be adversely affected by general declines in new projects from the energy sector or water and wastewater sector. Economic factors outside of the control of Primoris may affect the amount and size of new contracts to be awarded in any particular period.

Currently, Primoris is benefiting from strong demand for increased, more efficient and more environmentally friendly energy and power facilities and from the strength of the oil and gas industry. This trend may not continue and is dependent on many factors that are not in the control of Primoris. The Underground, Industrial and Engineering segments all benefit from this trend.

Primoris s Water and Wastewater segment is more dependent on municipalities for new projects. During an economic downturn, with decreased state or local tax revenue, governmental bodies may elect to defer large construction projects. This could have an impact on our ability to secure new projects and may impact our revenues and earnings in the segment in the future.

Primoris s strategy is to limit its dependence on any one segment of the engineering and construction business through diversification, and by providing services to various customer groups. These include pipeline transportation companies, utilities, power plants, petrochemical facilities and refineries, as well as water and wastewater clients and owners of multi-level parking structures.

Management believes the trend of increased revenue and earnings from 2007 to 2008 is a result of this strategy of diversification. While revenue and profit of specific operating units may vary from quarter to quarter and year to year, Primoris s overall trend in the last three years has been positive. Management believes that the positive overall trend in revenue and earnings should continue in 2008.

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Seasonality and Cyclicality

Our results of operations can be subject to seasonal variations. During the winter months, weather can impact our ability to work off backlog. In addition, demand for new projects is generally lower during the winter months due to reduced construction activity based on weather concerns. As a result, Primoris generally experiences higher revenues and earnings in the third and fourth quarters of the year than in the first two quarters.

Additionally, because of the cyclical nature of its business as described above, the financial results for any period may fluctuate depending on whether Primoris is awarded projects. Accordingly, operating results in any particular quarter may not be indicative of the results that can be expected for any other quarter or for the entire year.

EBITDA Non-GAAP Financial Measure

EBITDA is a supplemental, non-GAAP financial measure. Primoris uses EBITDA (earnings before net interest, income taxes, depreciation and amortization) as part of its overall assessment of financial performance by comparing EBITDA between accounting periods. Primoris believes that EBITDA will be used by investors and the financial community as a method of measuring its performance and of evaluating the market value of companies considered to be in similar businesses.

The merger agreement between Rhapsody and Primoris provides that up to 5,000,000 shares of Rhapsody stock will be issued to the Primoris holders if specified EBITDA targets are met for 2008 and/or 2009 but that EBITDA for such purposes includes certain adjustments as defined in The Merger Proposal in this proxy statement/prospectus that would increase EBITDA above the amount that would be calculated under the definition described above, the net effect of which would be to increase the likelihood that the EBITDA targets would be achieved.

Since EBITDA is not a measure of performance calculated in accordance with GAAP, it should not be considered in isolation from, or as a substitute for, net earnings as an indicator of operating performance. EBITDA, as Primoris calculates it, may not be comparable to similarly titled measures employed by other companies. In addition, this measure is not necessarily a measure of Primoris s ability to fund its cash needs. As EBITDA excludes certain financial information that would be included in net income (loss), the most directly comparable GAAP financial measure, users of this financial information should consider the type of material events and transactions that are

excluded from EBITDA, and the material limitations of EBITDA, such as:

EBITDA does not include net interest expense. Because Primoris has borrowed money to finance its operations, interest expense is a necessary and ongoing part of its costs and has assisted the company in generating revenue.
EBITDA does not include taxes, although payment of taxes is a necessary and ongoing part of Primoris s operations.
EBITDA does not include depreciation and amortization expense. Because Primoris uses capital assets to generate revenue, depreciation and amortization expense is a necessary element of its cost structure.

In light of the above limitations, Primoris has provided the following reconciliation of EBITDA from continuing operations to income from continuing operations:

	Three Months Ended March 31,		Year Ended December 31,		
	2008	2007	2007	2006	2005
	(Dollars in Thousands)				
Income from continuing operations	$ 9,782	$ 3,243	$ 27,134	$ 13,228	$ 3,902
Interest, net	77	65	26	724	789
Provision for income taxes	195	194	848	1,197	18
Depreciation and amortization	1,447	1,192	4,779	5,248	5,455
EBITDA	$ 11,501	$ 4,694	$ 32,787	$ 20,397	$ 10,164

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Primoris s financial condition and operating results may vary significantly from quarter-to-quarter and may not be indicative of its financial condition or operating results for any other quarter or for an entire year. Factors that could cause or contribute to variations in Primoris s financial condition and operating results include, among others, those described in the Risk Factors section of this proxy statement/prospectus, those described under the subheadings Material Trends and Uncertainties and Seasonality and Cyclicality in this Primoris s Management s Discussion and Analysis of Financial Condition and Results of Operations, and the following: changes in Primoris s mix of customers, projects, contracts and business; regional and/or general economic conditions; variations and changes in the margins of projects performed during any particular quarter; increases in the costs to perform services caused by changing weather conditions; termination of existing agreements or contracts; budgetary spending patterns of customers; increases in construction costs that Primoris may be unable to pass through to its customers; cost or schedule overruns on fixed-price contracts; availability of qualified labor to execute specific projects; changes in bonding requirements and bonding availability applicable to existing and new agreements; costs Primoris incurs to support growth internally or through acquisitions or otherwise; timing and volume of work under contract; and losses experienced in Primoris s operations not otherwise covered by insurance.

Three Months Ended March 31, 2008 Compared to Three Months Ended March 31, 2007

Revenue

The quarter-to-quarter comparison of revenue by segment is as follows:

	Three Months Ended March 31,		
	2008	2007	
Segment:	Revenue	Revenue	% Change

		% of Revenue		% of Revenue	Increase/ Decrease	
	(Dollars in Thousands)					
Underground	$ 30,824	18.2 %	$ 44,133	38.8 %	$ (13,309)	(30.2)%
Industrial	85,538	50.5	20,591	18.1	64,947	315.4 %
Structures	11,722	6.9	19,578	17.2	(7,856)	(40.1)%
Engineering	23,022	13.6	15,212	13.4	7,810	51.3 %
Water and Wastewater	18,285	10.8	14,323	12.6	3,962	27.7 %
Total revenue	$ 169,391	100.0 %	$ 113,837	100.0 %	$ 55,554	48.8 %

Underground segment revenue decreased in three months ended March 31, 2008 compared to the three months ended March 31, 2007 due to a planned decrease in the number of new water and sewer projects. Primoris has made the decision to limit its construction of water and sewer projects to a selective few projects due to the lower profitability of water and sewer projects compared to other Underground projects.

The increase in Industrial segment revenue primarily was as a result of an increase in new projects for the power sector and significant expansion in the overall refining industry. Industrial revenue was low in the three months ended March 31, 2007 due in part to clients being delayed obtaining project permits, and postponement of certain projects in California. The Industrial segment benefited in the three months ended March 31, 2008 from increased work in the oil refinery business due to strong profitability of the oil companies. Primoris cannot predict how long the oil industry will continue to experience strong profitability or whether the oil companies will continue to invest in upgrades and additions to their facilities. In addition, Primoris is currently benefiting from increased opportunity in the power sector. If the power sector and the oil and gas industry were to experience a downturn and Primoris was unable to identify and obtain business from other growth sectors, revenue would decrease.

The decrease in Structures segment revenue was due to the fact that several new projects scheduled to start in 2008 were delayed. The slowdown in the general United States economy has reduced new commercial construction, which may impact new construction of parking structures.

Engineering segment revenue increased primarily as a result of continued expansion in the refining and energy sector and Primoris s entry into an alliance agreement with a major client in November 2007. While

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the alliance agreement is cancelable by either party on thirty days notice, the history of these agreements and the expectation of management is that Primoris will continue to service this major client for at least the years of 2008 and 2009.

Water and Wastewater segment revenue increased in 2008 because of the project backlog accumulated in 2007. While Primoris has not seen a decline in new projects to bid in this segment, the general economic slowdown may result in lower tax revenue for municipalities, which may result in fewer future projects.

Gross Profit

A quarter-to-quarter comparison of gross profit by segment and gross profit as a percentage of segment revenue is as follows:

Three Months Ended March 31,	
2008	2007

Segment:	Gross Profit	% of Segment Revenue	Gross Profit	% of Segment Revenue
	(Dollars in Thousands)			
Underground	$ 5,682	18.4 %	$ 6,381	14.5 %
Industrial	7,563	8.8 %	641	3.1 %
Structures	603	5.1 %	642	3.3 %
Engineering	1,417	6.2 %	1,192	7.8 %
Water and wastewater	948	5.2 %	896	6.3 %
Total gross profit	$ 16,213	9.6 %	$ 9,752	8.6 %

Underground segment gross profit as a percentage of revenue increased primarily as a result of reaching final agreement with several clients on approval of change orders on work completed in the three months ended March 31, 2008 as well as improved execution of existing projects resulting in higher overall gross margins. Also, as described above, Primoris has become more selective in the Underground projects it pursues.

Industrial segment gross profit increased as a percentage of revenue and in dollar terms because of an increase in cost-reimbursable work for the refining industry, as well as an increase in projects for the power industry. These types of projects are generally more profitable. Primoris would expect this level of profitability to continue as long as the power sector and oil and gas industry maintain their strength.

Structures segment gross profit increased as a percentage of revenue primarily as a result of improved execution of existing projects.

Engineering segment gross profit increased primarily as a result of an increase in revenue. The decrease in gross profit as a percentage of revenue is principally due to lower profitability expected on a new project recently initiated. Primoris expects the profitability in this segment to generally increase back to historical levels.

Water and Wastewater segment gross profit increased primarily as a result of an increase in volume. Primoris expects gross profit as a percentage of revenue to remain at this historic level throughout 2008.

Selling, General and Administrative Expenses

Selling and general and administrative expenses as a percentage of revenue decreased to 4.7% for the three months ended March 31, 2008 compared to 5.8% for the three months ended March 31, 2007. The increase in selling, general and administrative expenses of $1,375,000, or 20.8%, to $8,001,000 for the three months ended March 31, 2008 compared to $6,626,000 for the three months ended March 31, 2007 is principally due to a $1,024,000 (23.7%) increase in payroll-related expenses required to meet revenue growth. The decrease in selling, general and administrative expenses as a percentage of revenue is due to the achievement of certain efficiencies as a result of increased volume, as certain selling, general and administrative expenses, including some accounting, administrative and management expenses, are fixed and do not increase proportionally with expanded volume. If the anticipated merger with Rhapsody is consummated (as described

elsewhere in this proxy statement/prospectus), the combined company would expect to have increased selling, general and administrative expenses as a result of public company reporting obligations.

Operating Income

The $5,085,000, or 162.6% increase in operating income to $8,212,000 for March 2008 compared to $3,127,000 for March 2007 was due primarily to a rise in revenue and in gross profit. The increase in operating income was partially offset by the increase in selling, general and administrative expenses.

Other Income

The non-operating income and expense items for the three months ended March 31, 2008 and 2007 are set forth below:

Other Income:	Three Months Ended March 31, 2008	Three Months Ended March 31, 2007
	(In Thousands)	
Equity income from non-consolidated joint ventures	$ 1,823	$ 400
Foreign exchange gain (loss)	19	(25)
Interest income	609	387
Interest expense	(686)	(452)
Total other income	$ 1,765	$ 310

For the three months ended March 31, 2008, Primoris recognized equity income of $1,823,000 from the Otay Mesa Power Partners (OMPP) joint venture, an energy plant construction project in California which is anticipated to be completed in 2009. Equity income from non-consolidated joint ventures for the three months ended March 31, 2007 consisted of the 49% share in the profits of ARB Arendal, a joint venture in Monterrey, Mexico. As discussed below in the results of operations for 2007, in December 2007, Primoris made the decision to record a $3,588,000 other than temporary impairment of its investment in ARB Arendal because of a client dispute with an uncertain outcome. Management s strategy has been to limit its participation in joint ventures and the expectation is that Primoris will participate only selectively in joint ventures in the future.

Foreign exchange gain for the three months ended March 31, 2008 and foreign exchange loss for the three months ended March 31, 2007 reflect currency exchange fluctuations of the U.S. dollar compared to the Canadian dollar. Primoris s contracts in Calgary, Canada are sold based on U.S. dollars, but a portion of the work is paid for with Canadian dollars, which can create a currency exchange difference. Primoris began hedging its currency on these contracts to moderate any gains or losses on January 1, 2008.

Interest income increased in the three months ended March 31, 2008 compared to the three months ended March 31, 2007 due to higher average cash balances in the 2008 period, which in turn resulted from higher revenue and profits of Primoris. Future interest income is dependent on interest rates and Primoris s cash balances. While Primoris anticipates maintaining significant cash balances, the closing of the proposed merger with Rhapsody will reduce Primoris s cash balance and will therefore reduce Primoris s interest income. In addition, acquisitions and other opportunities may reduce cash-on-hand. Also, the volatility of interest rates limits management s ability to predict trends in interest income.

Interest expense increased for the three months ended March 31, 2008 compared to the three months ended March 31, 2007 due to the financing of newly purchased equipment and the increase in long-term debt. Primoris expects to continue to finance equipment acquisitions with increases in long-term debt.

