

Division of Corporations

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P98000060654

Florida Department of State

Division of Corporations

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MERGER OR SHARE EXCHANGE**PELICAN BAY DEVELOPMENTS, INC.**

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Share Exchange
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SECRETARY OF STATE
TALLAHASSEE, FLORIDA

**ARTICLES OF SHARE EXCHANGE
OF
PELICAN BAY DEVELOPMENTS, INC.
PELICAN BAY DEVELOPMENTS II, INC.
AND
LN DEVELOPMENT PROPERTIES I, INC.**

Pursuant to the relevant provisions of the Florida Business Corporation Act, Pelican Bay Developments, Inc., a Florida Corporation ("Development One"), Pelican Bay Developments II, Inc., a Florida Corporation ("Development Two") and LN Development Properties I, Inc., a Florida corporation ("LN Development"), jointly and severally adopt the following Articles of Share Exchange for the purpose of making Development Two and LN Development wholly owned subsidiaries of Development One (the "Share Exchange").

FIRST: Two separate Agreements and Plans of Share Exchange for the forgoing companies are attached hereto as Exhibit "A," to wit: (1) Agreement and Plan of Share Exchange between Development One and Development Two; and (2) Agreement and Plan of Share Exchange between Development One and LN Development.

SECOND: Each Agreement and Plan of Exchange was adopted by the unanimous written consent of all of the shareholders and directors of the participating corporations on the 1st day of July, 2004. In accordance with the Florida Business Corporation Act effective of the share exchange for state law purposes shall be the date of filing.

THIRD: The books and records of the combined entities shall be consolidated as of July 1, 2004.

FOURTH: A QSSS election shall be made for the Corporations involved in the Share Exchange.

FIFTH: The only consideration passing in the transaction is shares of the Corporations party to the Share Exchange.

SIXTH: The undersigned has been delegated the requisite corporate authority to execute and file these articles on behalf of the respective corporations.

SEVENTH: The names and jurisdiction of organization of each constituent entity to the Share Exchange are:

<u>Name</u>	<u>Document Number</u>
Pelican Bay Developments, Inc., a Florida corporation;	P98000060654
Pelican Bay Developments II, Inc., a Florida corporation;	P97000103073
LN Development Properties I, Inc., a Florida corporation	P96000090469

EIGHTH: All of the Corporations which are party to the Share Exchange shall survive the share exchange.

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NINTH: The Articles of Incorporations of each corporation shall be amended as necessary by Pelican Bay Development following the share exchange.

TENTH: The effective date of the share exchange shall be the date of filing with the Florida Department of State.

IN WITNESS WHEREOF, these Articles of Share Exchange have been executed on behalf of the parties hereto as of the 4th day of June, 2004.

PELICAN BAY DEVELOPMENT I, INC., a
Florida corporation

By: 

James A. Nashman, President

PELICAN BAY DEVELOPMENT II, INC., a
Florida corporation

By: 

James A. Nashman, President

LN DEVELOPMENT PROPERTIES I, INC., a
Florida corporation

By: 

James A. Nashman, President

**AGREEMENT AND PLAN OF SHARE EXCHANGE
BETWEEN
PELICAN BAY DEVELOPMENTS, INC., A FLORIDA CORPORATION AND
LN DEVELOPMENT PROPERTIES I, INC., A FLORIDA CORPORATION**

This Agreement and Plan of Share Exchange is adopted pursuant to the relevant provisions of the Florida Business Corporation Act.

This Agreement and Plan of Share Exchange ("Agreement") Effective as of the 1st day of July, 2004 between Pelican Bay Developments, Inc. ("Developments One"), a Florida corporation having its registered office at 26811 S. Bay Drive, Suite 350, Bonita Springs, Florida 34134 together with its sole shareholders, Richard Lauer and James Nashman ("Developments One Shareholders") and LN Development Properties I, Inc., a Florida corporation ("LN Developments"), having its principal office and place of business at 26811 S. Bay Drive, Suite 350, Bonita Springs, Florida 34134 together with its sole shareholders, Richard Lauer and James Nashman ("LN Developments Shareholders")

RECITALS

WHEREAS, all of the Directors of Developments One and LN Developments and all of the Developments One Shareholders and LN Developments Shareholders, have waived notice of special meetings of their respective corporations as permitted under Florida law in order to review this Agreement and consider whether it is in the best interest of the respective corporations and their respective shareholders to cause an exchange of all of the issued and outstanding shares of LN Developments to be exchanged for a specific number of shares of Developments One in a transaction treated as an "B" Reorganization under §368(a)(1)(B) of the Internal Revenue Code of 1986, as amended ("Share Exchange").

