

P9700009

Charter Number Only

395

1/30/98.

Aiken

Richard Green

Requestor's Name

2455 East Sunrise Blvd. #905

Address

Ft. Lauderdale, FL. 33304.

City

State

ZIP

Phone

(954) 564-6616B.

VALIDATION ONLY

200002419342--5
-02/03/98--01008--020
*****70.00 *****70.00

CORPORATION(S) NAME

P.D.C. Innovative Industries, Inc.

Merger

() Profit
() NonProfit

() Amendment

(X) Merger

() Foreign

() Dissolution

() Mark

() Limited Partnership
() Reinstatement

() Annual Report
() Reservation

() Other
() Change of Registered Agent

() Certified Copy

() Photo Copies

() Certificate Under Seal

() Call When Ready

() Call If Problem

() After 4:30

(X) Walk In

() Will Wait

(X) Pick Up

() Mail Out

FILED
98 FEB -3 PM 12:36
SECRETARY OF STATE
TALLAHASSEE, FLORIDA

RECEIVED
98 FEB -3 AM 9:45
DIVISION OF CORPORATION



Empire Toll Free: 1-800-432-3028

| | |
|----------------|--------|
| Name | 2/3/98 |
| Availability | |
| Document | non |
| Examiner | non |
| Updater | non |
| Verifier | non |
| Acknowledgment | non |
| W.P. Verifier | non |

ARTICLES OF MERGER
Merger Sheet

MERGING:

P.D.C. INNOVATIVE INDUSTRIES, INC., a Florida corporation P97000091395
,

INTO

KENNETH C. GARCIA, INC., a Nevada corporation not qualified in Florida.

File date: February 3, 1998

Corporate Specialist: Annette Hogan

LAW OFFICES

Richard P. Greene, P.A.

INTERNATIONAL BUILDING

2455 EAST SUNRISE BOULEVARD

SUITE 905

FORT LAUDERDALE, FLORIDA 33304

TELEPHONE: (954) 564-6616

FAX: (954) 561-0997

January 30, 1998

Secretary of State
Division of Corporations
409 E. Gaines Street
Tallahassee, Florida 32399

Re: P.D.C. Innovative Industries, Inc. (the "Company")

Dear Sir/Madam:

In connection with the above referenced Company, enclosed please find the following documents to be filed:

1. An original and copy of Articles of Merger of P.D.C. Innovative Industries, Inc., a Florida corporation, into Kenneth C. Garcia, Inc., a Nevada corporation.
2. Two copies of Agreement of Merger.
3. Two copies of Plan of Merger.

Also enclosed is a firm check for \$70.00 made payable to Secretary of State for the filing fee (\$35.00 per corporation).

If you have any questions in this regard, please do not hesitate to contact me.

Very truly yours,

RICHARD P. GREENE, P.A.

Richard P. Greene

Richard P. Greene
For the Firm

RPG/evb

Enclosures

C:\RPG-1\PDCCMerger.FL

ARTICLES OF MERGER

THESE ARTICLES OF MERGER (the "Articles"), dated as of January 22, 1998, between KENNETH C. GARCIA, INC. a Nevada corporation ("Surviving Corporation/GARCIA ") and P. D. C. INNOVATIVE INDUSTRIES, INC., a Florida corporation ("PDCI"), the two corporations being herein sometimes collectively called the "Constituent Corporations."

WITNESSETH:

WHEREAS, the Surviving Corporation is a corporation duly organized and existing under the laws of the State of Nevada; and

WHEREAS, PDCI is a corporation duly organized and existing under the laws of the State of Florida; and

WHEREAS, the Boards of Directors of the Constituent Corporations hereto deem it desirable, upon the terms and subject to the conditions herein stated, that PDCI be merged with and into the Surviving Corporation and that GARCIA be the Surviving Corporation as outlined herein.

NOW THEREFORE, it is agreed as follows:

Section 1

Terms and Conditions/Manner and Basis for Converting Shares

1.1 In accordance with the provisions of these Articles and the requirements of applicable law, PDCI shall be merged with and into the Surviving Corporation at the Effective Date (as defined in Section 2 hereof). GARCIA shall be the Surviving Corporation, and the separate existence of PDCI shall cease at the Effective Date. Consummation of the Merger shall be on the terms and subject to the conditions set forth herein.

1.2 At the Effective Date, the Surviving Corporation shall continue its corporate existence as a Nevada corporation and (i) it shall thereupon and thereafter possess all rights, privileges, powers, franchises and property (real, personal and mixed) of each of the Constituent Corporations; (ii) all debts due to either of the Constituent Corporations, on whatever account, all chooses in action and all other things belonging to either of the Constituent Corporations shall be taken and deemed to be transferred to and shall be vested in the Surviving Corporation by virtue of the Merger without further act or deed; and (iii) all rights of creditors and all liens upon any property of any of the Constituent Corporations shall be preserved unimpaired, limited in lien to the property affected by such liens

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SECRETARY OF STATE
TALLAHASSEE, FLORIDA

immediately prior to the Effective Date, and all debts, liabilities and duties of the Constituent Corporations shall thenceforth attach to the Surviving Corporation.

1.3 At the Effective Date, (i) the Articles of Incorporation and the Bylaws of the Surviving Corporation, as existing immediately prior to the Effective Date, shall be and remain the Articles of Incorporation and Bylaws of the Surviving Corporation; and (ii) the members of the Board of Directors of the Surviving Corporation holding office immediately prior to the Effective Date shall resign and be replaced pursuant to Section 1(b)(ii) of the Stock Exchange and Merger Agreement.

1.4 On the Effective Date, (i) all issued and outstanding shares of capital stock of PDCI shall be converted into 2,450,000 restricted shares of GARCIA Common Stock, no par value, (the "Common Stock") which shall be fully paid and non-assessable. In lieu of the issuance of any fractional shares, the shares of GARCIA 's Common Stock to which PDCI 's shareholders are entitled shall be rounded off to the next highest whole number. Until surrendered and exchanged as herein provided, each outstanding certificate which, prior to the Effective Date, represented an PDCI security shall be deemed for all corporate purposes to evidence ownership of the appropriate number of shares of Common Stock, into which the PDCI security (which, prior to such Effective Date, were represented thereby) shall have been so converted

1.5 Subject to Section 1.4 above, each holder of a stock certificate or certificates representing outstanding shares of PDCI capital stock immediately prior to the Effective Date of the Merger, shall upon surrender of such certificate or certificates to GARCIA after the Effective Date, be entitled to receive a stock certificate or certificates representing the appropriate number of shares of GARCIA Common Stock as described in Section 1.4 above. Until actually surrendered, each such PDCI certificate shall, by virtue of the Merger, be deemed for all purposes to evidence ownership of the appropriate number of shares of GARCIA Common Stock.