Provision for Income Taxes

The provision for income taxes for the three months ended March 31, 2008 was at the same level as for the three months ended March 31, 2007. For United States federal income tax purposes, Primoris was taxed under Subchapter S of the IRC and, accordingly, any United States federal income tax obligation was the personal liability of the stockholders. The provision for income taxes for the three months ended March 31, 2008 and 2007 is principally the result of Canadian taxable income.

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If the anticipated merger with Rhapsody is consummated (as described elsewhere in this proxy statement/prospectus), the combined company will be taxed for federal income tax purposes under Subchapter C of the IRC. The income of a C corporation is taxed, whereas the income of an S corporation (with a few exceptions) is not taxed under the federal income tax laws. In addition, Primoris will also be subject to state income tax in the jurisdictions in which it does business, including California. Accordingly management anticipates that in future years, Primoris could have a combined federal and state income tax expense approximating 40% of income before income taxes.

Net Income

Due principally to the increase in revenue, the improvement in gross profit as a percentage of revenue, and the increase in income attributable to non-consolidated joint ventures, net income for the three months ended March 31, 2008 increased $6,540,000 or 201.7%, to $9,782,000 compared to $3,242,000 for the three months ended March 31, 2007.

Year Ended December 31, 2007 Compared to Year Ended December 31, 2006

Continuing Operations

Revenue

The year-to-year comparison of revenue by segment is as follows:

	Year Ended December 31,					
	2007		2006			
	Revenue	% of Revenue	Revenue	% of Revenue	Increase/ Decrease	% Change
	(Dollars in Thousands)					
Underground	$ 197,367	36.0 %	$ 210,336	47.9 %	$ (12,969)	(6.2)%
Industrial	151,707	27.7	67,458	15.4	84,249	124.9 %
Structures	60,706	11.1	70,506	16.0	(9,800)	(13.9)%
Engineering	77,300	14.1	39,733	9.0	37,567	94.5 %
Water and wastewater	60,586	11.1	51,372	11.7	9,214	17.9 %
Total revenue	$ 547,666	100.0 %	$ 439,405	100.0 %	$ 108,261	24.6 %

The Underground segment revenue decreased in 2007 as compared to 2006 due to the planned decrease in the number of new water and sewer projects.

The increase in Industrial segment revenue primarily was as a result of an increase in new projects for the power sector and significant expansion in the overall refining industry. Industrial revenue was low in 2006 due in part to clients being delayed obtaining project permits, and postponement of certain projects in California.

The decrease in Structures segment revenue was due to the fact that revenues in 2006 were above normal due to an unusual increase in parking structure activity in the California university system.

Engineering segment revenue increased primarily as a result of significant expansion in the refining and energy sector and Primoris s entry into an alliance agreement with a major client in November 2007.

Water and Wastewater segment revenue increased in 2007 because of the strong project backlog accumulated in 2006 and the beginning of 2007.

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Gross Profit

A year-to-year comparison of gross profit by segment and gross profit as a percentage of segment revenue is as follows:

	Year Ended December 31,					
	2007			2006		
Segment:	Gross Profit	% of Segment Revenue		Gross Profit	% of Segment Revenue	
	(Dollars in Thousands)					
Underground	$ 29,170	14.8	%	$ 19,759	9.4	%
Industrial	16,673	11.0	%	9,597	14.2	%
Structures	1,848	3.0	%	2,254	3.2	%
Engineering	7,759	10.0	%	6,028	15.2	%
Water and wastewater	3,902	6.4	%	2,312	4.5	%
Total gross profit	$ 59,352	10.8	%	$ 39,950	9.1	%

Underground segment gross profit increased primarily as a result of a shift in project backlog from fixed fee water and sewer projects to a broader mix of underground projects, with improved execution of those projects resulting in higher overall gross margins.

Industrial segment gross profit decreased as a percentage of revenue but increased in dollar terms because of an increase in cost-plus work for the refining industry, which typically has lower gross margins.

Structures segment gross profit decreased primarily as a result of a decrease in business volume.

Engineering segment gross profit increased primarily as a result of an increase in volume in the refining sector, and a significant joint project which was entered into by both the Engineering segment and the Industrial segment. Gross profit as a percentage of revenue decreased due to a recognition of a loss of approximately $970,000 on a project in Canada in early 2007.

Water and Wastewater segment gross profit increased primarily as a result of an increase in volume. Gross profit as a percentage of revenue increased as a result of an increase in demand for our services, which allowed for improved

pricing on projects.

Selling, General and Administrative Expenses

Selling and general and administrative expenses as a percentage of revenue decreased to 5.4% for 2007 compared to 6.1% for 2006. The increase in selling, general and administrative expenses of $2,748,000, or 12.4%, to $29,517,000 for 2007 compared to $26,769,000 for 2006 is principally due to a $2,305,000 (13.3%) increase in payroll-related expenses required to meet revenue growth. The decrease in selling, general and administrative expenses as a percentage of revenue is due to the achievement of certain efficiencies as a result of increased volume, as certain selling, general and administrative expenses, including some accounting, administrative and management expenses, are fixed and do not increase proportionally with expanded volume.

Operating Income

The $16,654,000, or 126.3%, increase in operating income to $29,835,000 for 2007 compared to $13,181,000 for 2006 was due primarily to a rise in revenue and in gross profit. The increase in operating income was partially offset by the increase in selling, general and administrative expenses.

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Other (Expense) Income

The non-operating income and expense items for 2007 and 2006 are set forth below:

	Year Ended December 31,	
Other (Expense) Income:	2007	2006
	(In Thousands)	
Equity (loss) income from non-consolidated joint ventures	$ (1,359)	$ 1,800
Foreign exchange (loss) gain	(471)	168
Interest income	1,750	595
Interest expense	(1,773)	(1,319)
Total other income	$ (1,853)	$ 1,244

Equity (loss) income from non-consolidated joint ventures for 2006 consisted of the 49% share in the profits of ARB Arendal. In 2007, Primoris made the decision to record a $3,588,000 other than temporary impairment of its investment in ARB Arendal, because of a client dispute with an uncertain outcome. Primoris s carrying value in ARB Arendal is zero after recognizing the impairment. The impairment loss was partially offset by $2,229,000 of profit Primoris recognized in 2007 from the OMPP joint venture.

Foreign exchange (loss) in 2007 reflects a currency exchange loss due to a devaluation of the U.S. dollar compared to the Canadian dollar.

Interest income increased in 2007 compared to 2006 due to higher average cash balances in 2007, which in turn resulted from higher revenue and profits of Primoris.

Interest expense increased in 2007 compared to 2006 due to the financing of newly purchased equipment and the increase in long-term debt.

Provision for Income Taxes

Provision for income taxes for 2007 decreased $349,000 to $848,000 compared to a provision for income taxes of $1,197,000 for 2006. For United States federal income tax purposes, Primoris was taxed under Subchapter S of the IRC, and accordingly, any United States federal income tax obligation was the personal liability of the stockholders. The 2007 provision for income taxes is principally the result of Canadian taxable income. The decrease in the provision for income taxes in 2007 for Primoris compared to 2006 is due to a lower Canadian taxable income.

Net Income

Due principally to the increase in revenue and the improvement in gross profit as a percentage of revenue, net income for 2007 increased $13,934,000, or 105.6%, to $27,134,000 compared to $13,200,000 for 2006.

Discontinued Operations

During September 2004, Primoris decided to cease all operations in Chile. Related assets, liabilities, revenues and expenses were insignificant at and for the years ended December 31, 2007 and 2006. The fixed assets, consisting mainly of construction equipment, were sold locally or repatriated in 2006. In 2006, Primoris recorded a loss on discontinued operations of $28,000, relating to the operations of ARB in Chile. Primoris had no discontinued operations in 2007.

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Year Ended December 31, 2006 Compared to Year Ended December 31, 2005

Continuing Operations

Revenue

The year-to-year comparison of revenue by segment is as follows:

	Year Ended December 31,					
	2006		2005			
	Revenue	% of Total	Revenue	% of Total	Increase/ Decrease	% Change
	(Dollars in Thousands)					
Underground	$ 210,336	47.9 %	$ 156,322	43.1 %	54,014 %	34.6 %
Industrial	67,458	15.4	90,461	25.0	(23,003)	(25.4)%
Structures	70,506	16.0	45,965	12.7	24,541	53.4 %
Engineering	39,733	9.0	26,014	7.2	13,719	52.7 %
Water and wastewater	51,372	11.7	43,723	12.1	7,649	17.5 %
Total revenue	$ 439,405	100.0 %	$ 362,485	100.0 %	$ 76,920	21.2 %

Underground segment revenue increased primarily as a result of a substantial project in the San Diego, California area that was completed in the second quarter of 2007.

Industrial segment revenue decreased because of the delay in obtaining project permits, and postponement of certain projects in California.

Structures segment revenue was higher because of an increase in parking structure activity in the California university system.

Engineering segment revenue increased primarily as a result of Primoris s acquisition of Born Heaters Canada on October 1, 2005.

Water and Wastewater segment revenue was stimulated by the increase of water infrastructure investment by various municipalities in Florida.

Gross Profit

A year-to-year comparison of gross profit by segment and gross profit as a percentage of segment revenue is as follows:

	Year Ended December 31,			
	2006		2005	
Segment:	Gross Profit	% of Segment Revenue	Gross Profit	% of Segment Revenue
	(Dollars in Thousands)			
Underground	$ 19,759	9.4 %	$ 13,706	8.8 %
Industrial	9,597	14.2 %	6,934	7.7 %
Structures	2,254	3.2 %	1,089	2.4 %
Engineering	6,028	15.2 %	1,577	6.1 %
Water and Wastewater	2,312	4.5 %	1,840	4.2 %
Total gross profit	$ 39,950	9.1 %	$ 25,146	6.9 %

Underground segment gross profit was boosted by an increase in activity in the San Diego area. Gross profit as a percentage of revenue increased due to an increase in unit price work. Unit price work is based on a price per unit of work performed, such as a price per foot of boring completed or a price per foot of pipe installed.

Industrial segment gross profit increased because of additional activity in the refining and electrical power sectors. Gross profit as a percentage of revenue increased due to an increase in demand for our services, which allowed for improved pricing on projects.

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Structures segment gross profit increased primarily as a result of larger project volume. Gross profit as a percentage of revenue increased due to improved cost control on projects executed in 2006 over 2005.

Engineering segment gross profit increased primarily as a result of the addition of Born Heaters Canada. Gross profit as a percentage of revenue increased due to the execution of several higher margin projects resulting from the acquisition of Born Heaters Canada.

Water and Wastewater segment gross profit increased primarily as a result of larger volume. Gross profit as a percentage of revenue was relatively flat.

Selling, General and Administrative Expenses

Selling, general and administrative expenses as a percentage of revenue were 6.1% for 2006 and 5.9% for 2005. The increase in selling, general and administrative expenses by $5,543,000 to $26,769,000 for 2006 compared to $21,226,000 for 2005 is principally due to a $3,718,000 increase in payroll-related expenses required to meet revenue growth.

Operating Income

Operating income increased $9,261,000, or 236.3%, to $13,181,000 for 2006 compared to $3,920,000 for 2005 due to the increase in revenue and the increase in gross profit. The increase in operating income was partially offset by a rise in selling, general and administrative expenses.

Non-Operating Items

The non-operating items for the years ended December 31, 2006 and 2005 are set forth below:

	Year Ended December 31,	
Other Income:	2006	2005
	(In Thousands)	
Equity income from non-consolidated joint ventures	$ 1,800	$ 769
Foreign exchange gain	168	
Interest income	595	208
Interest expense	(1,319)	(997)
Total other income	$ 1,244	$

Equity income from non-consolidated joint ventures for 2006 and 2005 consisted of the 49% share in the profits of ARB Arendal.

Foreign exchange gain in 2006 reflects a currency exchange gain relating to our operations in Calgary, Canada.

Interest income increased in 2006 compared to 2005 due to higher average cash balances in 2005 resulting from higher revenue and profits of Primoris.

Interest expense increased in 2006 compared to 2005 due to an increase in long-term debt.

Provision for Income Taxes

The provision for income taxes for 2006 increased by $1,179,000 to $1,197,000 compared to a provision for income taxes of $18,000 in 2005. For United States federal income tax purposes, Primoris was taxed under Subchapter S of the IRC and, accordingly, any United States federal income tax obligation was the personal liability of the stockholders. The tax liability in 2006 represented primarily Canadian income taxes. The increase in the provision for income taxes in 2006 compared to 2005 is primarily a result of the Born Heaters Canada acquisition and the ensuing Canadian taxes.

Net Income

Due principally to an increase in revenue, there was an improvement in gross profit as a percentage of revenue and equity income from non-consolidated joint ventures. Net income for 2006 increased $7,779,000, or 143.5%, to $13,200,000 compared to $5,421,000 for 2005.