WHEREAS, the Board of Directors of Developments One, by unanimous written consent deem it desirable and in the best interests of Developments One and its shareholders to enter into and approve this Agreement;

WHEREAS, the Developments One Shareholders have unanimously approved this Agreement as of the Effective Date as evidenced by their signatures to this Agreement and to the unanimous written consents of the Developments One Shareholders filed in the minutes of Developments One;

WHEREAS, the Board of Directors of LN Developments by unanimous written consent deem it desirable and in the best interests of LN Developments and its shareholders to enter into and approve this Agreement; and

WHEREAS, the LN Developments Shareholders have unanimously approved this Agreement as of the Effective Date as evidenced by their signatures to this Agreement and to the unanimous written consents of the LN Developments Shareholders filed in the minutes of LN Developments;

Now, Therefore, in consideration of the foregoing premises and in consideration of the mutual covenants and promises of the parties hereto, Developments One, Developments One Shareholders, LN Developments and LN Developments Shareholders agree as follows:

Pelican Bay Developments, Inc. / LN Development Properties I, Inc.
"Agreement and Plan of Share Exchange"

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ARTICLE I
Share Exchange of the Corporations.

A. In accordance with and pursuant to the Florida Business Corporation Act, the LN Developments Shareholders shall exchange all of the issued and outstanding shares of LN Developments in return for a specific number of authorized shares of Developments One.

B. The parties agree to prescribe the terms and conditions of such Share Exchange, the method of carrying it into effect, and the manner of exchanging the shares of Developments One into shares of LN Developments as hereinafter set forth.

ARTICLE II
Shares to be Merged

A. The total number of shares of all classes of stock which Developments One is authorized to issue is One Thousand (1,000) shares of One Dollar (US\$1.00) par value Common Stock. 500 shares of the authorized shares are issued and outstanding.

B. The total number of shares of all classes of stock which LN Developments is authorized to issue is One Thousand (1,000) shares of One Dollar (US\$1.00) par value Common Stock. 500 shares of the authorized shares of LN Developments are issued and outstanding.

C. At the time of the execution of this Agreement, the identity of shareholders and their relative percentage ownership of LN Developments and Developments One, prior to the Share Exchange are identical.

Developments One

Shareholder	Number of Shares	Percentage
Richard Lauer	250	50.00%
James Nashman	250	50.00%

LN Developments

Shareholder	Number of Shares	Percentage
Richard Lauer	250	50.00%
James Nashman	250	50.00%

ARTICLE III
Method of Converting Shares

Effective July 1, 2004 without any additional action on the part of the parties hereto, holders of the issued and outstanding common stock of Developments One shall receive One (1) share of the common stock of LN Developments for every Ten (10) shares of the common stock of LN Developments. The shares of Developments One following an exchange shall be canceled without payment of any additional consideration and without conversion.

ARTICLE IV
LN Developments to Become Wholly Owned S Subsidiary

- A. Both corporations will survive the share exchange and Developments One shall be considered the parent of wholly owned subsidiary LN Developments.
- B. Both corporations shall maintain their S corporation status.
- C. Developments One shall make a QSSS election for LN Developments.

ARTICLE V
Representations And Warranties Of Developments One

A. Developments One (EIN: 65-0849321) is a corporation validly existing and in active status under the Laws of the State of Florida. Developments One is duly qualified to conduct business as a corporation, and is in good standing. Developments One has all requisite corporate power and authority to own, operate and lease its properties and to carry on its business as and where such is now being conducted. All of the outstanding shares of the common stock of Developments One have been duly authorized and validly issued, are fully paid and non-assessable.

B. The outstanding shares of Developments One are owned by the Developments One Shareholders free and clear of all liens. No shares of capital stock of, or other ownership

Pelican Bay Developments, Inc. / LN Development Properties I, Inc.
"Agreement and Plan of Share Exchange"

interest in, Developments One are reserved for issuance and, except for this Agreement, there are no outstanding options, warrants, rights, subscriptions, claims of any character, agreements or understandings relating to the capital stock of Developments One pursuant to which Developments One is or may become obligated to issue or exchange any shares of its capital stock.

C. Developments One does not own, directly or indirectly, any capital stock or other equity securities of any other corporation or have any direct or indirect equity or other ownership interest in any entity or business.

D. True and complete copies of the Articles of Incorporation and Bylaws of Developments One have been made available to the Board of Directors and Shareholders of LN Developments. The minute books of Developments One have been made available to Board of Directors and Shareholders of LN Developments for examination and contain complete and accurate records of all material corporate action taken by the Board of Directors and Shareholders of Developments One .