1.6 If any certificate representing a GARCIA security is to be issued in a name other than that in which the certificate surrendered is registered, it shall be a condition of such issuance that the certificate so surrendered shall be properly endorsed or otherwise in proper form for transfer and that the person requesting such issuance shall either pay to GARCIA or its transfer agent any transfer or other taxes required by reason of the issuance of certificates representing a GARCIA security in a name other than that of the registered holder of the certificate surrendered, or establish to the satisfaction of GARCIA or its transfer agent that such tax has been paid or is not applicable.

SECTION 2

Effective Date

2.1 These Articles shall be submitted to the shareholders entitled to vote thereon of PDCI as provided by the applicable laws of the State of Nevada. If these Articles are duly adopted by the requisite consent or vote of such shareholders and are not terminated as contemplated by Section 4, these Articles, executed in accordance with the law of the State of Nevada shall be filed with the Secretary of the State of Nevada.

2.2 The Merger shall become effective upon the filing with the Secretary of State of the State of Nevada, herein sometimes referred to as the "Effective Date."

SECTION 3

Covenants and Agreements

3.1 Each of the Constituent Corporations hereby covenants to mutually assist the other and to take all action reasonably necessary to accomplish and effectuate the terms hereof.

3.2 The Constituent Corporations have entered into a Stock Exchange and Merger Agreement, of which these Articles of Merger are a part, and said Agreement has been approved, adopted, certified, executed and acknowledged by each of the Constituent Corporations in accordance with Nevada law. Said Agreement thereto is on file at the principal place of business of the Surviving Corporation located at 4411 NW 105 Terrace, Coral Springs, Florida. A copy of said Agreement will be furnished by the Surviving Corporation, on request and without cost, to any shareholder of the Constituent Corporations.

SECTION 4

Amendment, Termination and Counterpart Signatures

4.1 At any time prior to the filing of these Articles with the Secretary of State of the State of Nevada, these Articles may be amended by the Boards of Directors of the Surviving Corporation and PDCI, to the extent permitted by state law notwithstanding favorable action on the Merger by the shareholders of either or both of the Constituent Corporations with respect to any of the terms contained herein except the terms of conversion provided for in Section 1.4 hereof.

4.2 At any time prior to the filing of these Articles with the Secretary of State of the State of Nevada, these Articles may be terminated and abandoned by the Board of Directors of either the Surviving Corporation or PDCI,

notwithstanding favorable action on the Merger by the shareholders of PDCI.

4.3 These Articles may be executed in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

SECTION 5

Appointment of Agent for Service of Process

5.1 Pursuant to applicable provisions of Nevada corporate law, since the Surviving Corporation in the Merger is to be governed by the laws of the State of Nevada, said Surviving Corporation does hereby agree that it may be served with process in the State of Nevada in any proceeding for enforcement of any obligation of the Surviving corporation of PDCI arising from this Merger, including any suit or any other proceeding to enforce the rights of any shareholders as determined in appraisal proceedings pursuant to the corporate law of the State of Nevada, and does hereby irrevocably appoint the Secretary of State of the State of Nevada as its agent to accept service of process in any such suit or other proceedings and does hereby specify that the address to which a copy of such process shall be made by the Secretary of State of the State of Nevada is 5701 N. Pine Island Rd., Suite 310B, Tamarac, Florida 33321, care of Florida Atlantic Stock Transfer, Inc.

IN WITNESS WHEREOF, the parties hereto have caused these Articles of Merger to be executed by an executive officer of each of them pursuant to authority given by their respective Boards of Directors.

Approved by its Board of Directors by written consent dated January 22, 1998.

KENNETH C. GARCIA, INC.

BY: Aida Carrasquillo
Aida Carrasquillo/ Secretary

By: Godfrey Comrie
Godfrey Comrie, President

ATTEST: [Signature]

Approved by its Board of Directors and by its shareholders by written consent dated January 22, 1998.

P. D. C. INNOVATIVE INDUSTRIES, INC.

By: Sandra Sowers
Sandra Sowers, President

ATTEST: Richard J. [Signature]

CERTIFICATE OF APPROVAL OF STOCK EXCHANGE AND MERGER AGREEMENT

The undersigned certifies that:

1. The undersigned is the President of KENNETH C. GARCIA, INC., a Nevada corporation.

2. The Stock Exchange and Merger Agreement in the form attached was duly approved by all the members of the Board of Directors of the corporation on January 22, 1998. Shareholder approval was not required.

3. There is only one class of outstanding shares and the number of shares outstanding is 1,000,000.

I further declare under penalty of perjury under the laws of the State of Nevada that the matters set forth in this certificate are true and correct to the best of my knowledge.

Date:


Godfrey Comrie, President

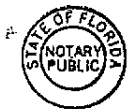
ACKNOWLEDGMENT

STATE OF FLORIDA)
) ss.
COUNTY OF BROWARD)

The foregoing instrument was acknowledged before me this 22 day of January 1998, by Godfrey Comrie, President of KENNETH C. GARCIA, INC., a Nevada Corporation, on behalf of the corporation, as signer of that certain Stock Exchange and Merger Agreement between GARCIA and P. D. C. INNOVATIVE INDUSTRIES, INC., who duly acknowledged to me that he executed the same on behalf of said corporation. He is personally known to me or has produced Fla. D. L. as identification and did (did not) take an oath.

Name: James L. Gilmore

Notary Public _____



JAMES L. GILMORE
My Comm Exp. 7/27/2001
Bonded By: Service, Inc.
No. CC666808
☒ Personally Known ☐ Other ID

Serial No. CC666808

My Commission Expires: 7-27-01

**CERTIFICATE PURSUANT TO SECTION 7(d) OF STOCK EXCHANGE
AND MERGER AGREEMENT DATED JANUARY 22, 1998**

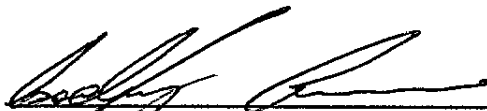
Godfrey Comrie, President of KENNETH C. GARCIA, INC. ("GARCIA") does hereby certify as of the date hereof the following:

1. The representations and warranties by GARCIA as set forth in Section 3 of the Stock Exchange and Merger Agreement dated January 22, 1998 (The "Agreement") are true and correct as of the date hereof, and any statement, list, certificate or other written information furnished by GARCIA pursuant to the Agreement or in connection with the transactions contemplated thereby are true and correct in all material respects as of the date set forth therein.

