

**CORPORATE
ACCESS,
INC.**

1116-D Thomasville Road . Mount Vernon Square . Tallahassee, Florida 32303

P.O. Box 37066 (32315-7066) ~ (850) 222-2666 or (800) 969-1666 . Fax (850) 222-1666

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FILING

Merger

1.) Filmworks Corporation into Bayle Filmworks Entertainment Corp.
(CORPORATE NAME & DOCUMENT #)

Merger

2.) _____
(CORPORATE NAME & DOCUMENT #)

3.) _____
(CORPORATE NAME & DOCUMENT #)

4.) _____
(CORPORATE NAME & DOCUMENT #)

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10.) _____
(CORPORATE NAME & DOCUMENT #)

SPECIAL INSTRUCTIONS

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TALLAHASSEE, FLORIDA

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DIVISION OF CORPORATION

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8/13/98

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ARTICLES OF MERGER
Merger Sheet

MERGING:

FILMWORKS CORPORATION, an Arizona corporation not authorized to
transact business in Florida

INTO

BOYLE FILMWORKS ENTERTAINMENT CORP., a Florida corporation,
P98000064341.

File date: August 4, 1998

Corporate Specialist: Annette Hogan



FLORIDA DEPARTMENT OF STATE

Sandra B. Mortham
Secretary of State

July 30, 1998

Corporate Access, Inc.
1116-D Thomasville Rd.
Mount Vernon Square
Tallahassee, FL 32303

SUBJECT: BOYLE FILMWORKS ENTERTAINMENT CORP.
Ref. Number: P98000064341

We have received your document for BOYLE FILMWORKS ENTERTAINMENT CORP. and your check(s) totaling \$105.00. However, the enclosed document has not been filed and is being returned for the following correction(s):

The document must be signed by the chairman, any vice chairman of the board of directors, its president, or another of its officers.

If you have any questions concerning the filing of your document, please call (850) 487-6907.

Annette Hogan
Corporate Specialist

Letter Number: 598A00040169

This must be filed w/
~~this~~ file date . 8/4

RECEIVED
98 AUG -4 PM 4:21
98 AUG 13 AM 9:31
DIVISION OF CORPORATIONS

Corrected 8/4

Only one person has signed
as officer, the others as
director. They all need to print name & title
under

ARTICLES OF MERGER
of
FILMWORKS CORPORATION
into
BOYLE FILMWORKS ENTERTAINMENT CORP.,
a wholly owned subsidiary of
BOYLE INTERNATIONAL, INC.
under the name of
BOYLE FILMWORKS ENTERTAINMENT CORP.

98 AUG -4 PM 3:17
FILED
SECRETARY OF STATE
TALLAHASSEE, FLORIDA

Pursuant to Section 607.1105 of the Florida Statutes and Section 10-1105 of the Arizona Revised Statutes, the undersigned corporations, BOYLE FILMWORKS ENTERTAINMENT CORP., a Florida corporation and a wholly owned subsidiary of BOYLE INTERNATIONAL, INC., and FILMWORKS CORPORATION, an Arizona corporation, and BOYLE INTERNATIONAL, INC., a Florida corporation, adopt the following Articles of Merger, for the purpose of merging FILMWORKS CORPORATION into BOYLE FILMWORKS ENTERTAINMENT CORP.

1. **Plan of Merger.** The Plan of Merger setting forth the terms and conditions of the merger of FILMWORKS CORPORATION into BOYLE FILMWORKS ENTERTAINMENT CORP. is attached to these articles as Exhibit 1 and incorporated by reference herein.

2. **Adoption of Plan.** The Plan of Merger was approved by the Board of Directors of BOYLE FILMWORKS ENTERTAINMENT CORP. and BOYLE INTERNATIONAL, INC., at a special meeting of the respective Boards held on July 28, 1998, and the approval of the shareholders of BOYLE FILMWORKS ENTERTAINMENT CORP. and BOYLE INTERNATIONAL, INC. is not required to effectuate the Plan of Merger.

The Plan of Merger also was approved by the Board of Directors and the sole shareholder of FILMWORKS CORPORATION by a Joint Unanimous Consent adopted on July 28, 1998.

3. **Effective Date.** The Plan of Merger shall be effective upon the filing of these Articles with the Florida Department of State and the Arizona Corporation Commission on July 30, 1998.