E. The execution and delivery of this Agreement and the other documents and instruments to be executed and delivered by Developments One pursuant hereto and the consummation by the Developments One of the transactions contemplated hereby and thereby have been duly authorized by the shareholders and the Board of Directors of Developments One .

F. Developments One has filed all Tax Returns required to be filed by it and all such returns are complete and accurate in all respects. Developments One has paid or made adequate provision for the payment of all taxes owed, whether or not shown as due on such tax returns. Developments One has been a validly electing S corporation within the meaning of Code Sections 1361 and 1362 at all times during its existence, and Developments One will be an S corporation up to and including the Closing Date.

G. Title to Assets.

1. Developments One has good and marketable title to all of its assets and properties free and clear of all liens, except those disclosed to Developments One's Board of Directors and Shareholders.

2. All of Developments One's tangible property, taken as a whole, is in good operating condition and repair, subject to normal wear and tear, and is usable in the ordinary course of business consistent with Developments One's past practices.

3. The assets of Developments One include all assets required to operate the business as presently conducted.

ARTICLE VI
Representations And Warranties Of LN Developments

A. LN Developments (EIN: 65-0801110) is a corporation validly existing and in active status under the Laws of the State of Florida. LN Developments is duly qualified to conduct business as a corporation, and is in good standing. LN Developments has all requisite corporate power and authority to own, operate and lease its properties and to carry on its business as and where such is now being conducted. All of the outstanding shares of the common stock of LN Developments have been duly authorized and validly issued, are fully paid and non-assessable.

B. The outstanding shares of LN Developments are owned by the LN Developments Shareholders free and clear of all liens. No shares of capital stock of, or other ownership interest in, LN Developments are reserved for issuance and, except for this Agreement, there are no outstanding options, warrants, rights, subscriptions, claims of any character, agreements or understandings relating to the capital stock of LN Developments pursuant to which LN Developments is or may become obligated to issue or exchange any shares of its capital stock.

C. LN Developments does not own, directly or indirectly, any capital stock or other equity securities of any other corporation or have any direct or indirect equity or other ownership interest in any entity or business.

D. True and complete copies of the Articles of Incorporation and Bylaws of LN Developments have been made available to the Board of Directors and Shareholders of LN Developments. The minute books of LN Developments have been made available to Board of Directors and Shareholders of LN Developments for examination and contain complete and accurate records of all material corporate action taken by the Board of Directors and Shareholders of LN Developments.

E. The execution and delivery of this Agreement and the other documents and instruments to be executed and delivered by LN Developments pursuant hereto and the consummation by the LN Developments of the transactions contemplated hereby and thereby have been duly authorized by the shareholders and the Board of Directors of LN Developments.

F. LN Developments has filed all Tax Returns required to be filed by it and all such returns are complete and accurate in all respects. LN Developments has paid or made adequate provision for the payment of all taxes owed, whether or not shown as due on such tax returns. LN Developments has been a validly electing S corporation within the meaning of Code Sections 1361 and 1362 at all times during its existence, and LN Developments will be an S corporation up to and including the Closing Date.

G. Title to Assets.

1. LN Developments has good and marketable title to all of its assets and properties free and clear of all liens, except those disclosed to LN Developments's Board of Directors and Shareholders.
2. All of LN Developments's tangible property, taken as a whole, is in good operating condition and repair, subject to normal wear and tear, and is usable in the ordinary course of business consistent with LN Developments's past practices.
3. The assets of LN Developments include all assets required to operate the business as presently conducted.

ARTICLE VII
Share Exchange Permitted Under the Laws of Florida

This Share Exchange is permitted under the relevant provisions of the Florida Business Corporation Act.

ARTICLE VIII
Effective Date of Share Exchange

The Share Exchange for the purposes of the Florida Business Corporation Act shall take effect as of the date of the filing of the Articles of Share Exchange with the Florida Department of State. For the purposes of the books and records of Developments One and Developments Two, all financial information shall be consolidated as of July 1, 2004.

ARTICLE IX
Principal Office

The principal office of Developments One shall be the principal office of both corporations following this Share Exchange.