2. GARCIA has performed and complied with all agreements and conditions required by the Agreement.

3. None of the shareholders of GARCIA have exercised his or her dissenters rights pursuant to the General Corporation Law of Nevada.

IN WITNESS WHEREOF, I have signed this certificate as of the 22nd day of January, 1998.


Godfrey Comrie, President

**CERTIFICATE PURSUANT TO SECTION 7(d) OF STOCK EXCHANGE
AND MERGER AGREEMENT DATED JANUARY 22, 1998**

Sandra Sowers, President of P. D. C. INNOVATIVE INDUSTRIES, INC. ("PDCI") does hereby certify as of the date hereof the following:

1. The representations and warranties by PDCI as set forth in Section 3 of the Stock Exchange and Merger Agreement dated January 22, 1998 (The "Agreement") are true and correct as of the date hereof, and any statement, list, certificate or other written information furnished by GARCIA pursuant to the Agreement or in connection with the transactions contemplated thereby are true and correct in all material respects as of the date set forth therein.

2. PDCI has performed and complied with all agreements and conditions required by the Agreement.

3. None of the shareholders of PDCI have exercised his or her dissenters rights pursuant to the General Corporation Law of Florida.

IN WITNESS WHEREOF, I have signed this certificate as of the 22ND day of January, 1998.



Sandra Sowers, President

CERTIFICATE OF APPROVAL OF STOCK EXCHANGE AND MERGER AGREEMENT

The undersigned certifies that:

1. The undersigned is the President of P.D.C. INNOVATIVE INDUSTRIES, INC., a Florida corporation.

2. The Stock Exchange and Merger Agreement in the form attached was duly approved by all the members of the Board of Directors of the corporation on January 22, 1998. Shareholder approval was not required.

3. There is only one class of outstanding shares and the number of shares outstanding is 3,230,000.

I further declare under penalty of perjury under the laws of the State of Florida that the matters set forth in this certificate are true and correct to the best of my knowledge.

Date:

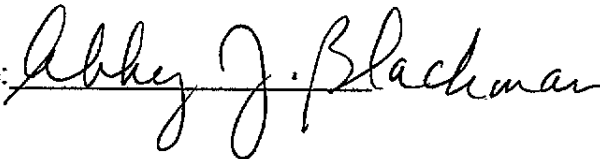

Sandra Sowers, President

ACKNOWLEDGMENT

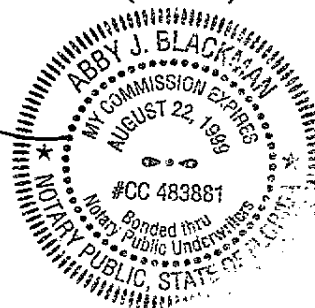
STATE OF FLORIDA)
) ss.
COUNTY OF BROWARD)

The foregoing instrument was acknowledged before me this 23rd day of January, 1998, by Sandra Sowers, President of P. C. I. INNOVATIVE INDUSTRIES, INC., a Florida corporation, on behalf of the corporation, as signer of that certain Stock Exchange and Merger Agreement between GARCIA and P. D. C. INNOVATIVE INDUSTRIES, INC., who duly acknowledged to me that he executed the same on behalf of said corporation. ~~He is personally known to me or~~ has produced FLORIDA S620784399590 as identification and did (did not) take an oath.

Name:



Notary Public _____



Serial No. _____ My Commission Expires: _____

STOCK EXCHANGE AND MERGER AGREEMENT

THIS AGREEMENT made and entered into this 22ND day of January 1998, by and between KENNETH C. GARCIA, INC.(GARCIA) a Nevada corporation with its Florida office at 4410 NW 173rd Drive, Miami, Florida 33055 and P.D.C. INNOVATIVE INDUSTRIES, INC. (PDCI) a Florida corporation, with offices at 4411 NW 105 Terrace, Coral Springs, Florida 33065.

WHEREAS, GARCIA is a non-reporting/non-trading company with aged 144K common stock that is not presently quoted on any exchange and which currently has no market makers;

WHEREAS, PDCI is a private corporation in the business of product development and manufacturing;

WHEREAS, PDCI is interested in acquiring a controlling interest in GARCIA through a stock for stock exchange and reverse merger; and

WHEREAS, GARCIA is interested in selling a controlling interest to PDCI through a stock for stock exchange, to be accomplished as set forth below.

NOW, THEREFORE, in consideration of the provisions and the representations, warranties and agreements herein and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereby agree as follows:

SECTION - I.

TERMS AND CONDITIONS OF STOCK EXCHANGE AND MERGER.

(a) PDCI and GARCIA acknowledge that time is of the essence in executing this Agreement and closing on the transaction described herein. As a consequence, neither party has been able to complete a satisfactory due diligence investigation of the other and is relying completely on the representations of past and present fact and representations of future performance stated herein. GARCIA and PDCI have been advised by their respective attorneys of the risks inherent in executing the agreement and closing on the transaction without completing a full due diligence

investigation. Nevertheless, the parties desire to proceed.

(b) On the "Effective Date", as hereinafter defined, the following shall be done:

- (i) GARCIA shall divest itself of all of its assets.
- (ii) GARCIA will expand its Board of Directors to five (5) members and simultaneously nominate Sandra Sowers, as a director. Simultaneously with the election of Mrs. Sowers to the Board, the existing directors will all resign.
- (iii) PDCI shall issue to GARCIA all of its outstanding common stock. The stock certificates representing ownership of the common stock shall be properly endorsed on the back for transfer, surrendered to GARCIA and such shares shall be canceled on the transfer records of PDCI.
- (iv) GARCIA shall issue to the existing shareholders of PDCI restricted shares of its common stock totaling 2,450,000. Each certificate representing the restricted shares of common stock will have a legend thereon incorporating language as follows:

"The Shares represented by this certificate have not been registered under the Securities Act of 1933, as amended (the "Act"). The shares have been acquired for investment and may not be sold or transferred in absence of an effective registration statement for the Shares under the Act unless, in the opinion of counsel satisfactory to the Company, registration is not required under the "Act".

- (v) The existing shareholders of GARCIA will transfer to PDCI or its designees 780,000 shares of Rule 144 K common stock currently issued to them and thereafter hold unto themselves 170,000 shares of GARCIA.,
- (vi) The officers and directors of GARCIA shall resign their positions.

- (vii) PDCI will merge into GARCIA and cease to exist.
- (viii) GARCIA shall change its name to P.D.C. INNOVATIVE INDUSTRIES, INC.
- (ix) The terms conditions of the merger shall be as set forth in Articles of Merger (hereinafter referred to as the "Articles of Merger") and as further provided herein. The Articles of Merger shall constitute an agreement of merger for purposes of the General Corporation Law of the State of Nevada.
- (x) GARCIA and PDCI shall obtain approval for this Agreement and the transactions described herein by their respective board of directors and shareholders pursuant to the applicable provisions of Nevada law.