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Discontinued Operations

As noted above, assets, liabilities, revenues and expenses relating to Primoris s discontinued operations in Chile were insignificant at and for the year ended December 31, 2006, and the fixed assets, consisting mainly of construction equipment, were sold locally or repatriated in 2006. During 2006, Primoris recorded a loss on discontinued operations of $28,000, relating to the operations of ARB in Chile. During 2005, ARB Chile prevailed in a legal action against a customer in Chile, resulting in a substantial payment included in the gain on discontinued operations for 2005 of $1,519,000.

Liquidity and Capital Resources

Results and Financial Position

Cash Flows

Three Months Ended March 31, 2008 and 2007

At March 31, 2008, Primoris had a cash balance of $68,087,000 compared to a cash balance of $62,966,000 at December 31, 2007. Cash flows during the three months ended March 31, 2008 and 2007 are summarized as follows:

	Three Months Ended March 31,	
Cash Flow:	2008	2007
	(In Thousands)	
Net cash provided by operating activities	$ 13,473	$ 17,501
Net cash (used in) investing activities	(783)	(154)
Net cash (used in) financing activities	(7,569)	(1,991)
Net change in cash	$ 5,121	$ 15,356

Operating Activities

The $13,473,000 of cash provided by operating activities for the three months ended March 31, 2008 consisted principally of net income of $9,782,000 plus depreciation and amortization of $1,447,000, increases in billings in excess of costs and estimated earnings of $9,724,000, decreases in accounts receivable of $3,744,000, restricted cash of $1,641,000, other assets of $514,000, and inventory of $219,000. The increase in cash was partially offset by increases in cost and estimated earnings in excess of billings of $8,967,000, and decreases in accounts payable of $649,000 and accrued expenses of $2,032,000.

The $17,501,000 of cash provided by operating activities for the three months ended March 31, 2007 consisted principally of net income of $3,243,000 plus depreciation and amortization of $1,192,000, decreases in accounts receivable of $22,851,000 and increases in accounts payable of $1,980,000. The increase in cash was partially offset by increases in cost and estimated earnings in excess of billings of $2,475,000, restricted cash of $1,559,000, inventory of $347,000, and other assets of $269,000, and decreases in billings in excess of costs and estimated earnings of $4,461,000, and accrued expenses of $2,274,000.

The primary drivers of the operating cash flows in the three months ended March 31, 2008 compared to the three months ended March 31, 2007 were the increase in net income, driven in large part by the increase in revenue and the increase in billings in excess of costs. The increases in net income and revenue are discussed in Results of Operations above. The increases in billings in excess of costs and estimated earnings were principally due to improved billing and collection procedures, the nature and type of projects, and the general market environment.

The decrease in restricted cash is principally due to the release of retention on a water and sewer project, where Primoris s customer agreed to pay the earned contract retention into escrow with Primoris s bank, in lieu of retaining the cash until the end of the project.

As of March 31, 2008 and 2007, accounts receivable, net, represented 46.2% and 51.3% of total assets, respectively. Primoris has an excellent collection history stemming from many factors, including performing work for recurring customers, and substantial pre-acceptance review of the financial worthiness and credit

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history of new customers. Primoris bills customers on an ongoing basis as projects are being constructed. As a contractor, Primoris has certain lien rights that can provide additional security on the accounts receivables that are generated, and give priority to Primoris over lenders or other creditors of the project. Primoris expects that the collectability of accounts receivable will continue to be strong throughout 2008.

Decreases in accounts payable and accrued expenses are principally due to Primoris taking advantage of discounts and early pay incentives due to its strong cash position. Primoris expects to continue this policy.

Investing Activities

Primoris purchased $8,592,000 and $190,000 of property and equipment in the three months ended March 31, 2008 and 2007, respectively, principally for its construction projects. Primoris believes the ownership of equipment is generally preferable to renting equipment on a project by project basis, as ownership helps to ensure the equipment is available as needed. In addition, such ownership has historically resulted in lower overall equipment costs. Primoris attempts to enter into contracts for projects that will keep its equipment utilized in order to increase profit. All equipment is subject to scheduled maintenance to insure reliability.

Major equipment not currently utilized is often rented to third parties to reduce overall equipment costs. Primoris also received proceeds of $168,000 and $36,000 from the sale of used equipment in the three months ended March 31, 2008 and 2007, respectively. Primoris periodically sells equipment, typically to update its fleet.

During the three months ended March 31, 2008, $566,000 was received in non-consolidated equity distributions of capital from the OMPP joint venture that commenced in third quarter of 2007.

Financing Activities

Financing activities required the use of $494,000 and $1,991,000 of cash during the three months ended March 31, 2008 and 2007, respectively. Significant transactions using cash flows from financing activities included:

$6,115,000 and $1,273,000 of cash distributions to stockholders during the three months ended March 31, 2008 and 2007, respectively. Primoris provided distributions to stockholders principally to allow them to pay their personal income tax liability stemming from the profits of Primoris; and

$1,454,000 and $718,000 in repayment of long-term debt during the three months ended March 31, 2008 and 2007, respectively, based on scheduled maturities of the debt.

Significant transactions providing cash flows from financing activities were proceeds from long-term borrowings of $7,075,000 during the three months ended March 31, 2008, principally to fund the acquisition of new construction equipment. Primoris intends to continue to fund the acquisition of equipment through borrowings rather than utilizing its cash balances because it believes this improves Primoris s overall liquidity position.

Years Ended December 31, 2007 and 2006

Primoris ended 2007 with a cash balance of $62,966,000 compared to a cash balance of $13,115,000 at the end of 2006. Cash flows during 2007 and 2006 are summarized as follows:

Cash Flow:	Year Ended December 31, 2007	2006
	(In Thousands)	
Net cash provided by (used in) operating activities	$ 67,684	$ (728)
Net cash (used in) investing activities	(591)	(2,700)
Net cash (used in) financing activities	(18,424)	(361)
Net change in cash	$ 48,669	$ (3,789)

Operating Activities

The $67,684,000 of cash provided by operating activities for 2007 consisted principally of net income of $27,134,000 plus depreciation and amortization of $4,779,000, increases in billings in excess of costs of

$26,512,000, accounts payable of $14,963,000, accrued expenses and other liabilities of $976,000, other long-term liabilities of $340,000, and a reduction in costs and estimated earnings in excess of billings of $3,402,000. Cash was partially offset by increases in restricted cash of $2,792,000, accounts receivable of $7,392,000, inventory and other current assets of $893,000, and other assets of $446,000.

The $728,000 of cash used in operating activities for 2006 consisted principally of net income of $13,200,000 plus depreciation and amortization of $5,248,000, increases in billings in excess of costs of $15,847,000, accounts payable of $8,282,000, accrued expenses and other liabilities of $382,000, other long-term liabilities of $227,000, and a reduction in costs and estimated earnings in excess of billings of $3,883,000, inventory of 206,000, other assets of $213,000 and restricted cash of $473,000. Cash was partially offset by increases in accounts receivable of $46,810,000.

The primary drivers of the increase in operating cash flows in 2007 compared to 2006 were the increase in net income, driven in large part by the increase in revenue and the increase in billings in excess of costs. The increases in net income and revenue are discussed in Results of Operations above. The increases in billings in excess of costs and the reduction in costs and estimated earnings in excess of billings are principally due to improved billing and collection procedures, the nature and type of projects and the general market environment.

As of December 31, 2007 and 2006, accounts receivable, net, represented 51.3% and 65.3% of total assets, respectively. The increase in accounts payable, accrued expenses accounts receivable, inventory and other assets are principally due to increased activity as demonstrated by the increase in revenue in 2007.

The increase in restricted cash is principally due to Primoris entering into power, water and wastewater contracts for larger dollar amounts in 2007, where Primoris s customers agreed to pay the earned contract retention into escrow with our bank, in lieu of retaining the cash until the end of the project.

The increase in other long-term liabilities is due to the purchase of new construction equipment that was financed, and the re-financing of the long-term debt which increased working capital.

Investing Activities

Primoris purchased $2,185,000 and $1,459,000 of property and equipment in 2007 and 2006, respectively, principally for its construction projects. Primoris also received $310,000 and $581,000 for the sale of used equipment in 2007 and 2006, respectively. During 2007, Primoris received $2,880,000 in non-consolidated equity distributions of capital from the OMPP joint venture and paid $414,000 for an earn-out related to the Born Heaters Canada acquisition. During 2006, Primoris paid $1,822,000 for earn-outs related to the prior acquisitions of Cardinal Contractors, Inc. and Born Heaters Canada.

Financing Activities

Financing activities required the use of $18,424,000 of cash during 2007 compared to $361,000 during 2006. Significant transactions using cash flows from financing activities included:

$16,807,000 and $2,180,000 of cash distributions to stockholders in 2007 and 2006, respectively;
$3,342,000 and $2,734,000 in repayment of long-term debt in 2007 and 2006, respectively; and
Repurchases of $1,065,000 and $1,230,000 of common stock in 2007 and 2006, respectively.
Significant transactions providing cash flows from financing activities included:

Proceeds from short-term borrowings of $1,221,000 in 2007; and
Proceeds from the issuance of common stock of $1,569,000 and $402,000 in 2007 and 2006, respectively.

Capital Requirements

Working capital at March 31, 2008, decreased $2,740,000, or 5.3%, to $48,730,000 from $51,470,000 at December 31, 2007. The decrease in working capital was driven by decreases in restricted cash, accounts receivable and prepaid expense and increases in billings in excess of costs and estimated earnings, distributions payable and current portion of long-term debt; partially offset by increases in cash and costs and estimated earnings in excess of billings and decreases in accounts payable, accrued expenses and other current liabilities.

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During the three months ended March 31, 2008 and the year ended December 31, 2007, the operations of Primoris provided cash of $13,473,000 and $67,684,000, respectively. While these are substantial cash inflows, $9,724,000 and $26,512,000 of these respective amounts represented billings in excess of costs and estimated earnings, meaning that Primoris received cash prior to performing the required work, and, if there is a general reduction in the amount of work being performed by Primoris, Primoris may experience decreases in cash as Primoris uses the cash paid in advance to complete the work to be performed.

Pursuant to the proposed merger between Rhapsody and Primoris, Primoris intends to distribute $48,947,000 to its stockholders prior to the closing of the merger with Rhapsody. Upon the completion of the merger, the cash balance of approximately $41,000,000 held by Rhapsody, less accrued expenses, deferred underwriting costs and any amounts

paid to Rhapsody stockholders who exercise their conversion rights as described elsewhere in the proxy statement/prospectus, will be available to be included in the working capital of the combined company.

Primoris believes that it will be able to support its ongoing working capital needs through cash on hand, operating cash flows and the availability under its existing credit facilities. In March 2007, Primoris entered into a revolving line of credit agreement payable to a bank group with an interest rate of prime or at LIBOR plus an applicable margin. The revolving line is secured by substantially all the assets of Primoris. Under the line of credit agreement, Primoris can borrow up to $30,000,000, and all amounts borrowed under the line of credit are due March 31, 2010.

The line of credit agreement contains substantial restrictive covenants, including, among others, restrictions on investments, minimum working capital and tangible net worth requirements. The material financial ratios and tests are as follows:

Primoris shall maintain a tangible net worth of $30,000,000 plus 25% of annual net income, beginning with the 2007 fiscal year.

Primoris shall maintain a ratio of total debt to tangible net worth of less than 1.75 to 1.00.

Primoris shall maintain a debt service coverage ratio in excess of 1.25 to 1.00.

Primoris was in compliance with all restrictive covenants during the three months ended March 31, 2008 and during 2007.

Contractual Obligations

As of March 31, 2008, Primoris had $33,120,000 of outstanding long-term debt and no short-term borrowings.

A summary of contractual obligations as of March 31, 2008 is as follows:

	Total	1 Year	2 3 Years	4 5 Years	After 5 Years
	(In Thousands)				
Long-term debt	$ 33,120	$ 6,418	$ 10,842	$ 11,096	$ 4,764
Interest on long-term debt[(1)]	5,694	1,850	2,533	1,219	92
Equipment operating leases	14,249	3,373	7,530	3,284	62
Equipment operating leases related parties	1,206	404	702		100
Real property leases	6,813	1,086	2,264	1,908	1,555
Real property leases related parties	5,235	706	1,528	1,367	1,634
	$ 66,317	$ 13,837	$ 25,399	$ 18,874	$ 8207
Stand-by letter of credit	$ 5,408	$ 1,658	$ 729	$ 3,021	

(1) Represents interest payments to be made on Primoris s fixed rate debt, which is described in note 12 to Primoris s annual financial statements included in this proxy statement/prospectus. All interest payments assume that principal payments are made as originally scheduled.

Primoris and its subsidiaries enter into agreements with banks for the banks to issue letters of credit to clients or potential clients for two separate purposes as follows:

Born Heaters Canada, a Primoris subsidiary, has entered into contracts for the performance of delivery of engineered equipment, which require letters of credit. These letters of credit may be drawn upon by the client in instances where Born Heaters Canada fails to provide the contracted services or equipment. Most of these letters of credit are for Canadian exports, and are guaranteed for 90% by Economic Development Bank of Canada against unfair calling. Insurance companies may from time to time require letters of credit to cover the risk of insurance deductible programs. These letters of credit can be drawn upon by the insurance company if Primoris fails to pay the deductible of certain insurance policies in case of a claim.