ARTICLE X
Names and Addresses of the Directors

The names and addresses of the persons who shall constitute the Board of Directors of LN Developments and who shall hold office until the next annual meeting of the shareholders of LN Developments, following the Share Exchange, are as follows:

Director	Address
Richard Lauer	26811 S. Bay Drive, Suite 350, Bonita Springs, Florida 34134
James Nashman	26811 S. Bay Drive, Suite 350, Bonita Springs, Florida 34134

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ARTICLE XI
Extraordinary Transactions

Neither corporation shall, prior to the Effective Date, engage in any activity nor transaction other than in the ordinary course of business, except as contemplated by this Agreement.

ARTICLE XII
Submission to Shareholders

This Agreement has been submitted to the shareholders of the corporations in the manner provided under applicable Florida law. The signatures of the undersigned shareholders of each such corporation representing a majority of the total number of shares are in favor of the adoption of this Agreement. The unanimous written consents of the Developments One Shareholders and LN Developments Shareholders are attached to this Agreement and incorporated herein by reference.

ARTICLE XIII
Abandonment of Share Exchange

If the Board of Directors of Developments One or the Board of Directors of LN Developments should determine, either before or after the meeting of the shareholders of their respective corporations called to vote on the adoption or rejection of this Agreement of Share Exchange, that for any legal, financial, economic, or business reason deemed sufficient by such Board it is not in the interest of the corporation it represents or the shareholders of such corporation, or is otherwise inadvisable or impractical to consummate the Share Exchange by directing the officers of the corporation to refrain from executing this Plan and Agreement of Share Exchange, and thereupon this Agreement shall be void and of no effect.

ARTICLE XIV
Articles of Incorporation and Bylaws of LN Developments

Following the Share Exchange, the Board of Directors and shareholders of Developments One shall amend the Articles of Incorporation and Bylaws of LN Developments to reflect the change in relationship and such other matters as may be necessary for the good governance of the entities.

ARTICLE XV
Miscellaneous

A. Further Assurance. From time to time, at a Party's request and without further consideration, the other Parties will execute and deliver to the requesting Party such documents

Pelican Bay Developments, Inc. / LN Development Properties I, Inc.
"Agreement and Plan of Share Exchange"

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and take such other action as the requesting Party may reasonably request in order to consummate more effectively the transactions contemplated hereby.

B. Assignment. The rights and obligations of a Party hereunder may not be assigned, transferred or encumbered, in whole or in part, without the prior written consent of the other parties.

C. Law Governing Agreement. This Agreement shall be construed and interpreted according to the internal Laws of the State of Florida, excluding any choice of law rules that may direct the application of the Laws of another jurisdiction.

D. Amendment and Modification. Developments One and LN Developments may amend, modify and supplement this Agreement, and any of the terms, covenants, representations, warranties or conditions hereof may be waived, only by a written instrument executed on behalf of all of the parties hereto or, in the case of a waiver, by the party waiving compliance.

E. Notice. All notices, requests, demands and other communications hereunder shall be given in writing and shall be: (a) personally delivered; (b) sent by telecopier, facsimile transmission or other electronic means of transmitting written documents; or (c) sent to the parties at their respective addresses currently know by the parties indicated herein by registered or certified U.S. mail, return receipt requested and postage prepaid, or by private overnight mail courier service. Any party desiring to change its address prior to the closing of this Agreement shall provide notice of such change to each party in writing.

F. Expenses. Regardless of whether or not the transactions contemplated hereby are consummated:

1. Brokerage. There is no broker involved or in any way connected with the transfer provided for herein on their behalf respectively and each agrees to hold the other harmless from and against all other claims for brokerage commissions or finder's fees in connection with the execution of this Agreement or the transactions provided for herein.

2. Other. Except as otherwise provided herein, each of the Parties shall bear its own expenses and the expenses of its counsel and other agents in connection with the transactions contemplated hereby.

G. Entire Agreement; Binding Effect. This Agreement embodies the entire agreement between the Parties hereto with respect to the transactions contemplated herein, and there have been and are no agreements, representations or warranties between the parties other than those set forth or provided for herein or executed contemporaneously or in connection herewith. This Agreement shall be binding upon and shall inure to the benefit of the Parties hereto and their respective legal representatives, successors and permitted assigns.

H. Counterparts. This Agreement may be executed in one or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

I. Headings. The headings in this Agreement are inserted for convenience only and shall not constitute a part hereof.

J. Construction. Where any group or category of items or matters is defined collectively in the plural number, any item or matter within such definition may be referred to using such defined term in the singular number.

K. Interpretations. Neither this Agreement or any uncertainty herein shall be construed or resolved against any Party, whether under rule of construction or otherwise. No Party to this Agreement shall be considered the draftsman. The Parties acknowledge and agree that this Agreement has been reviewed, negotiated, and accepted by all parties, and their attorneys and shall be construed and interpreted according to the ordinary meaning of the words used so as fairly to accomplish the purposes and intentions of all parties hereto.