(c) The Effective Date shall be the date the merger becomes effective.

The merger shall become effective at the close of business on the day when the Articles of Merger, certified as to requisite stockholder approval, shall have been filed in the Office of the Secretary of State of the State of Nevada. The Articles of Merger shall be filed as soon as practicable after the date this Agreement is signed.

(d) The two million, four hundred fifty thousand shares of common stock of GARCIA to be issued to the shareholders of PDCI have not been registered under the Securities Act of 1933 and may not be resold unless the common stock is registered under the Act or an exemption from such registration is available. Each stockholder of PDCI who receives restricted shares shall represent and warrant that the shareholder is acquiring the common stock for that shareholder's own account, for investment, and not with the view to the sale or distribution of the common stock. Each certificate representing the restricted shares of common stock will have a legend thereon incorporating language as follows:

"The Shares represented by this certificate have not been registered under the Securities Act of 1933, as amended (the "Act"). The Shares have been acquired for investment and may not be sold or transferred in the absence of an effective registration statement for the Shares under the Act unless, in

the opinion of counsel satisfactory to the company, registration is not required under the Act.”

(e) Notwithstanding the restrictions set forth in Section 1(d) the rights to sell the securities may be permitted if, in the opinion of counsel satisfactory to GARCIA, the shareholder complies with the provisions of Rule 144 of the Act.

SECTION - 2.

REPRESENTATIONS AND WARRANTIES OF PDCI

(a) Organization and Authority. PDCI is duly organized, validly existing, and in good standing under the laws of the jurisdictions of its incorporation, with full corporate power and authority to own its property and assets and to conduct its business in the manner and in the places in which it is now conducted. PDCI is qualified to do business as a domestic corporation in the State of Florida, and the character of the properties owned or leased by PDCI and the nature of the business conducted by it does not require such qualification in any other jurisdiction, except where the failure to so qualify would not have a material adverse affect on PDCI or its business.

(b) Corporate Action. All corporate action necessary on the part of PDCI to authorize the execution and delivery of this Agreement and the Articles of Merger and the performance or satisfaction of PDCI's obligations hereunder and thereunder has been or will have been duly taken prior to the Effective Date. This Agreement and the Articles of Merger constitute the valid and binding obligations of PDCI enforceable in accordance with their respective terms.

(c) Capitalization. As of the date hereof, PDCI's entire authorized capital stock consists of 50,000,000 shares of common stock, \$.001, par value per share, of which 3,230,000 shares are issued and outstanding. All of the outstanding shares of capital stock of PDCI have been duly issued in accordance with all applicable laws, rules and regulations, are fully paid and non-assessable and are owned by its shareholders. There are no outstanding subscriptions, rights, options, warrants or other agreements obligating PDCI to issue, sell or transfer any stock or other securities of PDCI, except as otherwise described in this Agreement.

(d) Articles of Incorporation and Bylaws The Articles of Incorporation

and bylaws of PDCI are true, correct and complete. The minute books of PDCI contain true and complete records of all meetings and consents in lieu of meetings of its Board of Directors and shareholders since the date of incorporation and accurately reflect all transactions referred to therein.

(e) Ongoing Business. PDCI has a fully operational revenue producing home health care business.

(f) No Material Adverse Changes. As of the date of this Agreement, there shall be no material adverse change in the assets, operations, conditions (financial or otherwise) or prospective business of PDCI; there shall be no damage, destruction or loss materially affecting the assets, prospective business, operations or condition (financial or otherwise) of PDCI, whether or not covered by insurance; there shall be no declaration, setting aside or payment of any dividend or distribution with respect to any redemption or repurchase of PDCI's capital stock; there shall no sale of an asset (other than in the ordinary course of business or otherwise approved by GARCIA) or mortgage or pledge by PDCI of any properties or assets

(g) Taxes. PDCI has prepared and filed all appropriate federal, state and local tax returns of every kind and category (including, without limitation, income taxes, estimated taxes, excise taxes, sales taxes, inventory taxes, use taxes, gross receipt taxes, franchise taxes and property taxes) for all periods prior to and through the date hereof for which any such returns have been required to be filed by it and has paid all taxes shown to be due by said returns or on any assessments received by it, or has made adequate provisions for the payment thereof.

(h) Compliance with Laws. PDCI and all business conducted by it has complied with all federal, state, county and local laws, ordinances, regulation., inspections, orders, judgments, injunctions, awards or decrees applicable to it or its business which, if not complied with, would materially and adversely affect its business.

(i) Compliance with Other Instruments. Neither the execution nor delivery of this Agreement nor the consummation of the transactions contemplated hereby will result in any violation of or be in conflict with any term of any contract or other instrument to which PDCI is a party or of any judgment, statute, rule or regulation applicable to PDCI, or result in the creation of any lien, charge or encumbrance on any of its properties or assets, or result in the acceleration of any obligation of PDCI under any

deed of trust, mortgage, lease, or similar instrument to which it is a party.

(j) No Breach. The execution, delivery and performance of this Agreement and the consummation of the transactions contemplated hereby will not.

(1) violate any provisions of the Articles of Incorporation or Bylaws of PDCI;

(2) violate, conflict with or result in the breach of any of the terms of, result in a material modification of, or otherwise give any other contracting party the right to terminate, or which constitute a default under, any contract or other agreement to which PDCI is a party or by or to which it or any of its assets or properties may be bound or subject;

(3) violate any order, judgment, injunction, award or decree of any court, arbitrator or governmental or regulatory body against, or binding upon, PDCI or upon the properties or business of either of them; or

(4) violate any statute, law or regulation of any jurisdiction applicable to the transactions contemplated herein.

(k) Litigation. Except as disclosed in detail in a letter which shall be incorporated by reference and made part of this Agreement, there is no outstanding order, judgment, injunction, award or decree of any court, government or regulatory body or arbitration tribunal against or involving PDCI. There is no action, suit or claim or legal, administrative or arbitral proceeding or any investigation (whether or not the defense thereof or liabilities in respect thereof are covered by insurance) pending or threatened against or involving PDCI or any of its respective properties or assets. There is no fact, event or circumstances that may give rise to any suit, action, claim, investigation or proceeding except as disclosed in the letter described above. There is no action, suit or claim or legal, administrative or arbitral proceeding pending or threatened that would give rise to any right of indemnification on the part of any director of PDCI or its respective heirs, executors or administrators of such directors or officers.