No liability is currently recorded on the consolidated balance sheets related to parental guarantees on behalf of its subsidiaries related to the outstanding letters of credit.

Total long-term debt increased in the three months ended March 31, 2008 by $5,621,000 from December 31, 2007, primarily due to financing the purchase of new equipment with long-term debt.

Off Balance Sheet Transactions

Other than letters of credit issued under our $30.0 million line of credit outlined in the table above, the equipment operating leases outlined in the table above, and our obligations under the surety and performance bonds described below, we do not have any other transactions, obligations or relationships that could be considered material off-balance sheet arrangements.

In the ordinary course of our business, on some of our projects, we are required by our customers to post surety bid or completion bonds in connection with services that we provide to them. As of March 31, 2008 and December 31, 2007, we had $375,000,000 and $427,500,000, respectively, in outstanding bonds, as noted in the notes to our financial statements.

Backlog

In the industries in which Primoris operates, backlog is considered an indicator of potential future performance because it represents a portion of the future revenue stream. Backlog consists of anticipated revenue from the uncompleted portions of existing contracts and contracts whose award is reasonably assured. Backlog is difficult to determine accurately and different companies within this industry may define backlog differently. Primoris refers to its estimated revenue on uncompleted contracts, including the amount of revenue on contracts on which work has not begun, minus the revenue Primoris has recognized under such backlog. Primoris calculates backlog differently for different types of contracts. For its fixed price contracts, Primoris includes the full remaining portion of the contract in its calculation of backlog. For unit-price, time-and-equipment, time-and-materials and cost-plus contracts, no projected revenue is included in the calculation of backlog, regardless of the durations of the contract.

Most contracts may be terminated by Primoris customers on short notice, typically 30 to 90 days, but sometimes less. Reductions in backlog due to cancellation by a customer or for other reasons could significantly reduce the revenue and profit Primoris actually receives from contracts in backlog. In the event of a project cancellation, Primoris may be reimbursed for certain costs but typically has no contractual right to the total revenues reflected in backlog. Projects may remain in backlog for extended periods of time. Given these factors and its method of calculating backlog, Primoris s backlog at any point in time may not accurately represent the revenue that Primoris expects to realize during any period. Additionally, Primoris s backlog as of the end of a year may not be indicative of the revenue Primoris expects to earn in the following year.

At December 31, 2007, Primoris s total backlog increased $189,912,000, or 69.5%, to $463,121,000 from $273,209,000 at December 31, 2006. Primoris expects that approximately $364,580,000 or about 79%, of its existing total backlog at December 31, 2007, will be recognized as revenue during 2008.

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The following table shows our backlog by operating segment as of December 31, 2007 and 2006:

	Year Ended December 31			
	2007		2006	
Segment:	Backlog	% of Total	Backlog	% of Total
	(Dollars in Thousands)			
Underground	$ 33,153	7.2 %	$ 51,626	18.9 %
Industrial	207,258	44.8	74,461	27.3
Structures	54,064	11.7	56,846	20.8
Engineering	110,175	23.8	42,985	15.7
Water and Wastewater	58,471	12.6	47,291	17.3
Total backlog	$ 463,121	100.0 %	$ 273,209	100.0 %

Recently Issued Accounting Pronouncements

In February 2007, the Financial Accounting Standards Board (FASB) issued SFAS No. 159, The Fair Value Option for Financial Assets and Financial Liabilities. This Statement permits entities to choose to measure many financial assets and financial liabilities at fair value. Unrealized gains and losses on items for which the fair value option has been elected are reported in earnings. SFAS No. 159 is effective for fiscal years beginning after November 15, 2007. Primoris adopted SFAS No. 159 as of January 1, 2008, and the adoption did not have a material effect on its financial statements.

In September 2006, the FASB issued SFAS No. 157, Fair Value Measures. This Statement defines fair value, establishes a framework for measuring fair value under GAAP, expands disclosures about fair value measurements, and applies under other accounting pronouncements that require or permit fair value measurements. SFAS No. 157 does not require any new fair value measurements. However, the FASB anticipates that for some entities, the application of SFAS No. 157 will change current practice. SFAS No. 157 is effective for financial statements issued for fiscal years beginning after November 15, 2007. Primoris has adopted SFAS No. 157 as of January 1, 2008, and the adoption did not have a material effect on its financial statements.

In December 2007, the FASB issued SFAS No. 141 (revised 2007), Business Combinations (SFAS No. 141R). SFAS No. 141R replaces SFAS No. 141, Business Combinations , although it retains the fundamental requirement in SFAS No. 141 that the acquisition method of accounting be used for all business combinations. SFAS No. 141R establishes principles and requirements for how the acquirer in a business combination (a) recognizes and measures the assets acquired, liabilities assumed and any noncontrolling interest in the acquiree, (b) recognizes and measures the goodwill acquired in a business combination or a gain from a bargain purchase and (c) determines what information to disclose regarding the business combination. SFAS No. 141R applies prospectively to business combinations for which the acquisition date is on or after January 1, 2009. Primoris is currently assessing the potential effect of SFAS No. 141R on its financial statements.

In December 2007, the FASB issued SFAS No. 160, Non-controlling Interests in Consolidated Financial Statements. SFAS No. 160 establishes accounting and reporting standards for the noncontrolling interest in a subsidiary, commonly referred to as minority interest. Among other matters, SFAS No. 160 requires (a) the noncontrolling interest to be reported within equity in the balance sheet and (b) the amount of consolidated net income attributable to the parent and to the noncontrolling interest to be clearly presented in the statement of income. SFAS No. 160 is effective for Primoris beginning January 1, 2009. SFAS No. 160 is to be applied prospectively, except for the

presentation and disclosure requirements, which are to be applied retrospectively for all periods presented. Primoris is currently assessing the potential effect of SFAS No. 160 on its financial statements.

In July 2006, the FASB issued Financial Interpretation Number (FIN) 48, Accounting for Uncertainty in Income Taxes an interpretation of SFAS No. 109. FIN 48 clarifies the accounting for uncertainty in income taxes recognized in an entity s financial statements in accordance with SFAS No. 109 and prescribes a recognition threshold and measurement attribute for financial statement disclosure of tax positions taken or expected to be taken on a tax return. Additionally, FIN 48 provides guidance on derecognition, classification, interest and penalties, accounting in interim periods, disclosure and transition. FIN 48 is effective for U.S.

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reporting companies for fiscal years beginning after December 15, 2006, with early adoption permitted. Primoris has adopted FIN 48 as of January 1, 2007, and the adoption did not have a material effect on its financial statements.

Effects of Inflation and Changing Prices

Primoris s operations are affected by increases in prices, whether caused by inflation or other economic factors. We attempt to recover anticipated increases in the cost of labor, equipment, fuel and materials through price escalation provisions in certain major contracts or by considering the estimated effect of such increases when bidding or pricing new work.

Quantitative and Qualitative Disclosures About Market Risk

The carrying amounts for cash and cash equivalents, accounts receivable, notes payable and accounts payable and accrued liabilities shown in the consolidated balance sheets approximate fair value at March 31, 2008 and December 31, 2007 due to the generally short maturities of these items. At December 31, 2007, Primoris invested primarily in short-term dollar denominated bank deposits. Primoris expects to hold its investments to maturity.

At March 31, 2008, all of Primoris s long-term debt was under fixed interest rates. In January 2008, Primoris paid off its $1,221,000 balance of borrowings under variable interest rate arrangements.

As of March 31, 2008, Primoris had one derivative financial instrument for the purpose of hedging future currency exchange in Canadian dollars. The contract enabled Primoris to purchase Canadian dollars before certain dates in 2008 at certain exchange rates. The fair value of this contract was $2,000,000 in U.S. dollars, and the related Canadian dollars sold were $2,004,000. This contract expires in June 2008. Management intends to continue to hedge foreign currency risks in those situations where it believes such transactions are prudent.

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COMPARISON OF RIGHTS OF RHAPSODY AND PRIMORIS STOCKHOLDERS

This section describes material differences between the rights of holders of our common stock and the rights of holders of Primoris capital stock. This summary is not intended to be a complete discussion of our certificate of incorporation and bylaws and the certificate of incorporation and bylaws of Primoris and is qualified in its entirety by reference to the applicable document and applicable Delaware law and Nevada law.

Rhapsody is organized under the law of the State of Delaware and Primoris is organized under the law of the State of Nevada. Upon completion of the merger, holders of Primoris capital stock will become holders of our capital stock and their rights will be governed by Delaware law and our certificate of incorporation and bylaws.

The following discussion summarizes material differences between the rights of our stockholders and the rights of Primoris stockholders under the respective certificates of incorporation and bylaws of Rhapsody and of Primoris. Copies of the governing corporate instruments are available without charge, to any person, including any beneficial owner to whom this proxy statement/prospectus is delivered, by following the instructions listed under the section entitled *Where You Can Find More Information.*

Rhapsody	Primoris
AUTHORIZED CAPITAL STOCK	
Authorized Shares. Rhapsody is authorized under its amended and restated certificate of incorporation to issue 15,000,000 shares of common stock, par value $0.0001 per share and 1,000,000 shares of preferred stock, par value $0.0001 per share. The authorized number of shares of common stock will increase to 60,000,000 if the charter amendment proposal is approved.	*Authorized Shares.* Primoris is authorized under its articles of incorporation to issue 250,000 shares of common stock, par value $0.001 per share.
Preferred Stock. Rhapsody s amended and restated certificate of incorporation provides that shares of preferred stock may be issued from time to time in one or more series by the board of directors. The board can fix voting powers, full or limited, and designations, preferences and relative, participating, option or other special rights and such qualifications, limitations or restrictions. No shares of preferred stock have been issued.	
CLASSIFICATION, NUMBER AND ELECTION OF DIRECTORS	
The Rhapsody board of directors is divided into three classes, with each class serving a staggered three-year term. Currently, Rhapsody s authorized number of directors shall be not less than one or more than nine, including one Class A director, two Class B directors, and one Class C director. The Class A director has a term expiring at the first special meeting of stockholders, the Class B directors have a term expiring at the second special meeting of stockholders, and the Class C director has a term expiring at the third special meeting of stockholders. The Rhapsody bylaws provide that its board of directors will consist of a number of directors to be fixed from time to time by a	The Primoris board members are elected each year at the special meeting of the stockholders. Currently, Primoris s authorized number of directors is eleven. Primoris s bylaws provide that its board of directors will consist of a number of directors to be fixed from time to time by a resolution duly adopted by a majority of the authorized members of Primoris s board of directors. Primoris s board of directors or stockholders have the power, in the interim between annual and special meetings of the stockholders, to increase or decrease the number of directors of Primoris.

resolution duly adopted by the Rhapsody board of directors.

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Rhapsody	Primoris

VACANCIES ON THE BOARD OF DIRECTORS AND REMOVAL OF DIRECTORS

Generally. Delaware law provides that if, at the time of filling of any vacancy or newly created directorship, the directors then in office constitute less than a majority of the authorized number of directors, the Delaware Court of Chancery may, upon application of any stockholder or stockholders holding at least 10% of the voting stock of the corporation then outstanding having the right to vote for such directors, order an election to be held to fill the vacancy or replace the directors selected by the directors then in office.

Under the Nevada Revised Statutes, if Primoris fails to elect directors within 18 months after the last election of directors at its special meeting, the district court has jurisdiction in equity, upon application of any one or more stockholders holding stock entitling him or her to exercise at least 15% of the voting power, to order the election of directors in accordance with the Nevada Revised Statutes.

Rhapsody	Primoris
Newly created directorships and vacancies on the board of directors of Rhapsody resulting from death, resignation, disqualification, removal or other causes may be filled by a majority of the directors then in office, although less than a quorum, or by a sole remaining director.	Primoris s bylaws provide that a vacancy on the board exists in case of the death, resignation or removal of any director, if a director has been declared of unsound mind by order of court or convicted of a felony, if the authorized number of directors is increased or if the stockholders fail at any annual or special meeting of the stockholder at which one or more directors are to be elected to elect the full authorized number of directors to be voted for at that meeting. Any vacancy may be filled by a majority of the remaining directors, though less than a quorum, or by a sole remaining director, at any regular meeting or special meeting of the board called for that purpose, except that whenever the stockholders of any class or classes or series are entitled to elect one or more directors by the articles of incorporation of Primoris, vacancies and newly created directorships of such class or classes or series may be filled by a majority of the directors elected by such class or classes or series thereof then in office, or by a sole remaining director so elected.
Rhapsody s bylaws provide that the entire board of directors or any individual director may be removed from office with or without cause by a majority vote of the holders of the outstanding shares then entitled to vote at an election of directors.	Primoris s bylaws provide that one or more or all of the directors of Primoris may be removed with or without cause at any time by a vote of two-thirds of the stockholders entitled to vote thereon, at a special meeting of the stockholders called for that purpose. If a director was elected by a voting group of shareholders, then only the shareholders of that voting group may participate in the vote to remove that director.