L. Severability. Any term or provision of this Agreement which is invalid or unenforceable in any jurisdiction shall, as to that jurisdiction, be ineffective to the extent of such invalidity or unenforceability without rendering invalid or unenforceable the remaining terms and provisions of this Agreement or affecting the validity or enforceability of any of the terms and provisions of this Agreement in any other jurisdiction. If any provision of this Agreement is so broad as to be unenforceable, the provision shall be interpreted only so broad as enforceable.

In Witness Whereof, the undersigned constituting all of the Directors of Developments One and all of the Developments One Shareholders and all of the Directors of LN Developments and all of the LN Developments Shareholders, have executed this Agreement under their respective corporate seals on the day and year first above written.

PELICAN BAY DEVELOPMENTS, INC., a
Florida corporation

By: 

Richard E. Lauer, CEO of
Pelican Bay Developments, Inc.,
Director and Shareholder
Under Power of Attorney by James A. Nashman

By: 

James Nashman, President of
Pelican Bay Developments, Inc.,
Director and Shareholder

Pelican Bay Developments, Inc. / LN Development Properties I, Inc.
"Agreement and Plan of Share Exchange"

LN DEVELOPMENT PROPERTIES I, INC., a
Florida corporation

By: 

Richard E. Lauer, CEO of
LN Development Properties I, Inc.,
Director and Shareholder
Under Power of Attorney by James A. Nashman

By: 

James A. Nashman, President of
LN Development Properties I, Inc.,
Director and Shareholder

**AGREEMENT AND PLAN OF SHARE EXCHANGE
BETWEEN
PELICAN BAY DEVELOPMENTS, INC., A FLORIDA CORPORATION AND
PELICAN BAY DEVELOPMENTS II, INC., A FLORIDA CORPORATION**

This Agreement and Plan of Share Exchange is adopted pursuant to the relevant provisions of the Florida Business Corporation Act.

This Agreement and Plan of Share Exchange ("Agreement") Effective as of the 1st day of July, 2004 between Pelican Bay Developments, Inc. ("Developments One"), a Florida corporation having its registered office at 26811 S. Bay Drive, Suite 350, Bonita Springs, Florida 34134 together with its sole shareholders, Richard Lauer and James Nashman ("Developments One Shareholders") and Pelican Bay Developments II, Inc., a Florida corporation ("Developments Two"), having its principal office and place of business at 26811 S. Bay Drive, Suite 350, Bonita Springs, Florida 34134 together with its sole shareholders, Richard Lauer and James Nashman ("Developments Two Shareholders")

RECITALS

WHEREAS, all of the Directors of Developments One and Developments Two and all of the Developments One Shareholders and Developments Two Shareholders, have waived notice of special meetings of their respective corporations as permitted under Florida law in order to review this Agreement and consider whether it is in the best interest of the respective corporations and their respective shareholders to cause an exchange of all of the issued and outstanding shares of Developments Two to be exchanged for a specific number of shares of Developments One in a transaction treated as an "B" Reorganization under §368(a)(1)(B) of the Internal Revenue Code of 1986, as amended ("Share Exchange").

WHEREAS, the Board of Directors of Developments One, by unanimous written consent deem it desirable and in the best interests of Developments One and its shareholders to enter into and approve this Agreement;

WHEREAS, the Developments One Shareholders have unanimously approved this Agreement as of the Effective Date as evidenced by their signatures to this Agreement and to the unanimous written consents of the Developments One Shareholders filed in the minutes of Developments One;

WHEREAS, the Board of Directors of Developments Two by unanimous written consent deem it desirable and in the best interests of Developments Two and its shareholders to enter into and approve this Agreement; and

WHEREAS, the Developments Two Shareholders have unanimously approved this Agreement as of the Effective Date as evidenced by their signatures to this Agreement and to the unanimous written consents of the Developments Two Shareholders filed in the minutes of Developments Two;

Now, Therefore, in consideration of the foregoing premises and in consideration of the mutual covenants and promises of the parties hereto, Developments One, Developments One Shareholders, Developments Two and Developments Two Shareholders agree as follows:

Pelican Bay Developments, Inc. / Pelican Bay Developments II, Inc.
"Agreement and Plan of Share Exchange"

ARTICLE I
Share Exchange of the Corporations.

A. In accordance with and pursuant to the Florida Business Corporation Act, the Developments Two Shareholders shall exchange all of the issued and outstanding shares of Developments Two in return for a specific number of authorized shares of Developments One.