(l) Agreements. The document titled "Material Contracts" which shall be incorporated by reference into this Agreement sets forth any material contract or arrangement to which PDCI is a party or by or to which

it or its assets, properties or business are bound or subject whether oral or written. All of the agreements set forth in the document titled "Material Contracts" are valid, binding enforceable, subsisting agreements, in full force and effect. PDCI is not in default under any of them (nor is any other party to any of such agreements, nor does any condition exist which with notice or lapse of time or both would constitute default thereunder).

(m) Insurance Policies. The document titled "Insurance Policies" which shall be incorporated by reference and made part of this Agreement contains a complete and correct list and summary description of all insurance policies held by PDCI and in force and effect at the date hereof, including but not limited to key-man insurance, workers' compensation and employer liability, automobile insurance, malpractice insurance, product liability and title insurance.

(n) Labor Relation. PDCI is not a party to any collective bargaining agreement governing its employees. There is no pending or threatened election for union representation of PDCI's employees.

(o) Finders. No broker's or finder's fees will be payable by PDCI and PDCI agrees to hold GARCIA harmless from any claim, commission, finder's or broker's fee because of any act, omission or statement of either party to the transaction contemplated herein including but not limited to any securities violations.

(p) Real Property. The document titled "Real Property" which shall be incorporated by reference and made part of this Agreement contains a correct and complete list and brief description of all interest in real property or buildings improvements thereon (other than a leasehold interest and improvements relating thereto) owned by PDCI, as referenced in the document described, whether situated within or without the State of Nevada, including any options to acquire real property.

(q) Leases. The document titled "Leases" which shall be incorporated by reference and made part of this Agreement contains a correct and complete list and brief description of all leases or agreements under which PDCI is lessee of or holds, or operates any property, real or personal, owned by any third party. Each of such leases and agreements is in full force and effect and constitutes a legal, valid, and binding obligation of the respective parties thereto enforceable in accordance with its terms, subject to bankruptcy, insolvency, reorganization, moratorium, or

other similar laws relating to the enforcement of creditors' rights generally and to the availability of equitable remedies which are subject to the discretion of the Court before which any proceeding therefor may be brought.

(r) Tangible Assets. The document titled "Tangible Assets" which shall be incorporated by reference and made part of this Agreement contains a correct and complete list and brief description of all machinery, equipment, furniture, leasehold improvements fixtures, vehicles, structures, owned or leased by PDCI, any related capitalized items or other tangible property material to the business of PDCI (the "Tangible Asset"). Except as set forth in this document, PDCI holds all rights, title and interest in all the properties, interests and assets, real, personal and mixed, free and clear of all liens, pledges, mortgage, security interests, conditional sales contracts or any other encumbrances or liens for current taxes not yet delinquent.

(s) Accounts Receivable. All of PDCI's accounts and other receivables or thereafter acquired are collectible in full, less any reserves set up for doubtful receivables on its books.

(t) Inventories. PDCI's inventories, as applicable, or thereafter acquired are valued at cost or market and consist of items which are of a quality and quantity usable and/or saleable in the ordinary course of PDCI's business.

(u) Liabilities. As of the date of this Agreement, except as set forth in a document titled "PDCI's Liabilities", PDCI does not have any direct or indirect indebtedness, liability, claim, loss, damage, deficiency, obligation or responsibility, known or unknown, fixed or unfixed, liquidated or unliquidated, secured or unsecured, accrued or absolute, contingent or otherwise, including, without limitation, any liability on account of taxes, any other governmental charge or lawsuit brought, whether or not of a kind required by generally accepted accounting principles (all of the foregoing collectively defined as "Liabilities"). As of the Effective Date, PDCI will not have any liabilities, other than liabilities incurred since the date of the signing of this Agreement in the ordinary course of business. There is no circumstance, condition, event or arrangement which may hereafter give rise to any Liabilities not in the ordinary course of business, except as set forth in the document titled "PDCI's Liabilities".

(v) Conduct of Business Between the date of this Agreement and the

Effective Date, PDCI shall conduct its business only in the ordinary course thereof consistent with prudent business judgment and past practice and in such a manner that the representations and warranties contained in this Section 2 shall be true and correct at and as of the Effective Date (except for changes contemplated, permitted or required by this Agreement) and so that the conditions to be satisfied by PDCI at the Effective Date shall have been satisfied. PDCI shall not incur expenses or liabilities between the date this Agreement is signed and the Effective Date other than in the normal course of business.

(w) Unusual Events. Until the Effective Date, PDCI shall supplement or amend all relevant documents incorporated by reference and made part of this Agreement with respect to any matter thereafter arising or discovered which, if existing or known at the date of this Agreement, would have been set forth or described in such documents; provided, however, that for the purpose of the rights and obligations of the parties hereunder, any such material supplemental disclosure shall not be deemed to have been disclosed to GARCIA until the date PDCI delivers it to GARCIA, unless agreed to in writing by GARCIA.

(x) Changes in Business Relationship. PDCI is not aware of any material changes or threatened changes in its business or client relationships, including any discontinuance of contractual relationships.

(y) Full Disclosure. No representation or warranty of PDCI and no statement contained in any document incorporated by reference and made part of this Agreement furnished by PDCI to GARCIA pursuant hereto or in connection with the transactions contemplated hereby contain or at the Effective Date will contain any untrue statement of a material fact or omit or will omit to state a material fact necessary to make such fact not misleading or necessary to provide GARCIA with full information as to PDCI and its affairs.

(z) Representations and Warrants on Effective Date. The representations and warranties contained in this Section 2 shall be true and complete on the Effective Date with the same force and effect as though such representations and warranties had been made on and as of the Effective Date.

SECTION 3.

REPRESENTATIONS AND WARRANTIES OF GARCIA

GARCIA hereby represents and warrants to PDCI as follows:

(a) Public Company. GARCIA is a public shell company. Its common stock is not currently traded. As of the date of this Agreement, it has no market makers. GARCIA does not nor is it required to file reports with the Securities and Exchange Commission pursuant to Section 13(a) or 15(d) of The Exchange Act.

(b) Public Float and Shares Eligible for Public Resale. On the Effective Date, GARCIA shall have outstanding 1,000,000 shares of common stock which are Rule 144K, and of which 50,000 are in the public "float". These shares may be eligible for public resale under Rule 144 of the Act and upon the timely filing of Form 15(c)211.

(c) Capitalization. As of the Effective Date, GARCIA shall have 50,000,000 shares of authorized capital stock, no par value, of which 1,000,000 will be issued and outstanding. All of the outstanding shares will be duly and validly issued in accordance with all applicable laws, rules, and regulations and are fully paid and non-assessable and free of preemptive rights. There are and as of the Effective Date will be no options, warrants, subscription or other rights or commitments outstanding for the sale, issuance or redemption of any shares or other securities of GARCIA.