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Rhapsody	Primoris
COMMITTEES OF THE BOARD OF DIRECTORS	
Rhapsody s board of directors may, by resolution passed by a majority of the whole board, designate one or more committees, each committee to consist of one or more members of the board. Any such committee shall have and may exercise all the powers and authority of the board of directors in the management of the business and affairs of Rhapsody, except: (i) the power to amend the certificate of incorporation; (ii) the power to adopt an agreement of merger or consolidation, (iii) recommend to stockholders the sale, lease or exchange of all or substantially all of Rhapsody s property and assets, (iv) recommend to stockholders a dissolution of Rhapsody or a revocation of a dissolution; and (v) the power to amend the bylaws. There is currently no sitting committee.	Primoris s board of directors may, by a majority of the authorized number of directors, designate an executive committee and any other committees, each consisting of two or more directors, to serve at the pleasure of the board. Any committee of the board will have all authority of the board, except as may be limited by a resolution of the board, and except with respect to: (i) the approval of any action for which the Nevada Revised Statutes or the articles of incorporation also require stockholder approval; (ii) the filling of vacancies on the board or in any committee; (iii) the fixing of compensation of the directors for serving on the board or on any committee; (iv) the amendment or repeal of the bylaws or the adoption of new bylaws; (v) the amendment or repeal of any resolution of the board; (vi) any distribution to the stockholders, except at a rate or in a periodic amount or within a price range determined by the board; and (vii) the appointment of other committees of the board or the members of those committees.

AMENDMENTS TO THE CERTIFICATE OF INCORPORATION

General. Under Delaware law, an amendment to the certificate of incorporation of a corporation generally requires the approval of the corporation s board of directors and the approval of the holders of a majority of the outstanding stock entitled to vote upon the proposed amendment (unless a higher vote is required by the corporation s certificate of incorporation).

Under Nevada law, in general the board of directors must adopt a resolution setting forth the proposed amendment and either call a special meeting of the stockholders to adopt such amendment or direct that the amendment be considered at the next special meeting of the stockholders.

Rhapsody	Primoris
Rhapsody s certificate of incorporation may be amended in accordance with the general provisions of Delaware law. However, Article Sixth of Rhapsody s certificate of incorporation, which relates to termination of our existence on October 8, 2008, and Article Seventh of Rhapsody s certificate of incorporation, which applies to certain matters in the period prior to Rhapsody accomplishing a business combination or its termination, as applicable, may not be amended prior to the consummation of a business combination (any acquisition by Rhapsody, whether by merger, capital stock exchange, asset or stock acquisition or other similar type of transaction, of an operating business).	Primoris s articles of incorporation may be amended in accordance with the Nevada Revised Statutes. In general, at the stockholder meeting, after being given due notice, stockholders holding shares entitling them to exercise at least a majority of the voting power may approve an amendment, which amendment would then be filed with the Nevada Secretary of State.

AMENDMENTS TO BYLAWS

General. Under Delaware law, stockholders entitled to vote have the power to adopt, amend or repeal bylaws. In addition, a corporation may, in its certificate of incorporation, confer this power on the board of directors. The stockholders always have the power to adopt, amend or repeal the bylaws, even though the board of directors may also be delegated the power.

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Rhapsody	Primoris
Under Nevada law, unless otherwise prohibited by the bylaws adopted by the stockholders, the directors may create the bylaws of the corporation, and they may also adopt, amend or repeal any bylaw, including any bylaw adopted by the stockholders. The articles of incorporation may also grant the authority to adopt, amend or repeal bylaws exclusively to the directors.	
Rhapsody s bylaws provide that the bylaws may be amended by stockholders entitled to vote thereon at any regular or special meeting. The bylaws may also be amended by the Rhapsody board of directors if such power is conferred via the certificate of incorporation. Rhapsody s certificate of incorporation expressly confers this power.	Primoris s bylaws provide that they may be amended or repealed, or new bylaws may be adopted, by a majority of the outstanding shares at a meeting of the stockholders or by unanimous written consent of the stockholders entitled to vote thereon.Subject to the above noted right of the stockholders, the board of Primoris may amend or repeal the bylaws or adopt new bylaws. This power of the board may not be delegated to a committee appointed by the board.

ABILITY TO CALL SPECIAL MEETINGS OF STOCKHOLDERS

Rhapsody	Primoris
Special meetings of the Rhapsody stockholders may be called for any purpose by a majority of the entire board of directors, or the chief executive officer or the chairman of Rhapsody, and shall be called by the secretary at the request in writing of stockholders owning a majority of Rhapsody s capital stock issued and outstanding and entitled to vote.	A special meeting of Primoris s stockholders, for any purpose permitted under the Nevada Revised Statutes, the articles of incorporation of Primoris and any certificate of designation for any preferred stock, may be called at any time by the board or the chairman of the board, if any, or the chief executive officer, if any, or the president.

PROCEDURES FOR STOCKHOLDER PROPOSALS AT STOCKHOLDER MEETINGS

Rhapsody	Primoris
Pursuant to Rhapsody s bylaws, at special meetings of the stockholders only such business shall be conducted as has been properly brought before the meeting. To be properly brought before a special meeting, business must be: (i) specified in the notice of the special meeting given by or at the direction of the board of directors; (ii) otherwise brought before the meeting by or at the direction of the board of directors; or (iii) otherwise properly brought before the meeting by a stockholder who has given timely notice in writing to the secretary of the meeting.	Pursuant to Primoris s bylaws, at a special meeting of the stockholders, directors will be elected, reports of the affairs of Primoris are to be considered and only such business as has been properly brought before the special meeting by the following shall be conducted: (i) by or at the direction of the board or (ii) by any stockholder who is entitled to vote and who has complied with the notice procedures setforth in the bylaws.
To be timely, a stockholder s notice must be received at the corporation s principal executive offices not less than 60 days nor more than 90 days prior to the meeting; provided, however, that in the event that less than 70 days notice or prior public disclosure of the date of the special meeting is given or made to stockholders, notice by a stockholder, to be timely,	For a stockholder to properly bring business before a special meeting of the stockholders, the stockholder must have given timely notice in writing to the secretary of Primoris. For such notice to be timely, it must be delivered or mailed by first class mail, postage pre-paid, to the secretary of Primoris no less than 90 days prior to the special

must be received no later than the close of business on the 10th day following the day on which such notice of the date of the special meeting was mailed or such public disclosure was made, whichever first occurs.	meeting.

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Rhapsody	Primoris
A stockholder s notice to the secretary shall set forth (a) the following information as to each matter the stockholder proposes to bring before the special meeting: (i) a brief description of the business desired to be brought before the special meeting and the reasons for conducting such business at the special meeting; and (ii) any material interest of the stockholder in such business, and (b) as to the stockholder giving the notice, (i) the name and record address of the stockholder proposing such business; (ii) the class, series and number of shares of capital stock of Rhapsody which are beneficially owned by the stockholder. Nominations of persons for election to the Rhapsody board of directors may be made at a meeting of stockholders by or at the direction of the board of directors, or by any stockholder of the corporation entitled to vote in the election of directors at the meeting who complies with certain notice procedures. Such nominations made by stockholders shall be made by timely notice (same requirements as notice of proposed business to be conducted at a special meeting) in writing to the secretary of the corporation. Timely notice shall set forth as to each person whom the stockholder proposes to nominate for election or re-election of a director, (i) the name, age, business address and residence address of such person; (ii) the principal occupation or employment of such person; (iii) the class and number of shares of the corporation which are beneficially owned by such person; and (iv) any other information relating to such person that is required to be disclosed in solicitations of proxies for election of directors, or is otherwise required, in each case pursuant to Section 14A under the Exchange Act.	A stockholder s notice to the secretary shall set forth as to each matter to be brought before the meeting: (i) a brief description of the business desired to be brought before the special meeting and the reasons for conducting such business at the special meeting; (ii) the name and address, as they appear on the books of Primoris of the proposing stockholder; (iii) the class and number of shares of capital stock beneficially owned by such stockholder; and (iv) any material interest of such stockholder in such business. No business shall be brought before a special meeting of the stockholders by a stockholder except in accordance with the foregoing provisions. The officer of Primoris or any other person presiding over the special meeting shall, if the facts so warrant, determine that business was not properly brought before the special meeting in accordance with the provisions of the bylaws and any such improperly brought items of business will not be transacted at the special meeting. Except as may be provided in the articles of incorporation of Primoris or its bylaws, only such business as has been brought before the meeting by the direction of the board of directors will be conducted at any special meeting of the stockholders.

INDEMNIFICATION OF DIRECTORS AND OFFICERS

General. Under Delaware law, a corporation may generally indemnify directors, officers, employees and agents in connection with any proceeding (other than an action by or in the right of the corporation) for actions taken in good faith and in a manner they reasonably believed to be in, or not opposed to, the best

interests of the corporation; and with respect to any criminal proceeding, if they had no reasonable cause to believe that their conduct was unlawful. In addition, Delaware law provides that a corporation may advance to a director or officer expenses incurred in defending any action upon receipt of an undertaking by the director or officer to repay the amount advanced if it is ultimately determined that he or she is not entitled to indemnification.

Under Nevada law, a corporation may generally indemnify directors, officers, employees and agents in connection with any proceeding (other than an action by or in the right of the corporation) if such person is found not liable pursuant to Section 78.138 of the Nevada Revised Statutes, the actions taken were in good faith and in a manner which such person reasonably believed to be in, or not opposed to, the best interests of the corporation, or with respect to any criminal proceeding, if such person had no reasonable cause to believe that their conduct was unlawful.

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Rhapsody	Primoris
Additionally, a corporation may generally indemnify directors, officers, employees and agents in connection with an action by or in the right of the corporation if such person is found not liable pursuant to Section 78.138 of the Nevada Revised Statutes or the actions taken was in good faith and in a manner whereby they reasonably believed to be in, or not opposed to, the best interests of the corporation.	

If a party is successful on the merits or otherwise in defense of an action noted above, the corporation will be required to indemnify such individual against any expenses incurred by such person in connection with the defense of the action.Discretionary indemnification by the corporation, as noted above, will only be made if a proper determination is made by the stockholders, board of directors or legal counsel, as applicable.

In addition, Nevada law provides that the articles of incorporation, bylaws or other agreement made by a corporation may provide for the advancement to a director or officer of expenses incurred in defending any action upon receipt of an undertaking by the director or officer to repay the amount advanced if it is ultimately determined that he or she is not entitled to indemnification.

Insofar as indemnification for liabilities arising under the Securities Act may be permitted to directors, officers or persons controlling a company pursuant to the indemnification provisions described in this proxy statement/prospectus, Rhapsody and Primoris have been informed that in the opinion of the SEC such indemnification is against public policy as expressed in the Securities Act and is therefore unenforceable.

Rhapsody	Primoris
Rhapsody s bylaws provide that Rhapsody shall indemnify any person who was or is a party or threatened to be made a party to any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative by reason of the fact that he is or was a director, officer, employee or agent of Rhapsody, or is or was servicing at the request of Rhapsody as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise, if he acted in good faith and in a manner he reasonably believed to be in or not opposed to the best interests of Rhapsody, and, with respect to any criminal action or proceeding, had no reasonable cause to believe his conduct was unlawful.	Primoris s bylaws provide that Primoris must indemnify any person who was or is a party or threatened to be made a party to any action, suit or proceeding, whether civil, criminal, administrative or investigative by reason of the fact that he or she is or was a director, officer, employee or agent of Primoris, or is or was serving at the request of Primoris as a director, officer, member, manager, employee or agent of another corporation, partnership, limited liability company, joint venture, trust or other enterprise, to the fullest extent permitted by the laws of the state of Nevada against all costs, charges, expenses, liabilities and losses reasonably incurred or suffered by such person in connection therewith. Indemnification continues as to a person who cease to be a director, officer,

Rhapsody s bylaws further provide that any indemnification shall be made by Rhapsody only as authorized in the specific case upon a determination that indemnification of the director, officer, employee or agent is proper in the circumstances because he has met the applicable standard of conduct set forth in such section. Such determination shall be made:
(i) by the board of directors by a majority vote of a quorum consisting of directors who were not parties to such action, suit or proceeding; (ii) if such quorum is not obtainable, or, even if obtainable a quorum of disinterested directors so directs, by independent legal counsel in a written opinion, or (iii) by stockholders.

employee or agent of Primoris, or who servedin any other capacity on behalf of Primoris.

Primoris s bylaws further provide that Primoris will advance the costs of expenses incurred by a director or officer in defending against any such proceeding, provided, however, that such indemnified party, if Nevada law so requires, be first required to provide to Primoris an undertaking by or on behalf of such person to repay such amounts so advanced to Primoris. In no event will Primoris be required to pay any amounts where a director or officer was engaged in any action or activity known by such person to be unlawful or in any action or activity constituting willful misfeasance, bad faith, gross negligence or reckless disregard of such person s duties and obligations to Primoris and its stockholders.