4. **Foreign Law.** The laws of the State of Arizona, the jurisdiction of organization of FILMWORKS CORPORATION and the laws of the State of Florida, the jurisdiction of organization of BOYLE FILMWORKS ENTERTAINMENT CORP. and BOYLE INTERNATIONAL, INC., permit the merger contemplated by the Plan of Merger, and the laws of the State of Arizona and Florida, respectively, on fulfillment of all filing and recording requirements set forth by the applicable laws of the States of Arizona and Florida will have been complied with.

5. **Service of Process.**

a. BOYLE FILMWORKS ENTERTAINMENT CORP. agrees that it may be served with process in the State of Arizona in any proceeding for the enforcement of any obligation of FILMWORKS CORPORATION and in any proceeding for the enforcement of the rights of a dissenting shareholder of FILMWORKS CORPORATION against BOYLE FILMWORKS ENTERTAINMENT CORP.

b. BOYLE FILMWORKS ENTERTAINMENT CORP. irrevocably appoints the Arizona Corporation Commission as its agent to accept service of process in any proceeding with respect to those matters set forth in Subparagraph a. above. The Corporation Commission may forward a copy of process to BOYLE FILMWORKS ENTERTAINMENT CORP., attn: Brian Boyle, President, 146 Second Street North, Suite 310, St. Petersburg, FL 33701.

c. In the State of Florida, the registered agent for service of process upon BOYLE FILMWORKS ENTERTAINMENT CORP. is Clifford J. Hunt, Esquire, c/o Riden, Earle & Kiefner, P.A., 100 2nd Avenue South, Suite 400 North Tower, St. Petersburg, FL 33701.

IN WITNESS WHEREOF, each of the undersigned corporations has caused these Articles to be signed as of July 29, 1998.

BOYLE FILMWORKS ENTERTAINMENT CORP.

By: 

KEVIN BOYLE, Director-VICE PRESIDENT

BOYLE INTERNATIONAL, INC.

By: 

KEVIN BOYLE, Director-VICE PRESIDENT

~~STATE OF~~ Province of British Columbia
~~COUNTY OF~~ Canada

The foregoing instrument was acknowledged before me this 29th day of July, 1998, by Kevin Boyle, Director of Boyle Filmworks Entertainment Corp. and Boyle International, Inc., who is (☒) personally known, or (☐) produced _____ as identification.


NOTARY PUBLIC

SEAL:

[additional signatures appear on following page]

FILMWORKS CORPORATION

By:

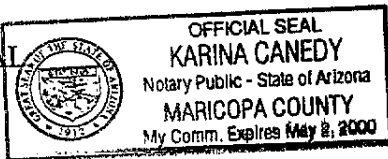
STEPHEN L. BRAIN, Director - PRESIDENT

STATE OF ARIZONA
COUNTY OF Maricopa

The foregoing instrument was acknowledged before me this 28th day of July, 1998, by Stephen L. Brain, Director of Filmworks Corporation, who is (x) personally known, or (x) produced Arizona driver's license as identification.

Karina Canedy
NOTARY PUBLIC

SEAL



**RESOLUTION OF THE BOARD OF DIRECTORS
OF BOYLE FILMWORKS ENTERTAINMENT CORP. APPROVING
AGREEMENT AND PLAN OF MERGER**

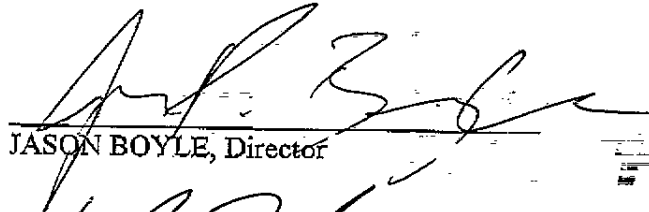
WHEREAS, there has been presented to and discussed at this meeting held on July 28, 1998 that it would be in the best interest of this Corporation to approve the merger of Filmworks Corporation, an Arizona corporation, into Boyle Filmworks Entertainment Corp.; and

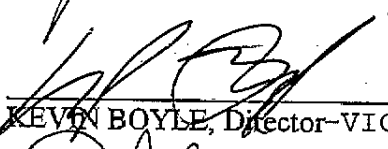
WHEREAS, the Board of Directors has reviewed the Agreement and Plan of Merger and deems it to be in the best interest of this Corporation to approve the Agreement and Plan of Merger.