(d) Organization and Authority. GARCIA is a corporation duly organized, validly existing, and in good standing under the laws of the State of Nevada, with full corporate power and authority to own its property and assets and to conduct its business in the manner and the places in which it is now conducted.

(e) Corporate Action. All corporate action necessary on the part of GARCIA to authorize the execution and delivery to PDCI of this Agreement and the Articles of Merger and the performance of its obligations thereunder has been or will have been duly taken prior to the Effective

Date. This Agreement and the Articles of Merger constitute the valid and binding obligations of GARCIA enforceable in accordance with their respective terms. The execution and delivery of and the consummation of the transactions provided for in this Agreement and the Articles of Merger will not violate any provision of the Certificate of Incorporation, Articles of Incorporation or Bylaws of GARCIA, as applicable, any provision of law, or any judgment, order or decree of any court or agency or government, applicable to GARCIA, or result in a breach of, default under, or acceleration of any obligation under any indenture or agreement to which GARCIA is a party

(f) Compliance with Other Instruments. Neither the execution nor delivery of this Agreement nor the consummation of the transactions contemplated hereby will result in any violation of or be in conflict with any term or any contract or other instrument to which GARCIA is a party or of any judgment, decree, order, statute, rule or regulation applicable to GARCIA, or result in the creation of any lien, charge or encumbrance on any of its properties or assets, or result in the acceleration of any obligation of GARCIA under any deed of trust, mortgage, lease, or similar instrument to which it is a party.

(g) Compliance with Laws. GARCIA has complied with all federal, state, county, local laws, ordinances, regulations, inspections, orders, judgments, injunctions, awards or decrees applicable to it or its business which, if not complied with, would materially and adversely affect its status as a public company.

(h) Articles of Incorporation and Bylaws. GARCIA's Articles of Incorporate and Bylaws and any amendments to each, are true, correct and complete. The minute books of GARCIA contain true and complete records of all meetings and consents in lieu of meetings of their respective Board of Directors and shareholders since the date of incorporation and accurately reflect all transactions; referred to therein.

(i) Shell Company. As of the Effective Date, GARCIA shall be a shell company with no assets and no liabilities, including any and all tax obligations, except as described in Section 3(j). On or before the Effective Date, GARCIA shall furnish to PDCI an audited balance sheet prepared by an independent certified public accountant that shows GARCIA has no assets and (except as described in Section 3(j)) no liabilities. GARCIA shall divest itself of any business activity on or before the Effective Date. The

balance sheet date shall be a date between the date of this Agreement and the Effective Date.

(j) Liabilities. Except as set forth in the document titled "Liabilities of HERBIG" which shall be incorporated by reference and made part of this Agreement, GARCIA has no liabilities, including any contingent liability related to litigation, and will have no liabilities as of the Effective Date. The document shall disclose in detail the amount of any liability and the circumstances related to such liability. With the exception of any contingent liability related to litigation disclosed in the document titled "Liabilities of GARCIA," all other liabilities arising from or related to litigation shall be assumed by GARCIA.

(k) Disclosures. No representation or warranty of GARCIA in this Agreement, and no statement contained in any document incorporated by reference and made a part of this Agreement or other document furnished or to be furnished by GARCIA to PDCI pursuant hereto or in connection with the transactions contemplated hereby contains or at the Effective Date will contain any untrue statement of a material fact or omit or will omit to state a material fact necessary to make it not misleading or necessary to provide PDCI with full information as to GARCIA and its affairs.

SECTION - 4.

COVENANTS OF PDCI.

PDCI covenants and agrees as follows:

(a) Conduct of Business. From the date of this Agreement through the Effective Date, PDCI shall conduct its business in the ordinary course.

(b) Preservation of Business. From the date hereof through the Effective Date, PDCI shall use its best efforts to preserve its business organization intact, keep available the services of its present officers, employees, consultants and agents, maintain its present suppliers and customers and preserve its goodwill.

(c) Insurance. PDCI at all times will have in effect and maintain insurance now in force on or with respect to its properties and assets and its business and will at all times have in effect and maintain insurance coverage against all hazards, casualties, liabilities, and losses in the

amount and of the character and kind normally carried by corporations engaged in a business similar to that conducted by it.

(d) Litigation. PDCI shall promptly notify GARCIA of any lawsuits, claims, proceedings or investigations which after the date hereof are threatened or commenced against it or any of their respective officers, directors, employees, consultants, agents, shareholders or other representatives with respect to the affairs of PDCI.

(e) Dissenting Shareholders. Dissenters rights shall not be demanded prior to the Effective Date by any of the shareholders of PDCI pursuant to the provisions of Nevada law, if any, as to dissenters rights.

(f) Continued Effectiveness of Representations and Warranties. From the date hereof through the Effective Date, PDCI shall conduct its business in such a manner so that the representations and warranties contained in Section 2 shall continue to be true and correct on and as of the Effective Date and as if made on the date of this Agreement, and shall:

(i) promptly give notice to GARCIA of any event, condition or circumstances occurring from the date hereof through the Effective Date which would render any of the representations or warranties untrue, incomplete, insufficient or constitute a violation or breach of this Agreement; and

(ii) supplement the information contained herein in order that such information is kept current, complete and accurate.

SECTION 5.

COVENANTS OF GARCIA.

GARCIA covenants and agrees as follows:

(a) Compliance with Laws. GARCIA will comply in all material respects with federal and state regulations necessary to effectuate the exchange of all outstanding shares of PDCI for shares of common stock of GARCIA, as contemplated by this Agreement

(b) Litigation. GARCIA shall promptly notify PDCI of any lawsuits, claims, proceedings or investigations which after the date hereof are

threatened or commenced against it or against any of their respective officers, directors, employees, consultants, agents, shareholders or other representatives with respect to the affairs of GARCIA.

(c) Dissenting Shareholders. Dissenters rights shall not be demanded prior to the Effective Date by any of the shareholders of GARCIA pursuant to the provisions of Nevada law, if any, as to dissenters rights.

(d) Continued Effectiveness of Representations and Warranties. From the date hereof to the Effective Date, GARCIA shall conduct its business in such a manner so that the representations and warranties contained in Section 3 shall continue to be true and correct on and as of the Effective Date and as if made on the date of this Agreement, and shall:

(i) promptly give notice to PDCI of any event, condition or circumstances occurring from the date hereof through the Effective Date which would render any of the representations or warranties untrue, incomplete, insufficient or constitute a violation or breach of this Agreement; and

(ii) supplement the information contained herein in order that such information is kept current, complete and accurate.