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Rhapsody

Rhapsody s bylaws and certificate of incorporation provide that no director or officer of Rhapsody shall be personally liable to Rhapsody or to any stockholder for monetary damages for breach of fiduciary duty as a director or officer. However, liability of an officer or director shall not be limited (i) for any breach of the director s or the officer s duty of loyalty to Rhapsody or its stockholders, (ii) for acts or omissions not in good faith or which involve intentional misconduct or a knowing violation of law,
(iii) under Section 174 of the DGCL, or (iv) for any transaction from which the director or officer derived an improper personal benefit.

Rhapsody s certificate of incorporation further provides that Rhapsody, to the fullest extent permitted by Section 145 of the DGCL, shall indemnify all persons whom it may indemnify pursuant thereto.

Rhapsody s bylaws provide that Rhapsody shall have the power to purchase and maintain insurance on behalf of any person who is or was a director, officer, employee or agent of Rhapsody, or is or was serving at the request of Rhapsody as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise

Primoris

Primoris s bylaws also provide that if a party entitled to indemnification as provided above is not paid fully by Primoris within 30 days after Primoris has received a written claim for payment, then such party is entitled to bring suit against Primoris to recover the unpaid amount of the claim, and, if successful, such party may also recover the expenses incurred in prosecuting such claim.

The right to indemnification and the payment of expenses incurred in defending a proceeding in advance of its final disposition as provided in Primoris s bylaws is not exclusive of any other right that any person may have or acquire under any statute, provision of the articles of incorporation, the bylaws, other agreements, or vote of the stockholders or vote of the disinterested directors or otherwise.

Primoris s bylaws also state that Primoris may maintain insurance, at its expense, to protect itself and any director, officer, member, manager, employee or agent of Primoris or of another corporation, partnership, limited liability company, joint venture, trust or other enterprise against any expense, liability or loss, whether or not Primoris would have the power to indemnify such person against such expense, liability or loss under Nevada

against any liability asserted against him and incurred by him in any such capacity, or arising out of his status as such, whether or not Rhapsody would have the power to indemnify him against such liability of the provisions of its bylaws.

law.

Any director, officer, employee or agent of Primoris, if by reason of such position with Primoris or a position with another entity at the request of Primoris, is required to serve as a witness in any action, then such person will be indemnified against all costs and expenses actually and reasonably incurred in connection therewith. Primoris s bylaws further provide that Primoris may enter into indemnity agreements with board members, officers, employees and agents of Primoris as theBoard may designate.

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BENEFICIAL OWNERSHIP OF SECURITIES

Security Ownership of Certain Beneficial Owners and Management of Rhapsody

The following table sets forth information regarding the beneficial ownership of our common stock as of May 27, 2008 and immediately following consummation of the merger by:

each person known by us to be the beneficial owner of more than 5% of our outstanding shares of common stock either on May 27, 2008 or after the consummation of the merger;

each of our current executive officers and directors;

each person who will become a director upon consummation of the merger;

all of our current executive officers and directors as a group; and

all of our executive officers and directors as a group after the consummation of the merger.

At any time prior to the special meeting, during a period when they are not then aware of any material nonpublic information regarding Rhapsody or its securities, the Rhapsody Inside Stockholders, and/or their affiliates, may enter into a written plan to purchase Rhapsody securities pursuant to Rule 10b5-1 of the Exchange Act, and may engage in other public market purchases, as well as private purchases, of securities at anytime prior to the special meeting of stockholders. The ownership percentages listed below do not include any such shares that may be purchased after May 27, 2008.

At any time prior to the special meeting, during a period when they are not then aware of any material nonpublic information regarding Rhapsody or its securities, Rhapsody, the Rhapsody Inside Stockholders, Primoris or Primoris s stockholders and/or their respective affiliates may purchase shares from institutional and other investors, or execute agreements to purchase such shares from them in the future, or enter into transactions with such persons and others to provide them with incentives to acquire shares of Rhapsody s common stock or vote their shares in favor of the merger proposal. The purpose of such share purchases and other transactions would be to increase the likelihood of satisfaction of the requirements that the holders of a majority of the Public Shares cast on the merger proposal vote in its favor and that holders of fewer than 20% of the Public Shares vote against the merger proposal and demand conversion of their Public Shares into cash where it appears that such requirements would otherwise not be met. While the exact nature of any such incentives has not been determined as of the date of this proxy statement/prospectus, they might include, without limitation, arrangements to protect such investors or holders against potential loss in value of

their shares, including the granting of put options, the transfer to such investors or holders of shares or warrants owned by the Rhapsody Inside Stockholders for nominal value and the grant to such investors and holders of rights to nominate directors of Rhapsody. However, Rhapsody will not enter into any such arrangement prior to the closing of the merger that requires it to purchase Public Shares, either prior to or after the consummation of the merger, and no funds in its trust account will be used to make such purchases or to fund other such arrangements.

Entering into any such arrangements may have a depressive effect on our stock. For example, as a result of these arrangements, an investor or holder may have the ability to effectively purchase shares at a price lower than market and may therefore be more likely to sell the shares he owns, either prior to or immediately after the special meeting.

If such transactions are effected, the consequence could be to cause the merger to be approved in circumstances where such approval could not otherwise be obtained. Purchases of shares by the persons described above would allow them to exert more influence over the approval of the merger proposal and other proposals and would likely increase the chances that such proposals would be approved. Moreover, any such purchases may make it less likely that the holders of 20% or more of the Public Shares will vote against the acquisition proposal and exercise their conversion shares.

As of the date of this proxy statement/prospectus, there have been no such discussions and no agreements to such effect have been entered into with any such investor or holder. Rhapsody will file a Current Report on Form 8-K to disclose arrangements entered into or significant purchases made by any of the aforementioned

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persons that would affect the vote on the merger and charter amendment proposals or the conversion threshold. Any such report will include descriptions of any arrangements entered into or significant purchases by any of the aforementioned persons.

	Beneficial Ownership of Our Common Stock on May 27, 2008		Beneficial Ownership of Our Common Stock After the Consummation of the Merger	
Name and Address of Beneficial Owner[1]	Number of Shares	Percent of Class	Number of Shares	Percent of Class
Eric S. Rosenfeld	871,840 [2]	13.8 %	1,735,476 [3]	5.6 %
Arnaud Ajdler	50,632	*	50,632	*
Leonard B. Schlemm[4]	40,632 [5]	*	108,814 [6]	*
Jon Bauer[7]	40,632 [5]	*	108,814 [6]	*
Colin D. Watson[8]	40,632 [5]	*	108,814 [6]	*
Millennium Management, L.L.C.[9]	627,500 [10]	9.9 %	1,523,637 [11]	4.9 %
Fir Tree, Inc.[12]	600,125 [13]	9.5 %	600,125	1.9 %
Dorset Management Corporation[14]	385,000 [15]	6.1 %	385,000	1.3 %
D.B. Zwirn & Co., L.P.[16]	323,500 [17]	5.1 %	323,500	1.1 %
QVT Financial LP[18]	554,462 [19]	8.8 %	554,462	1.8 %
Brian Pratt[20]	0	0.0 %	14,153,400 [21]	46.6 %
John P. Schauerman[22]	0	0.0 %	1,161,000	3.8 %
Peter J. Moerbeek[23]	0	0.0 %	0	0 %
Stephen C. Cook[24]	0	0.0 %	0	0 %
David D. Sgro	20,000	*	20,000	*

John M. Perisich[25]	0	0 %	108,000	*
Alfons Theeuwes[26]	0	0 %	351,000	1.2 %
Thomas E. Tucker[27]	0	0 %	0	0 %
Arline Pratt[28]	0	0 %	2,516,400 [29]	8.3 %
All Current Directors And Executive Officers As A Group (6 Individuals)	1,064,368 [30]	16.9 %	2,132,550 [31]	6.8 %
All Post-Merger Directors And Executive Officers As A Group (9) Individuals)	891,840 [32]	14.2 %	17,528,876 [33]	56.1 %

* Less than 1%.

(1) Unless otherwise indicated, the business address of each of the individuals is 825 Third Avenue, 40th Floor, New York, New York 10022.

(2) Includes 106,840 shares of common stock held by the Rosenfeld 1991 Children s Trust, of which Mr. Rosenfeld s wife is the sole trustee. Does not include 863,636 shares of common stock issuable upon exercise of warrants held by Mr. Rosenfeld that are not exercisable and will not become exercisable within 60 days.

(3) Includes the shares in footnote 2 above as well as the 863,636 shares of common stock issuable upon exercise of warrants that will become exercisable upon consummation of the merger.

(4) The business address of Mr. Schlemm is c/o The Atwater Club, 3505 Avenue Atwater, Montreal, Quebec H3W 1Y2.

(5) Does not include 68,182 shares of common stock issuable upon exercise of warrants held by such individual that are not exercisable and will not become exercisable within 60 days.

(6) Includes the shares in footnote 5 above as well as the 68,182 shares of common stock issuable upon exercise of warrants that will become exercisable upon consummation of the merger.

(7) The business address of Mr. Bauer is 411 W. Putnam Ave., Ste 225, Greenwich, Connecticut 06830.

(8) The business address of Mr. Watson is 72 Chestnut Park Rd., Toronto, Ontario, M4W 1W8.

(9) The business address of Millennium Management, L.L.C. is 666 Fifth Avenue, New York, New York 10103.

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(10) Represents 627,500 shares of common stock held by Millenco, L.L.C. Does not include 896,137 shares of common stock issuable upon exercise of warrants held by Millenco, L.L.C. that are not exercisable and will not become exercisable within 60 days. Millennium Management, L.L.C. is the manager of Millenco, L.L.C. Israel A. Englander is the managing member of Millennium Management. The foregoing information was derived from a Schedule 13G/A filed with the SEC on February 7, 2008.

(11) Includes the shares in footnote 10 above as well as the 896,137 shares of common stock issuable upon exercise of warrants that will become exercisable upon consummation of the merger.

(12) The business address of Fir Tree, Inc. is 505 Fifth Avenue, 23rd Floor, New York, New York 10017.

(13) Represents (i) 531,405 shares of common stock held by Sapling, LLC and (ii) 68,720 shares of common stock held by Fir Tree Recovery Master Fund, L.P. Fir Tree, Inc. is the investment manager of both entities. Jeff Tannenbaum is the president of each of Fir Tree, Inc. and Fir Tree Recovery Master Fund, L.P. The foregoing information was derived from a Schedule 13G/A filed with the SEC on February 14, 2008.

(14) The business address of Dorset Management Corporation is 485 Underhill Boulevard, Suite 205, Syosset, New York 11791.

(15) Represents shares beneficially held by David M. Knott and Dorset Management Corporation, as reported in a Schedule 13G/A filed with the SEC on February 14, 2007.

(16) The business address of D.B. Zwirn & Co., L.P. is 745 Fifth Avenue, 18th Floor, New York, New York 10151.

(17) Represents (i) 130,321 shares of common stock owned by D.B. Zwirn Opportunities Fund, L.P. and (ii) 193,179 shares of common stock owned by D.B. Zwirn Special Opportunities Fund, Ltd. D.B. Zwirn & Co., L.P. is the manager of the funds. The foregoing information was derived from a Schedule 13G/A

filed with the SEC on February 5, 2008.

(18) The business address of QVT Financial LP is 1177 Avenue of the Americas, 9th Floor, New York, New York 10036.

(19) Represents (i) 471,207 shares of common stock owned by QVT Fund LP, (ii) 51,751 shares of common stock owned by Quintessence Fund L.P. and (iii) 31,504 shares held by Deutsche Bank AG. QVT Financial LP is the investment manager of each of these funds. The foregoing information was derived from a Schedule 13G/A filed with the SEC on February 7, 2008.

(20) The business address of Mr. Pratt is 26000 Commercentre Drive, Lake Forest, California 92630.

(21) Represents that number of shares that are owned by Mr. Pratt in his name and those shares owned by Barbara Pratt, Mr. Pratt s spouse. In addition, Mr. Pratt, with the revocable proxies that are anticipated to be granted to him, will beneficially own and have the power to vote approximately 22,680,000 shares of common stock.

(22) The business address of Mr. Schauerman is 26000 Commercentre Drive, Lake Forest, California 92630.

(23) The business address of Mr. Moerbeek is 10913 Metronome Drive, Houston, Texas 77043.

(24) The business address of Mr. Cook is 3120 Southwest Freeway, #615, Houston, Texas 77098.

(25) The business address of Mr. Perisich is 26000 Commercentre Drive, Lake Forest, California 92630.

(26) The business address of Mr. Theeuwes is 26000 Commercentre Drive, Lake Forest, California 92630.

(27) The business address of Mr. Tucker is 3 Upper Newport Plaza Drive, Newport Beach, California 92660.

(28) The business address of Ms. Pratt is 402 Fairway Drive, Bakersfield, California 93309.

(29) Represents 2,208,600 shares of common stock held by the Pratt Family Trust, of which Ms. Pratt is the sole trustee and 307,800 shares of common stock held by the Pratt Family Bypass Trust, of which Ms. Pratt is the sole trustee.

(30) Does not include 1,068,182 shares of common stock issuable upon exercise of warrants held by such individuals that are not exercisable and will not become exercisable within 60 days.

(31) Includes the shares in footnote 27 above as well as the 1,068,182 shares of common stock issuable upon exercise of warrants that will become exercisable upon consummation of the merger.