NOW, THEREFORE, IT IS:

RESOLVED, this Corporation approves the Agreement and Plan of Merger referenced above.

RESOLVED FURTHER, that the President and the Secretary of this Corporation are directed to take all steps necessary to facilitate or aid in the completion of the merger as outlined in the Agreement and Plan of Merger.



JASON BOYLE, Director

KEVIN BOYLE, Director-VICE PRESIDENT

BRIAN BOYLE, Director

**AGREEMENT AND PLAN OF REORGANIZATION
BY MERGER OF
Filmworks Corporation
WITH AND INTO
Boyle Filmworks Entertainment Corp., a wholly-owned
subsidiary of Boyle International, Inc.
UNDER THE NAME OF
Boyle Filmworks Entertainment Corp.**

This is an Agreement and Plan of Merger ("Agreement") by and among Boyle International, Inc., a Florida Corporation (hereinafter referred to as "Parent"), Boyle Filmworks Entertainment Corp., a Florida corporation and a wholly-owned subsidiary of Parent (hereinafter referred to as "Sub.") and Filmworks Corporation, an Arizona corporation (hereinafter referred to as "Target"),

**ARTICLE 1
PLAN OF MERGER**

1.01 **Plan Adopted.** A Plan of Merger by and among Parent, Sub and Target, pursuant to Section 607.1107 of the Florida Statutes and Section 10-1107 of the Arizona Revised Statutes and Sections 368(a)(1)(A) and 368(a)(2)(D) of the Internal Revenue Code is adopted as follows:

(a) The Boards of Directors of Parent, Sub and Target have approved the acquisition of Target by Parent via the merger of Target into Sub and the transactions contemplated hereby, in accordance with the applicable provisions of the statutes of the States of Florida and Arizona, which permit such merger.

(b) Target shall be merged with and into Sub, to exist and be governed by the laws of the State of Florida.

(c) The name of the surviving corporation shall be Boyle Filmworks Entertainment Corp.

(d) When this agreement shall become effective, the separate corporate existence of Target shall cease, and Sub shall succeed without other transfer, to all the rights and property of Target and shall be subject to all the debts and liabilities of the Target in the same manner as if Sub itself had incurred them. All rights of creditors and all liens on the property of each constituent corporation shall be preserved, unimpaired, limited in lien to the property affected by the liens immediately prior to the merger.

(e) Sub will carry on business with the assets of Target, as well as with the assets of Sub.

(f) The sole shareholder (March Entertainment Group, LLP, an Arizona limited liability partnership) of Target will surrender all of its shares in the manner hereinafter set forth.



(g) In exchange for the shares of Target surrendered by its shareholder to Parent, Parent will cause to be issued and transferred to such shareholder, on the basis set forth in Article 5 below, shares of its common stock which are presently authorized for issuance under the Articles of Incorporation of Parent.

(h) The shareholders of Sub will retain their shares as shares of the surviving corporation.

(i) The Articles of Incorporation of Sub, as existing on the Effective Date of the merger shall continue in full force as the Articles of Incorporation of the Surviving Corporation until altered, amended, or repealed as provided in the Articles or as provided by law.

1.02 **Effective Date.** The effective date of the merger ("Effective Date") shall be July 27, 1998.

ARTICLE 2 REPRESENTATION AND WARRANTIES OF CONSTITUENT CORPORATIONS

2.01 **Target.** As a material inducement to the Sub and Parent to execute this Agreement and perform their obligations under this Agreement, Target represents and warrants to Sub and Parent as follows:

(a) Target is a corporation duly organized, validly existing and in good standing under the laws of the State of Arizona, with corporate power and authority to own property and carry on its business as it is now being conducted. Target is qualified to transact business as a foreign corporation and is in good standing in all jurisdictions in which its principal properties are located and business is transacted.

(b) Target has an authorized capitalization of \$1,000.00, consisting of 100,000 shares of common stock, each of \$.01 par value, of which 1,000 shares are validly issued and outstanding, fully paid, and nonassessable on the date of this Agreement.