SECTION 6.

CONDITIONS OF OBLIGATIONS OF GARCIA.

The obligations of GARCIA to consummate this Agreement and the transactions contemplated hereby are subject to the satisfaction at or before the Effective Date of every one of the following conditions, any of which GARCIA may in its sole discretion waive:

(a) Representations and Warranties. The representations and warranties of PDCI set forth in Section 2 hereof shall be true and correct at and as of the Effective Date with the same effect as though such representations and warranties had been made on and as of the date of this Agreement, and any letter, statement, list, certificate or other written information furnished by PDCI pursuant hereto or in connection on with the transactions contemplated hereby shall be true and correct in all material respects at and as of the date or dates stated therein.

(b) Performance of PDCI. PDCI shall have performed and complied with all agreements and conditions required by this Agreement to be performed or complied with by it either prior to or at the Effective Date.

(c) Governmental Permits and Approvals. Corporate Resolutions. Any and all permits and approvals from any governmental or regulatory body required for the lawful consummation of the transaction contemplated shall have been obtained.

(d) Third Party Consents. All consents, Permits and approvals from parties to any contracts or other agreements with PDCI which may be required in connection with the performance by PDCI of its obligations under such contacts or other agreements after the Effective Date shall have been obtained.

(e) Litigation. No action, Suit or proceeding shall have been instituted before any court or governmental or regulatory body or instituted or threatened by a governmental or regulatory body to restrain, modify or prevent the carrying out of the transactions contemplated hereby or to seek damages or a discovery order in connection with such transactions, or which has or may have, in the opinion of GARCIA, a materially adverse effect on the assets, properties, business, operations or condition (financial or otherwise) of GARCIA.

(f) Absence of Adverse Changes. Since the date of this Agreement, there shall have been no change in the financial condition, business, or properties of PDCI which materially and adversely affects the conduct of its business or its condition, financial or otherwise.

(g) Satisfaction of Indebtedness. Indebtedness and obligations of PDCI to any of its shareholders and affiliates shall have been satisfied and discharged, and any documentation evidencing such satisfaction or discharge shall have been received as requested by GARCIA.

(h) No Restraining Order There shall not have been any action or proceeding instituted or threatened before any court or governmental agency to restrain or prohibit, or obtain substantial damages in respect of, this Agreement or the consummation of the transactions contemplated hereby, which in the opinion of GARCIA make it inadvisable to consummate such transaction.

(i) Compliance Certificate. GARCIA shall have received a certificate signed by the President dated as of the Effective Date and satisfactory in form and substance to GARCIA certifying to the fulfillment of the conditions specified in Section 6(b).

SECTION 7.

CONDITIONS TO THE OBLIGATIONS OF PDCI.

The obligations of PDCI to consummate this Agreement and the transactions contemplated hereby are subject to the satisfaction at or before the Effective Date of each and every one of the following conditions, any of which PDCI may in its sole discretion waive:

(a) Representations and Warranties. The representations and warranties of GARCIA as set forth in Section 3 hereof shall be true and correct at and as of the Effective Date with the same effect as though such representations and warranties had been made on the date of this Agreement, and any letter, statement, list, certificate or other written information furnished by GARCIA pursuant hereto or in connection with the transactions contemplated hereby shall be true and correct in all material respects at and as of the date or dates stated therein.

(b) Performance by GARCIA. GARCIA shall have performed and complied with all agreements and conditions required by this Agreement to be performed or complied with by it either prior to or at the Effective Date.

(c) Absence of Adverse Changes. Since the date of this Agreement, there shall have been no change in GARCIA which materially and adversely affects its status as a public company.

(d) Compliance Certificate. PDCI shall have received a certificate signed by the President of GARCIA dated as of the Effective Date and satisfactory in form and substance to PDCI certifying to the fulfillment of the conditions specified in Section 7(b).

(e) Stock Certificates. At the Effective Date, each Shareholder of PDCI shall receive a certificate or certificates representing the number of shares of common stock of GARCIA they are entitled to.

SECTION 8.

SURVIVAL OF REPRESENTATIONS AND WARRANTIES.

All representations, warranties, agreements, covenants, and obligations herein made by or in any of the documents incorporated by reference and made a part of this Agreement shall be deemed to have been relied upon by each of the other parties, shall survive the Effective Date for a period of two years thereafter (except that the representations with respect to taxes of PDCI in Section 2(h) shall continue to exist after the Effective Date for a period of three years), and shall not merge in the performance of any obligation by any party hereto.

SECTION 9.

TERMINATION.

(a) This Agreement may be terminated at any time prior to the filing of the Articles of Merger in the office of the Secretary of the State of Nevada by:

- (i) Mutual consent of PDCI and GARCIA;
- (ii) GARCIA if, at the Effective Date, any of the conditions set forth in Section 6 shall not have been satisfied;
- (iii) PDCI if, at the Effective Date, any of the conditions set forth in Section 7 shall not have been satisfied;
- (iv) GARCIA, if PDCI has breached any material representation warranty, covenant or agreement contained in this Agreement;
- (v) PDCI, if GARCIA has breached any material representation, warranty, covenant or agreement contained in this Agreement; and
- (vi) GARCIA, if any legal proceeding is commenced or threatened by any governmental or regulatory agency or other person directed against the consummation of the transaction or any other transaction under this Agreement.

(b) If this Agreement shall be terminated as provided in Section 9(a), the Articles of merger shall be deemed to have been abandoned and shall be void and of no further effect, without any liability on the part of any of the parties thereto or the stockholders, directors, officers, employees or agents of any of them.

SECTION 10.

INDEMNIFICATION.

(a) Obligation of PDCI to Indemnify. Subject to the limitations on the survival of representations and warranties contained in Section 8, PDCI, its respective officers, directors and employees hereby agree to indemnify, defend and hold GARCIA harmless from and against any losses, liabilities, damages, deficiencies, costs or expenses (including interest, penalties and reasonable attorneys fees and disbursements) based upon, arising out of or otherwise due to any material inaccuracy in or any breach of any representation, warranty, covenant or agreement of PDCI contained in this Agreement or in any document or other writing delivered pursuant to this Agreement.

(b) Obligation of GARCIA to Indemnify. Subject to the limitations on the survival of representations and warranties contained in Section 8, GARCIA, its respective officers, directors and employees, hereby agree to indemnify, defend and hold PDCI harmless from and against any losses, liabilities, damages, deficiencies, costs or expenses (including interest, penalties and reasonable attorneys fees and disbursements) based upon, arising out of or otherwise due to any material inaccuracy in or any breach of any representation, warranty, covenant or agreement of GARCIA contained in this Agreement or in any document or other writing delivered pursuant to this Agreement.