(32) Does not include 863,636 shares of common stock issuable upon exercise of warrants held by such individuals that are not exercisable and will not become exercisable within 60 days.

(33) Includes the shares in footnote 29 above as well as the 863,636 shares of common stock issuable upon exercise of warrants that will become exercisable upon consummation of the merger.

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All 1,125,000 shares of our outstanding common stock owned by our stockholders prior to our initial public offering have been placed in escrow with Continental Stock Transfer & Trust Company, as escrow agent, pursuant to an escrow agreement described below under the section entitled *Certain Relationships and Related Person Transactions Rhapsody Related Person Transactions.*

Security Ownership of Certain Beneficial Owners and Management of Primoris

As of , 2008, the record date for the Primoris special meeting, a total of 4,368 shares of Primoris common stock were outstanding. Immediately after the proposed merger of Primoris and Rhapsody, it is anticipated that 30,394,800 shares of common stock of Rhapsody will be outstanding. The following table sets forth the beneficial ownership of Primoris s common stock and beneficial ownership of Rhapsody, respectively as of , 2008 and as of the anticipated closing date, held by or that will be held by the key personnel and affiliates of Primoris.

Except as described in the footnotes to the table, beneficial ownership is determined in accordance with Rule 13d-3 promulgated by the SEC under the Exchange Act, and generally includes voting or investment power with respect to

securities. Except as indicated below, Rhapsody believes that each holder possesses sole voting and investment power with respect to all of the shares of the common stock owned by that holder, subject to community property laws where applicable. In computing the number of shares beneficially owned by a holder and the percentage ownership of that holder, shares of common stock subject to options and warrants underlying convertible securities held by that holder that are currently exercisable or convertible or are exercisable or convertible within the 60 days after the date of the table, as applicable, are deemed outstanding. Those shares, however, are not deemed outstanding for the purpose of computing the percentage ownership of any other person or group. The inclusion of shares in this table as beneficially owned is not an admission of beneficial ownership. The table does not include any Primoris or Rhapsody shares purchased or otherwise acquired after , 2008.

Name of Beneficial Owner	Amount and Nature of Beneficial Ownership (Primoris Pre-merger)		Amount and Nature of Beneficial Ownership (Rhapsody Post-merger)		Percentage of Outstanding Shares (Rhapsody Post-merger)	
Brian Pratt	2,621	(1)	14,153,400	(2)(3)	46.6	%
Scott E. Summers	227		1,225,800	(4)	4.0	%
John P. Schauerman	215		1,161,000		3.8	%
Timothy R. Healy	87		469,800		1.5	%
Alfons Theeuwes	65		351,000		1.2	%
David A. Baker	30		162,000		*	
John M. Perisich	20		108,000		*	
William J. McDevitt	15		81,000	(5)	*	
Mark A. Thurman	9		48,000		*	
Arline Pratt as trustee of Pratt Family Trust	409		2,208,600		7.3	%
Arline Pratt as trustee of Pratt Family Bypass Trust	57		307,800		1.0	%
Barbara Pratt (spouse of Brian Pratt)	15		81,000		0.3	%

(1) Includes 15 shares held in the name of Barbara Pratt, Mr. Pratt s spouse.

(2) Includes 81,000 shares held in the name of Barbara Pratt, Mr. Pratt s spouse.

(3) With the revocable proxies that are anticipated to be granted to Mr. Pratt, upon the consummation of the merger, he will beneficially own and have the power to vote approximately 22,680,000 shares of common stock.

(4) Includes 1,225,800 shares held by the Summers Trust, of which Mr. Summers is the trustee

(5) Includes 81,000 shares held by the William and Carolyn McDevitt Revocable Trust, of which Mr. McDevitt is the trustee.

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CERTAIN RELATIONSHIPS AND RELATED PERSON TRANSACTIONS

Code of Ethics and Related Person Policy

Our written Code of Ethics requires us to avoid, wherever possible, all related person transactions that could result in actual or potential conflicts of interest, except under guidelines approved by our board of directors (or the audit committee). SEC rules generally define related person transactions as transactions in which (1) the aggregate amount involved will or may be expected to exceed $120,000 in any calendar year, (2) we or any of our subsidiaries is a participant, and (3) any (a) executive officer, director or nominee for election as a director, (b) greater than 5 percent beneficial owner of our common stock, or (c) immediate family member, of the persons referred to in clauses (a) and (b), has or will have a direct or indirect material interest (other than solely as a result of being a director or a less than 10% beneficial owner of another entity). A conflict of interest situation can arise when a person takes actions or has interests that may make it difficult to perform his or her work objectively and effectively. Conflicts of interest may also arise if a person, or a member of his or her family, receives improper personal benefits as a result of his or her position.

Our audit committee, upon its formation upon consummation of the merger, pursuant to its written charter, will be responsible for reviewing and approving related person transactions to the extent we enter into such transactions. The audit committee will consider all relevant factors when determining whether to approve a related person transaction, including whether the related person transaction is on terms no less favorable than terms generally available to an unaffiliated third-party under the same or similar circumstances and the extent of the related person s interest in the transaction. No director may participate in the approval of any transaction in which he is a related person, but that director is required to provide the audit committee with all material information concerning the transaction. Additionally, we require each of our directors and executive officers to complete a directors and officers questionnaire annually that elicits information about related person transactions. These written policies and procedures are intended to determine whether any such related person transaction impairs the independence of a director or presents a conflict of interest on the part of a director, employee or officer.

Rhapsody Related Person Transactions

Prior Issuances

In April 2006, we issued 1,125,000 shares of our common stock to the individuals set forth below for approximately $25,000 in cash, at an average purchase price of approximately $0.02 per share, as follows:

Name	Number of Shares	Relationship to Us
Eric S. Rosenfeld	765,000	Chairman of the Board, Chief Executive Officer and President
Rosenfeld 1991 Children s Trust	106,840	Trustee is wife of Chairman of the Board, Chief Executive Officer and President
Arnaud Ajdler	50,632	Director
Leonard B. Schlemm	40,632	Director
Jon Bauer	40,632	Director
Colin D. Watson	40,632	Director
David D. Sgro, CFA	20,000	Chief Financial Officer
Gregory R. Monahan	20,000	Stockholder

Inside Stockholder Escrow

These shares are being held in escrow with Continental Stock Transfer & Trust Company, as escrow agent, pursuant to an escrow agreement, until one year after our consummation of a business combination. These shares may be released from escrow earlier than this date if, after we ve consummated a business combination, we consummate a subsequent liquidation, merger, stock exchange or other similar transaction which results in all of our stockholders having the right to exchange their shares of common stock for cash, securities or other property. During the escrow period, these shares cannot be sold, but the holders of these shares will retain all other rights as stockholders, including, without limitation, the right to vote their shares of

common stock and the right to receive cash dividends, if declared. If dividends are declared and payable in shares of common stock, such dividends will also be placed in escrow. If we are unable to effect a business combination and liquidate, none of the holders of these shares will receive any portion of the liquidation proceeds with respect to common stock owned by them prior to our initial public offering.

Initial Stockholder Warrant Purchase

In connection with the closing of our offering, we sold 1,136,364 initial stockholder warrants to the individuals set forth below for $1,250,000 in cash, at a purchase price of $1.10 per warrant as follows:

Name	Number of Initial Stockholder Warrants	Relationship to Us
Eric S. Rosenfeld	863,636	Chairman of the Board, Chief Executive Officer and President
Leonard B. Schlemm	68,182	Director
Jon Bauer	68,182	Director
Colin D. Watson	68,182	Director
Gotham Capital V LLC	68,182	Entity controlled by Joel Greenblatt, our Special Advisor

Registration Rights

The holders of the majority of the above-referenced shares, including the shares of common stock underlying the above-referenced initial stockholder warrants, will be entitled to make up to two demands that we register such shares, the initial stockholder warrants and the shares of common stock underlying the initial stockholder warrants pursuant to a registration rights agreement entered into in connection with our public offering. The holders of the majority of the initial shares can elect to exercise these registration rights at any time commencing three months prior to the date on which these shares of common stock are to be released from escrow. The holders of a majority of the insider warrants (or underlying securities) can elect to exercise these registration rights at any time after we consummate a business combination. In addition, these stockholders have certain piggy-back registration rights on registration statements filed subsequent to such date. We will bear the expenses incurred in connection with the filing of any such registration statements.

Other Transactions

We have agreed to pay Crescendo Advisors II LLC, an affiliate of Eric S. Rosenfeld, our chairman, chief executive officer and president, approximately $7,500 per month for office space and administrative support services. Through December 31, 2007, an aggregate of $112,016 has been paid for such services. Amounts due for subsequent periods are being accrued.

We will reimburse our officers and directors for any out-of-pocket business expenses incurred by them in connection with certain activities on our behalf such as identifying and investigating possible target businesses and business combinations. There is no limit on the amount of accountable out-of-pocket expenses reimbursable by us, which will be reviewed only by our board or a court of competent jurisdiction if such reimbursement is challenged, provided that no proceeds held in the trust account will be used to reimburse out-of-pocket expenses prior to a business combination.

Other than the reimbursable out-of-pocket expenses payable to our officers and directors and our administrative services agreement with Crescendo Advisors II LLC, no compensation of any kind, including finder s and consulting fees, will be paid to any of our initial stockholders, including our officers and directors, or any of their respective affiliates, for services rendered prior to or in connection with a business combination.

We intend to require that all ongoing and future transactions between us and any of our officers and directors or their respective affiliates, including loans by our officers and directors, will be on terms believed by us to be no less favorable than are available from unaffiliated third parties and such transactions or loans,

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including any forgiveness of loans, will require prior approval in each instance by a majority of our non-interested independent directors (to the extent we have any) or the members of our board who do not have an interest in the transaction, in either case who had access, at our expense, to our attorneys or independent legal counsel.

Primoris Related Person Transactions

During the past three (3) years, Primoris has entered into various transactions with Stockdale Investment Group, Inc. (SIGI). The majority stockholder, chief executive officer, president and chairman of the board of directors of Primoris, Brian Pratt, also holds a majority interest in SIGI. In addition, the following officers and directors of Primoris also serve as officers and/or directors of SIGI (with their respective positions with SIGI reflected in parentheses): Brian Pratt (chairman and director), John P. Schauerman (president and director), Scott E. Summers (vice president and director), John M. Perisich (secretary), and Arline Pratt (director).

Primoris leases some of its facilities and certain construction and transportation equipment from SIGI. All of these leases are at market rates and are on similar terms as would be negotiated with an independent third party in an arms-length transaction.

Primoris leases properties from SIGI located in Bakersfield, Pittsburg and San Dimas, California, as well as a property in Pasadena, Texas. In 2005, 2006 and 2007, Primoris paid $283,140, $358,497 and $555,375 in lease payments to SIGI for the use of these properties, respectively. The lease for the Bakersfield property commenced on 11/1/2003 and will terminate on 10/31/2015, with Primoris having an option to extend for two (2) additional seven (7) year terms. The lease for the Pittsburg property commenced on 10/1/2002 and will terminate on 9/30/2014, with Primoris having

an option to extend for two (2) additional seven (7) year terms. The lease for the San Dimas property commenced on 4/1/2007 and will terminate on 3/30/2019, with Primoris having an option to extend for two (2) additional seven (7) year terms. The lease for the Pasadena property commenced on 8/9/2007 and will terminate on 7/31/2019, with Primoris having an option to extend for two (2) additional seven (7) year terms. Management of Primoris believes that all of these leases are at market rates and are on similar terms as would be negotiated with an independent third party in an arms-length transaction.

During the past three (3) years, SIGI has leased to Primoris certain construction equipment. In 2005, 2006 and 2007, Primoris paid $411,600, $445,900 and $307,086, respectively, in lease payments to SIGI for the use of this equipment. The Company will purchase the equipment from SIGI on the closing date of the merger for a purchase price of $1,135,000. The purchase price was determined using a fair market value appraisal by Ritchie Bros. Auctioneers.

During the past three (3) years, SIGI has leased to Primoris certain transportation equipment. In 2005, 2006 and 2007, Primoris paid $129,350, $129,350 and $240,932, respectively in lease payments to SIGI for the use of this equipment. This lease commenced on 5/1/2004 and terminates on 4/30/2012.

Primoris leases a property from Roger Newnham, one of its managers at Born Heaters Canada. The property is located in Calgary, Canada. In 2005, 2006 and 2007, Primoris paid $53,822, $242,280 and $279,348, respectively in lease payments to Mr. Newnham for the use of this property. The lease for the Calgary property commenced in 2005 and terminates in 2008, with Primoris having an option to extend for three (3) years thereafter.

From time to time, Primoris has made cash advances to certain of its stockholders. These advances are non-interest bearing and have no set repayment terms. As of December 31, 2007, no amounts advanced by Primoris to its stockholders were outstanding.

Section 16(a) Beneficial Ownership Reporting Compliance

Section 16(a) of the Exchange Act requires Rhapsody directors, officers and persons owning more than 10% of Rhapsody common stock to file reports of ownership and changes of ownership with the Securities ad Exchange Commission. Based on its review of the copies of such reports furnished to Rhapsody, or representations from certain reporting persons that no other reports were required, Rhapsody believes that all applicable filing requirements were complied with during the fiscal year ended March 31, 2008.