(c) All required federal, state, and local tax returns of Target will be filed, and all federal, state, and local taxes required to be paid with respect to the periods covered by the returns will be paid by the Effective Date. All monies required to be withheld by Target from employees or others for income taxes, social security and unemployment insurance taxes have been collected or withheld as required by law, and all deposits and returns thereof have been timely made and filed as required by law. No audits of any tax return of Target is in progress, no extension of time is in force with respect to the date on which any tax return was or is to be filed by Target, no waivers or agreements have been by Target for the extension of time for assessment or collection of any tax.

(d) To the best knowledge of Target's principals, Target has no material liabilities or obligations of any nature, whether accrued, absolute, contingent or otherwise, including without limitation tax liabilities, nor does Target know or have any reasonable grounds to know of any basis

for assertion against the company of any material claim or liability of any nature as of the Effective Date.

(e) Target is not the subject of any suit, action or litigation, administrative arbitration or other proceeding or governmental investigation or inquiry of any kind nor does Target know or have reasonable cause to know that any such suit, action, litigation, administrative arbitration or other proceeding or governmental investigation or inquiry is threatened or likely to take place which might, severally or in the aggregate, materially and adversely affect the financial condition, business, or prospects of Target.

(f) Neither the entering into of this Agreement nor the performance of the obligations hereunder will cause or result in, or create a state of affairs that might, either with the giving of notice or lapse of time, or both, or otherwise, cause or result in the expiration, termination, cancellation, termination or discharge of any of the material contracts, or otherwise trigger or cause to arise any rights of any party to, or issuer of, any material contract which, if exercised or enforced by such party or issuer, might have an adverse impact upon Target or its business, Sub or Parent. All such material contracts shall continue in full force and effect, unamended, notwithstanding the completion of the transaction contemplated hereby.

(g) The principal asset of Target is a contract between it and Arizona Studios, LLC, a copy of which is attached hereto as Exhibit A. Target is not in breach or default under any provision of the contract attached hereto as Exhibit A, nor has Target assigned any portion of its rights under the contract attached as Exhibit A to any third party, including any individual, corporation, partnership, limited liability company, sole proprietor, or any other entity of any nature whatsoever.

(h) Target is not a party to any agreement or instrument or subject to any charter or other corporate restriction or any judgment, order, writ, injunction, decree, rule or regulation which materially and adversely affects, or, so far as Target can now foresee, may materially and adversely affect the business operations, prospects, asset or financial condition or otherwise of Target.

(i) Upon the consummation of the transaction contemplated by this Agreement, Sub shall own, directly or indirectly, all of the issued and outstanding shares of Target.

(j) Target does not have outstanding promissory notes or other indebtedness, is not under any obligation to create or issue any notes or other indebtedness, and is not a party to any agreement of guarantee, indemnification or assumption of obligations of a third party.

2.02 Sub and Parent. As a material inducement to Target to execute this Agreement and perform its obligations under this Agreement, Sub and Parent represent and warrant to Target as follows:

(a) Sub and Parent are corporations duly organized, validly existing, and in good standing under the laws of the State of Florida, with corporate power and authority to own property

and carry on their business as it is now being conducted. Sub is a wholly-owned subsidiary of Parent.

(b) Sub has an authorized capitalization of 1,000,000 shares of common stock, each of \$0.00 par value. As of the date of this Agreement, 10,000 shares of the common stock are validly issued and outstanding, fully paid, and nonassessable. These issued and outstanding shares are held by Parent. Parent has an authorized capitalization of \$50,000.00, consisting of 50,000,000 shares of common stock, each of \$0.001 par value. As of the date of this Agreement, 39,482,000 shares of the common stock are validly issued and outstanding, fully paid, and nonassessable. 38,000,000 of these shares are restricted from resale and are subject to the provisions of Securities and Exchange Commission Rule 144. The issued and outstanding shares are presently held by 542121 British Columbia, Ltd., a Province of British Columbia Corporation, Boyle Can Holdings, Inc., a Florida corporation and approximately 36 other public shareholders whose identities are not presently ascertainable.

(c) Parent is a "listed" shell corporation on the OTC Bulletin Board, with the symbol "BOYL," and is the subject of a Form 211 which has previously been filed by securities broker-dealer, J. Alexander Securities, Inc., pursuant to Securities and Exchange Commission Rule 15c2-11 for purposes of making a market in the securities of Parent.