SECTION 11.

MISCELLANEOUS.

(a) Notices. All notices or requests, demands and other communications hereunder shall be deemed to have been duly given if in writing and delivered or mailed postage prepaid to the parties as follows:

If to PDCI:

P. D. C. INNOVATIVE INDUSTRIES, INC.
4411 NW 105 Terrace
Coral Springs, Florida 33065
Attn: Sandra Sowers, President

If to GARCIA:

KENNETH C. GARCIA, INC.
4410 NW 173RD DRIVE
Miami, Florida 33055
Attn: Godfrey Comrie, President

The address of any party for any such notice, request or other communication may be changed by giving notice of such change to the other parties as herein above provided.

(b) Fees and Expenses. Each of the parties will bear its own costs and expenses in connection with the negotiation and the consummation of this Agreement.

(c) Amendment This Agreement may be amended by mutual agreement of the parties at any time prior to the Effective Date.

(d) Further Assurances. The parties shall execute such documents and other papers and take such further actions as may be reasonably required or desirable to carry out the provisions hereof and the transactions contemplated hereby. Each such party shall use its best efforts to fulfill or obtain the fulfillment of the conditions.

(e) Law Governing This Agreement shall be deemed to have been entered into under the laws of the State of Nevada, and the rights and obligations of the parties hereunder shall be governed and determined according to the laws of said state, without regard to applicable conflicts of laws.

(f) Resolution of Disputes. Any dispute arising out of or related to this Agreement or the breach thereof shall be resolved by litigation in Broward County, Florida. The prevailing party in any such litigation shall be entitled to reasonable attorneys fees and costs.

(g) Entire Agreement and Counterparts. This Agreement and the documents incorporated by reference and made a part of it and any other instruments and agreements to be delivered in conjunction herewith constitute the entire agreement between the parties with respect to the transactions contemplated herein and supersede all prior agreements and understandings of the parties with respect thereto. This Agreement may be executed in one or more counterparts, all of which taken together shall constitute one instrument.

(h) Construction. This Agreement shall be construed within the fair meaning of each of its terms and not against the party drafting the document.

IN WITNESS WHEREOF, this Agreement has been executed by the parties hereto under their respective seals, as of the day and year first above written.

KENNETH C. GARCIA, INC.

By: 
Godfrey Comrie, President

P.D.C. INNOVATIVE INDUSTRIES, INC.

By: 
Sandra Sowers, President

PLAN OF MERGER

PLAN OF MERGER adopted by **P.D.C. Innovative Industries, Inc.**, a corporation for profit organized under the laws of the state of Florida, by resolution of its Board of Directors on January 22, 1998, and adopted on January 22, 1998, and by **Kenneth C. Garcia, Inc.**, a corporation for profit organized under the laws of the State of Nevada, by resolution of its Board of Directors on January 22, 1998. The names of the corporations planning to merge are **P.D.C. Innovative Industries, Inc.**, a corporation for profit organized under the laws of the State of Florida, and **Kenneth C. Garcia, Inc.**, a corporation for profit organized under the laws of the State of Nevada. The name of the surviving corporation into which **P.D.C. Innovative Industries, Inc.** plans to merge is **Kenneth C. Garcia, Inc.**

1. **P.D.C. Innovative Industries, Inc.** and **Kenneth C. Garcia, Inc.** shall, pursuant to the provisions of the Florida Business Corporation Act and the provisions of the laws of the jurisdiction of organization of Nevada, be merged with and into a single corporation, to wit, **Kenneth C. Garcia, Inc.**, which shall be the surviving corporation upon the effective date of the merger and which is sometimes hereinafter referred to as the "surviving corporation", and which shall continue to exist as said surviving corporation under its present name pursuant to the provisions of the laws of the jurisdiction of its organization. The separate existence of **P.D.C. Innovative Industries, Inc.**, which is sometimes hereinafter referred to as the "non-surviving corporation", shall cease upon the effective date of the merger in accordance with the provisions of the Florida Business Corporation Act.

2. The Articles of Incorporation of the surviving corporation, upon the effective date of the merger in the jurisdiction of its organization, shall be the Articles of Incorporation of said surviving corporation and said Articles of Incorporation shall continue in full force and effect until amended and changed in the manner prescribed by the provisions of the laws of the jurisdiction of organization of the surviving corporation.

3. The Bylaws of the surviving corporation, upon the effective date of the merger in the jurisdiction of its organization, will be the Bylaws of said surviving corporation and will continue in full force and effect until changed, altered or amended as therein provided and in the manner prescribed by the provisions of the laws of the jurisdiction of its organization.

4. The directors and officers in office of the surviving corporation, upon the effective date of the merger in the jurisdiction of its organization, shall be the members of the first Board of Directors and the first officers of the surviving corporation, all of whom shall hold their directorships and offices until the election and qualification of their respective successors or until their tenure is otherwise terminated in accordance with the Bylaws of the surviving corporation.

5. All issued shares of the non-surviving corporation, upon the effective date of the merger, shall be converted into all issued shares of the surviving corporation. The issued shares of the surviving corporation shall be exchanged for 2,450,000 shares of restricted Common Stock of P.D.C. Innovative Industries, Inc.

6. The Plan of Merger herein made and approved shall be submitted to the shareholders of the non-surviving corporation for their approval or rejection in the manner prescribed by the provisions of the Florida Business Corporation Act, and the merger of the non-surviving corporation with and into the surviving corporation shall be authorized in the manner prescribed by the laws of the jurisdiction of organization of the surviving corporation.

7. In the event that the Plan of Merger shall have been approved by the shareholders entitled to vote of the non-surviving corporation in the manner prescribed by the provisions of the Florida Business Corporation Act, and in the event that the merger of the non-surviving corporation with and into the surviving corporation shall have been duly authorized in compliance with the laws of the jurisdiction of organization of the surviving corporation, the non-surviving corporation and the surviving corporation hereby stipulate that they will cause to be executed and filed and/or recorded any document or documents prescribed by the laws of the state of Florida and of the state of Nevada, and that they will cause to be performed all necessary acts therein and elsewhere to effectuate the merger.

8. The Board of Directors and the proper officers of the non-surviving corporation and of the surviving corporation, respectively, are hereby authorized, empowered, and directed to do any and all acts and things, and to make, execute, deliver, file, and/or record all instruments, papers, and documents which shall be or become necessary, proper, or convenient to carry out or put into effect any of the provisions of this Plan of Merger or of the merger herein provided for.

9. The merger herein provided for shall become effective in the state of Florida on February 3, 1998.