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DESCRIPTION OF RHAPSODY COMMON STOCK AND OTHER SECURITIES

General

On October 10, 2006, Rhapsody closed its initial public offering of 5,175,000 units with each unit consisting of one share of its common stock and one warrant, each to purchase one share of its common stock at an exercise price of $5.00 per share. The units were sold at an offering price of $8.00 per unit, generating total gross proceeds of $41,400,000. Rhapsody s units, common stock and warrants are traded on the OTC Bulletin Board under the symbols RPSDU, RPSD, and RPSDW, respectively. The closing price for each unit, share of common stock, warrant of Rhapsody on February 18, 2008, the last trading day before announcement of the execution of the merger agreement,

was $9.05, $7.25 and $1.25, respectively.

The certificate of incorporation of Rhapsody authorizes the issuance of 15,000,000 shares of common stock, par value $0.0001, and 1,000,000 shares of preferred stock, par value $0.0001. As of the record date, 6,300,000 shares of common stock were outstanding and no shares of preferred stock were outstanding. The number of authorized shares of common stock will be increased to 60,000,000 upon approval of the merger proposal and the charter amendment proposal and the filing of an amended and restated certificate of incorporation with the Secretary of State of the State of Delaware.

Common Stock

The holders of common stock are entitled to one vote for each share held of record on all matters to be voted on by stockholders. In connection with the vote required for any business combination, all of the existing stockholders, including all officers and directors of Rhapsody, have agreed to vote their respective shares of common stock owned by them immediately prior to the IPO in accordance with the vote of the holders of a majority of the Public Shares present in person or represented by proxy and entitled to vote at the special meeting. This voting arrangement does not apply to shares included in units purchased in the IPO or purchased following the IPO in the open market by any of Rhapsody s stockholders, officers and directors. Rhapsody s stockholders, officers and directors may vote their shares in any manner they determine, in their sole discretion, with respect to any other items that come before a vote of our stockholders.

Rhapsody will proceed with the merger only if stockholders who own at least a majority of the Public Shares, present in person or by proxy at the meeting and entitled to vote, vote in favor of the merger and stockholders owning fewer than 20% of the Public Shares exercise conversion rights discussed below.

Our board of directors is divided into three classes, each of which will generally serve for a term of three years with only one class of directors being elected in each year. There is no cumulative voting with respect to the election of directors, with the result that the holders of more than 50% of the shares voted for the election of directors can elect all of the directors standing for election in each class.

If Rhapsody is required to liquidate, the holders of the Public Shares will be entitled to share ratably in the trust account, inclusive of any interest, and any net assets remaining available for distribution to them after payment of liabilities. Holders of common stock issued prior to Rhapsody s IPO have agreed to waive their rights to share in any distribution with respect to common stock owned by them prior to the IPO if Rhapsody is forced to liquidate.

Holders of Rhapsody common stock do not have any conversion, preemptive or other subscription rights and there are no sinking fund or redemption provisions applicable to the common stock, except that the holders of the Public Shares have the right to have their Public Shares converted to cash equal to their pro rata share of the trust account if they vote against the merger proposal, properly demand conversion and the merger is approved and completed. Holders of common stock who convert their stock into their shares of the trust account still have the right to exercise the warrants that they received as part of the units.

Preferred Stock

The certificate of incorporation of Rhapsody authorizes the issuance of 1,000,000 shares of a blank check preferred stock with such designations, rights and preferences as may be determined from time to time by Rhapsody s board of directors. Accordingly, Rhapsody s board of directors is empowered, without stockholder approval, to issue preferred stock with dividend, liquidation, conversion, voting or other rights which could adversely affect the voting power or other rights of the holders of common stock, although Rhapsody has

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entered into an underwriting agreement which prohibits Rhapsody, prior to a business combination, from issuing preferred stock which participates in any manner in the proceeds of the trust account, or which votes as a class with the common stock on a business combination. Rhapsody may issue some or all of the preferred stock to effect a business combination. In addition, the preferred stock could be utilized as a method of discouraging, delaying or preventing a change in control of Rhapsody. There are no shares of preferred stock outstanding and Rhapsody does not currently intend to issue any preferred stock.

Warrants

Rhapsody currently has outstanding 6,311,364 redeemable common stock purchase warrants and a unit purchase option (exercisable at $8.80 per unit) to purchase 450,000 units, each consisting of one share of common stock and one warrant to purchase an additional share of common stock. Each warrant, including the warrants included in the unit purchase option, and subject to registration or qualification as described below, entitles the registered holder to purchase one share of our common stock at a price of $5.00 per share, subject to adjustment as discussed below, at any time commencing on the completion of the merger. The warrants expire on October 2, 2010 at 5:00 p.m., New York City time. Rhapsody may call the warrants for redemption:

in whole and not in part;
at a price of $0.01 per warrant at any time after the warrants become exercisable;
upon not less than 30 days prior written notice of redemption to each warrant holder; and
if, and only if, the reported closing price of the common stock equals or exceeds $11.50 per share for any 20 trading days within a 30-trading day period ending on the third business day prior to the notice of redemption to warrant holders.

The exercise price and number of shares of common stock issuable on exercise of the warrants may be adjusted in certain circumstances including in the event of a stock dividend, or Rhapsody s recapitalization, reorganization, acquisition or consolidation. However, the warrants will not be adjusted for issuances of common stock at a price below the exercise price.

The warrants may be exercised upon surrender of the warrant certificate on or prior to the expiration date at the offices of the warrant agent, with the exercise form on the reverse side of the warrant certificate completed and executed as indicated, accompanied by full payment of the exercise price, by certified check payable to Rhapsody, for the number of warrants being exercised. The warrant holders do not have the rights or privileges of holders of common stock and any voting rights until they exercise their warrants and receive shares of common stock. After the issuance of shares of common stock upon exercise of the warrants, each holder will be entitled to one vote for each share held of record on all matters to be voted on by stockholders.

If we call the warrants for redemption as described above, our management will have the option to require any holder that wishes to exercise his, her or its warrant (including the insider warrants) to do so on a cashless basis. If our management takes advantage of this option, all holders of warrants would pay the exercise price by surrendering his, her or its warrants for that number of shares of common stock equal to the quotient obtained by dividing (x) the product of the number of shares of common stock underlying the warrants, multiplied by the difference between the exercise price of the warrants and the fair market value (defined below) by (y) the fair market value. The fair market value shall mean the average reported last sale price of the common stock for the 10 trading days ending on the third trading day prior to the date on which the notice of redemption is sent to the holders of warrants. If our management takes advantage of this option, the notice of redemption will contain the information necessary to calculate the number of shares of common stock to be received upon exercise of the warrants, including the fair market value in such case.

Requiring a cashless exercise in this manner will reduce the number of shares to be issued and thereby lessen the dilutive effect of a warrant redemption. We believe this feature is an attractive option to us if we do not need the cash from the exercise of the warrants after a business combination.

No warrants will be exercisable unless at the time of exercise a prospectus relating to common stock issuable upon exercise of the warrants is current and the common stock has been registered or qualified or deemed to be exempt under the securities laws of the state of residence of the holder of the warrants. Under the terms of a warrant agreement, Rhapsody has agreed to use its best efforts to maintain a current prospectus

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relating to common stock issuable upon exercise of the warrants until the expiration of the warrants. However, there is no assurance that Rhapsody will be able to do so. If the prospectus relating to the common stock issuable upon exercise of the warrants is not current, holders will be unable to exercise their warrants and Rhapsody will not be required to net cash settle or cash settle the warrant exercise. Accordingly, the warrants may be deprived of any value and the market for the warrants may be limited if the prospectus relating to the common stock issuable upon the exercise of the warrants is not current or if the common stock is not qualified or exempt from qualification in the jurisdictions in which the holders of the warrants reside.

Transfer Agent and Warrant Agent

The transfer agent for Rhapsody s securities and warrant agent for Rhapsody s warrants is Continental Stock Transfer & Trust Company 17 Battery Place, New York, New York 10004; telephone (212) 509-5100.

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PRICE RANGE OF RHAPSODY SECURITIES AND DIVIDENDS

Rhapsody s units, common stock and warrants are quoted on the OTC BB under the symbols RPSDU, RPSD and RPSW, respectively. The following table sets forth the range of high and low closing bid prices for the units, common stock and warrants for the periods indicated since the units commenced public trading on October 4, 2006 and since the common stock and warrants commenced public trading on October 26, 2006.

	Units		Common Stock		Warrants	
	High	Low	High	Low	High	Low
2008:						
Second Quarter (through May 27, 2008)	$ 11.10	$ 10.08	$ 8.00	$ 7.80	$ 3.03	$ 2.05
First Quarter	10.70	8.70	7.99	7.56	2.67	1.10
2007:						
Fourth Quarter	9.35	8.80	7.54	7.43	1.65	1.30
Third Quarter	9.15	8.65	7.50	7.37	1.52	1.25

Second Quarter	8.95	8.60	7.42	7.28	1.51	1.30
First Quarter	9.00	8.60	7.51	7.30	1.49	1.18
2006:						
Fourth Quarter	8.50	7.96	7.25	7.10	1.25	0.78

The closing price for each share of common stock, warrant and unit of Rhapsody on February 18, 2008, the last trading day before announcement of the execution of the merger agreement, was $7.75, $1.25 and $9.05, respectively. As of , 2008, the record date for the Rhapsody special meeting, the closing price for each share of common stock, warrant and unit of Rhapsody was $, $ and $, respectively.

Holders of Rhapsody common stock, warrants and units should obtain current market quotations for their securities. The market price of Rhapsody common stock, warrants and units could vary at any time before the merger.

Holders

As of , 2008, there were holders of record of Rhapsody units, holders of record of Rhapsody common stock and holders of record of Rhapsody warrants. Rhapsody believes that the beneficial holders of the units, common stock and warrants to be in excess of 400 persons each.

Dividends

Rhapsody has not paid any dividends on its common stock to date and does not intend to pay dividends prior to the completion of the merger. The merger agreement provides that, following the closing, Rhapsody s board of directors shall initially declare and pay annual dividends on its common stock at a rate of not less than $0.10 per share; provided, however, that the board of directors shall not declare any such dividend unless, at the time of declaration, there is adequate surplus for such declaration under the DGCL, or if the board of directors, in the exercise of their business judgment, believes that it would be prudent to cancel or modify the dividend payment. The payment of dividends subsequent to the merger will be contingent upon our revenues and earnings, if any, capital requirements and general financial condition subsequent to completion of the merger, as well as contractual restrictions and other considerations deemed relevant by our then board of directors.

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APPRAISAL AND DISSENTER S RIGHTS

Rhapsody

Rhapsody stockholders do not have appraisal rights under the DGCL in connection with the merger.

Primoris

Holders of Primoris common stock are entitled to exercise dissenter s rights under Chapter 92A, Sections 92A.300 through 92A.500 of the Nevada Revised Statutes. A stockholder of Primoris will be entitled to relief as a dissenting stockholder if and only if he or she complies strictly with all of the procedural and other requirements of Sections 92A.300 through 92A.500 of the Nevada Revised Statutes. The following summary includes the material provisions of Nevada law pertaining to dissenter s rights but is qualified in its entirety by reference to the copy of Sections 92A.300 through 92A.500 attached hereto as Annex I.

Nevada Revised Statutes Section 92A.380

Stockholders of a Nevada corporation have the right to dissent from certain corporate actions in certain circumstances. According to Nevada Revised Statutes Section 92A.380.1(a)(1), these circumstances include consummation of a merger requiring approval of the corporation s stockholders. Stockholders who are entitled to dissent are also entitled to demand payment in the amount of the fair value of their shares.

Nevada Revised Statutes Section 92A.410 and Section 92A.420

According to Nevada Revised Statutes Section 92A.420.1, stockholders of Primoris who wish to assert dissenter s rights:

must deliver to Primoris BEFORE the vote is taken at the Primoris special meeting written notice of their intent to demand payment for their Primoris common stock if the merger is completed, and

must not vote their shares in favor of the merger agreement.

Stockholders failing to satisfy these requirements will not be entitled to dissenter s rights under Chapter 92A of the Nevada Revised Statutes.

Nevada Revised Statutes Section 92A.430

A written dissenter s notice (a Dissenter s Notice) will thereafter be sent by the subject corporation to all stockholders of Primoris who satisfied these two requirements (written notice of intent to demand payment and not voting in favor of the merger). Nevada Revised Statutes Section 92A.430.1. The written dissenter s notice is required to be sent within ten days after we complete the merger. According to Section 92A.335 of the dissenter s rights statute, Primoris is deemed to be the subject corporation before the merger occurs, but Rhapsody will be the subject corporation after the merger occurs. The Dissenter s Notice to be sent by Rhapsody must include:

a statement of where the demand for payment is to be sent and where and when certificates for Primoris common stock are to be deposited;

a statement informing the holders of Primoris common stock not represented by certificates to what extent the transfer of such shares will be restricted after the demand for payment is received;