B. The parties agree to prescribe the terms and conditions of such Share Exchange, the method of carrying it into effect, and the manner of exchanging the shares of Developments One into shares of Developments Two as hereinafter set forth.

ARTICLE II
Shares to be Merged

A. The total number of shares of all classes of stock which Developments One is authorized to issue is One Thousand (1,000) shares of One Dollar (US\$1.00) par value Common Stock. 500 shares of the authorized shares are issued and outstanding.

B. The total number of shares of all classes of stock which Developments Two is authorized to issue is One Thousand (1,000) shares of One Dollar (US\$1.00) par value Common Stock. 500 shares of the authorized shares of Developments Two are issued and outstanding.

C. At the time of the execution of this Agreement, the identity of shareholders and their relative percentage ownership of Developments Two and Developments One, prior to the Share Exchange are identical.

Developments One

Shareholder	Number of Shares	Percentage
Richard Lauer	250	50.00%
James Nashman	250	50.00%

Developments Two

Shareholder	Number of Shares	Percentage
Richard Lauer	250	50.00%
James Nashman	250	50.00%

ARTICLE III
Method of Converting Shares

Effective July 1, 2004, without any additional action on the part of the parties hereto, holders of the issued and outstanding common stock of Developments One shall receive One (1) share of the common stock of Developments Two for every Ten (10) shares of the common stock of Developments One. The shares of Developments One following an exchange shall be canceled without payment of any additional consideration and without conversion.

ARTICLE IV
Developments Two to Become Wholly Owned S Subsidiary

- A. Both corporations will survive the share exchange and Developments One shall be considered the parent of wholly owned subsidiary Developments Two.
- B. Both corporations shall maintain their S corporation status.
- C. Developments One shall make a QSSS election for Developments Two.

ARTICLE V
Representations And Warranties Of Developments One

A. Developments One (EIN: 65-0849321) is a corporation validly existing and in active status under the Laws of the State of Florida. Developments One is duly qualified to conduct business as a corporation, and is in good standing. Developments One has all requisite corporate power and authority to own, operate and lease its properties and to carry on its business as and where such is now being conducted. All of the outstanding shares of the common stock of Developments One have been duly authorized and validly issued, are fully paid and non-assessable.

B. The outstanding shares of Developments One are owned by the Developments One Shareholders free and clear of all liens. No shares of capital stock of, or other ownership

Pelican Bay Developments, Inc. / Pelican Bay Developments II, Inc.
"Agreement and Plan of Share Exchange"

interest in, Developments One are reserved for issuance and, except for this Agreement, there are no outstanding options, warrants, rights, subscriptions, claims of any character, agreements or understandings relating to the capital stock of Developments One pursuant to which Developments One is or may become obligated to issue or exchange any shares of its capital stock.

C. Developments One does not own, directly or indirectly, any capital stock or other equity securities of any other corporation or have any direct or indirect equity or other ownership interest in any entity or business.

D. True and complete copies of the Articles of Incorporation and Bylaws of Developments One have been made available to the Board of Directors and Shareholders of Developments Two. The minute books of Developments One have been made available to Board of Directors and Shareholders of Developments Two for examination and contain complete and accurate records of all material corporate action taken by the Board of Directors and Shareholders of Developments One .

E. The execution and delivery of this Agreement and the other documents and instruments to be executed and delivered by Developments One pursuant hereto and the consummation by the Developments One of the transactions contemplated hereby and thereby have been duly authorized by the shareholders and the Board of Directors of Developments One .

F. Developments One has filed all Tax Returns required to be filed by it and all such returns are complete and accurate in all respects. Developments One has paid or made adequate provision for the payment of all taxes owed, whether or not shown as due on such tax returns. Developments One has been a validly electing S corporation within the meaning of Code Sections 1361 and 1362 at all times during its existence, and Developments One will be an S corporation up to and including the Closing Date.

G. Title to Assets.

1. Developments One has good and marketable title to all of its assets and properties free and clear of all liens, except those disclosed to Developments One's Board of Directors and Shareholders.

2. All of Developments One's tangible property, taken as a whole, is in good operating condition and repair, subject to normal wear and tear, and is usable in the ordinary course of business consistent with Developments One's past practices.

3. The assets of Developments One include all assets required to operate the business as presently conducted.

ARTICLE VI
Representations And Warranties Of Developments Two

A. Developments Two (EIN: 65-0801110) is a corporation validly existing and in active status under the Laws of the State of Florida. Developments Two is duly qualified to conduct business as a corporation, and is in good standing. Developments Two has all requisite corporate power and authority to own, operate and lease its properties and to carry on its business as and where such is now being conducted. All of the outstanding shares of the common stock of Developments Two have been duly authorized and validly issued, are fully paid and non-assessable.

B. The outstanding shares of Developments Two are owned by the Developments Two Shareholders free and clear of all liens. No shares of capital stock of, or other ownership interest in, Developments Two are reserved for issuance and, except for this Agreement, there are no outstanding options, warrants, rights, subscriptions, claims of any character, agreements or understandings relating to the capital stock of Developments Two pursuant to which Developments Two is or may become obligated to issue or exchange any shares of its capital stock.

C. Developments Two does not own, directly or indirectly, any capital stock or other equity securities of any other corporation or have any direct or indirect equity or other ownership interest in any entity or business.

D. True and complete copies of the Articles of Incorporation and Bylaws of Developments Two have been made available to the Board of Directors and Shareholders of Developments Two. The minute books of Developments Two have been made available to Board of Directors and Shareholders of Developments Two for examination and contain complete and accurate records of all material corporate action taken by the Board of Directors and Shareholders of Developments Two .

E. The execution and delivery of this Agreement and the other documents and instruments to be executed and delivered by Developments Two pursuant hereto and the consummation by the Developments Two of the transactions contemplated hereby and thereby have been duly authorized by the shareholders and the Board of Directors of Developments Two.

F. Developments Two has filed all Tax Returns required to be filed by it and all such returns are complete and accurate in all respects. Developments Two has paid or made adequate provision for the payment of all taxes owed, whether or not shown as due on such tax returns.

G. Developments Two has been a validly electing S corporation within the meaning of Code Sections 1361 and 1362 at all times during its existence, and Developments Two will be an S corporation up to and including the Closing Date.

H. Title to Assets.

1. Developments Two has good and marketable title to all of its assets and properties free and clear of all liens, except those disclosed to Developments Two's Board of Directors and Shareholders.
2. All of Developments Two's tangible property, taken as a whole, is in good operating condition and repair, subject to normal wear and tear, and is usable in the ordinary course of business consistent with Developments Two's past practices.
3. The assets of Developments Two include all assets required to operate the business as presently conducted.

ARTICLE VII **Share Exchange Permitted Under the Laws of Florida**

This Share Exchange is permitted under the relevant provisions of the Florida Business Corporation Act.

ARTICLE VIII **Effective Date of Share Exchange**

The Share Exchange for the purposes of the Florida Business Corporation Act shall take effect as of the date of the filing of the Articles of Share Exchange with the Florida Department of State. For the purposes of the books and records of Developments One and Developments Two, all financial information shall be consolidated as of July 1, 2004.

ARTICLE IX **Principal Office**

The principal office of Developments One shall be the principal office of both corporations following this Share Exchange.

ARTICLE X **Names and Addresses of the Directors**

The names and addresses of the persons who shall constitute the Board of Directors of Developments Two and who shall hold office until the next annual meeting of the shareholders of Developments Two, following the Share Exchange, are as follows:

Director	Address
Richard Lauer	26811 S. Bay Drive, Suite 350, Bonita Springs, Florida 34134
James Nashman	26811 S. Bay Drive, Suite 350, Bonita Springs, Florida 34134

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ARTICLE XI
Extraordinary Transactions

Neither corporation shall, prior to the Effective Date, engage in any activity nor transaction other than in the ordinary course of business, except as contemplated by this Agreement.

ARTICLE XII
Submission to Shareholders

This Agreement has been submitted to the shareholders of the corporations in the manner provided under applicable Florida law. The signatures of the undersigned shareholders of each such corporation representing a majority of the total number of shares are in favor of the adoption of this Agreement. The unanimous written consents of the Developments One Shareholders and Development Two Shareholders are attached to this Agreement and incorporated herein by reference.

ARTICLE XIII
Abandonment of Share Exchange

If the Board of Directors of Developments One or the Board of Directors of Developments Two should determine, either before or after the meeting of the shareholders of their respective corporations called to vote on the adoption or rejection of this Agreement of Share Exchange, that for any legal, financial, economic, or business reason deemed sufficient by such Board it is not in the interest of the corporation it represents or the shareholders of such corporation, or is otherwise inadvisable or impractical to consummate the Share Exchange by directing the officers of the corporation to refrain from executing this Plan and Agreement of Share Exchange, and thereupon this Agreement shall be void and of no effect.

ARTICLE XIV
Articles of Incorporation and Bylaws of Developments Two

Following the Share Exchange, the Board of Directors and shareholders of Developments One shall amend the Articles of Incorporation and Bylaws of Developments Two to reflect the change in relationship and such other matters as may be necessary for the good governance of the entities.

ARTICLE XVI
Miscellaneous

A. Further Assurance. From time to time, at a Party's request and without further consideration, the other Parties will execute and deliver to the requesting Party such documents and take such other action as the requesting Party may reasonably request in order to consummate more effectively the transactions contemplated hereby.

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B. Assignment. The rights and obligations of a Party hereunder may not be assigned, transferred or encumbered, in whole or in part, without the prior written consent of the other parties.

C. Law Governing Agreement. This Agreement shall be construed and interpreted according to the internal Laws of the State of Florida, excluding any choice of law rules that may direct the application of the Laws of another jurisdiction.

D. Amendment and Modification. Developments One and Developments Two may amend, modify and supplement this Agreement, and any of the terms, covenants, representations, warranties or conditions hereof may be waived, only by a written instrument executed on behalf of all of the parties hereto or, in the case of a waiver, by the party waiving compliance.

E. Notice. All notices, requests, demands and other communications hereunder shall be given in writing and shall be: (a) personally delivered; (b) sent by telecopier, facsimile transmission or other electronic means of transmitting written documents; or (c) sent to the parties at their respective addresses currently know by the parties indicated herein by registered or certified U.S. mail, return receipt requested and postage prepaid, or by private overnight mail courier service. Any party desiring to change its address prior to the closing of this Agreement shall provide notice of such change to each party in writing.

F. Expenses. Regardless of whether or not the transactions contemplated hereby are consummated:

1. Brokerage. There is no broker involved or in any way connected with the transfer provided for herein on their behalf respectively and each agrees to hold the other harmless from and against all other claims for brokerage commissions or finder's fees in connection with the execution of this Agreement or the transactions provided for herein.

2. Other. Except as otherwise provided herein, each of the Parties shall bear its own expenses and the expenses of its counsel and other agents in connection with the transactions contemplated hereby.

G. Entire Agreement; Binding Effect. This Agreement embodies the entire agreement between the Parties hereto with respect to the transactions contemplated herein, and there have been and are no agreements, representations or warranties between the parties other than those set forth or provided for herein or executed contemporaneously or in connection herewith. This Agreement shall be binding upon and shall inure to the benefit of the Parties hereto and their respective legal representatives, successors and permitted assigns.

H. Counterparts. This Agreement may be executed in one or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

I. Headings. The headings in this Agreement are inserted for convenience only and shall not constitute a part hereof.

J. Construction. Where any group or category of items or matters is defined collectively in the plural number, any item or matter within such definition may be referred to using such defined term in the singular number.

K. Interpretations. Neither this Agreement or any uncertainty herein shall be construed or resolved against any Party, whether under rule of construction or otherwise. No Party to this Agreement shall be considered the draftsman. The Parties acknowledge and agree that this Agreement has been reviewed, negotiated, and accepted by all parties, and their attorneys and shall be construed and interpreted according to the ordinary meaning of the words used so as fairly to accomplish the purposes and intentions of all parties hereto.

L. Severability. Any term or provision of this Agreement which is invalid or unenforceable in any jurisdiction shall, as to that jurisdiction, be ineffective to the extent of such invalidity or unenforceability without rendering invalid or unenforceable the remaining terms and provisions of this Agreement or affecting the validity or enforceability of any of the terms and provisions of this Agreement in any other jurisdiction. If any provision of this Agreement is so broad as to be unenforceable, the provision shall be interpreted only so broad as enforceable.

In Witness Whereof, the undersigned constituting all of the Directors of Developments One and all of the Developments One Shareholders and all of the Directors of Developments Two and all of the Developments Two Shareholders, have executed this Agreement under their respective corporate seals on the day and year first above written.

PELICAN BAY DEVELOPMENTS, INC., a
Florida corporation

By: 

Richard B. Lauer, CEO of
Pelican Bay Developments, Inc.,
Director and Shareholder
Under Power of Attorney by James A. Nashman

By: 

James A. Nashman, President of
Pelican Bay Developments, Inc.,
Director and Shareholder

PELICAN BAY DEVELOPMENTS II, INC., a
Florida corporation

By: 

Richard E. Lauer, CEO of
Pelican Bay Developments II, Inc.,
Director and Shareholder
Under Power of Attorney by James A. Nashman

By: 

James A. Nashman, President of
Pelican Bay Developments II, Inc.,
Director and Shareholder