(d) All required federal, state, and local tax returns of Sub and Parent will be filed, and all federal, state, and local taxes required to be paid with respect to the periods covered by the returns will be paid by the Effective Date. All monies required to be withheld by Sub and Parent from employees or others for income taxes, social security and unemployment insurance taxes have been collected or withheld as required by law, and all deposits and returns thereof have been timely made and filed as required by law. No audits of any tax return of Sub or Parent is in progress, no extension of time is in force with respect to the date on which any tax return was or is to be filed by Sub or Parent, and no waivers or agreements have been obtained by Sub or Parent for the extension of time for assessment or collection of any tax.

(e) Sub has no material liabilities or obligations of any nature, whether accrued, absolute, contingent or otherwise, including without limitation tax liabilities, nor does Sub Corporation know or have any reasonable grounds to know of any basis for assertion against it of any material claim or liability of any nature as of the Effective Date. Parent is the subject of an action brought by the Alberta Securities Commission, File # E/00025, wherein an Interim Cease Trade Order has been entered to effectuate a cessation of trading in the securities of Parent in the Canadian Province of Alberta. Parent also has been contacted by securities officials from the Province of British Columbia regarding matters arising from the Alberta Securities Commission action, though no formal administrative complaint has been filed to the knowledge of Parent. In addition, Parent is believed to be the subject of one or more private, civil actions brought by former business associates, which actions are believed by principals of Parent to be of no merit. The principals of Parent do not believe that these actions or order will have a materially adverse effect on the operations of Parent. Parent has no other material liabilities, whether accrued, absolute, contingent or otherwise, including without limitation tax liabilities, nor does Parent know or have

any reasonable grounds to know of any basis for assertion against it of any other material claim or liability of any nature as of the Effective Date.

(f) Sub is not the subject of any suit, action or litigation, administrative arbitration or other proceeding or governmental investigation or inquiry of any kind nor does Sub know or have reasonable cause to know that any such suit, action, litigation, administrative arbitration or other proceeding or governmental investigation or inquiry is threatened or likely to take place which might, severally or in the aggregate, materially and adversely affect the financial condition, business, or prospects of Sub. Notwithstanding those matters identified in paragraph 2.02(e) above, Parent is not the subject of any other suit, action or litigation, administrative arbitration or other proceeding or governmental investigation or inquiry of any kind nor does Parent know or have reasonable cause to know that any such suit, action, litigation, administrative arbitration or other proceeding or governmental investigation or inquiry is threatened or likely to take place which might, severally or in the aggregate, materially and adversely affect the financial condition, business, or prospects of Parent.

(g) Neither the entering into of this Agreement nor the performance of the obligations hereunder will cause or result in, or create a state of affairs that might, either with the giving of notice or lapse of time, or both, or otherwise, cause or result in the expiration, termination, cancellation, termination or discharge of any of the material contracts, or otherwise trigger or cause to arise any rights of any party to, or issuer of, any material contract which, if exercised or enforced by such party or issuer, might have an adverse impact upon Sub, Parent or their business. All such material contracts shall continue in full force and effect, unamended, notwithstanding the completion of the transaction contemplated hereby.

(h) Sub is not a party to any agreement or instrument or subject to any charter or other corporate restriction or any judgment, order, writ, injunction, decree, rule or regulation which materially and adversely affects, or, so far as Sub can now foresee, may materially and adversely affect the business operations, prospects, asset or financial condition or otherwise of Sub. Parent is the subject of an action brought by the Alberta Securities Commission, File # E/00025, wherein an Interim Cease Trade Order has been entered to effectuate a cessation of trading in the securities of Parent in the Canadian Province of Alberta. The principals of Parent do not believe that this action or order will have a materially adverse effect on the operations of Parent.

(i) Sub does not have outstanding promissory notes or other indebtedness, is not under any obligation to create or issue any notes or other indebtedness, and is not a party to any agreement of guarantee, indemnification or assumption of obligations of a third party. Parent is indebted to certain of its principals and others for loans made in the approximate amount of \$135,000.00 US.

2.03 Securities Law. Sub and Parent will arrange for and manage all necessary procedures under the requirements of federal and Florida securities laws and the related supervisory commissions to the end that this plan is properly processed to comply with registration formalities, or to take full advantage of any appropriate exemptions from registration, and to otherwise be in accord with all antifraud restrictions in this area. Target shall arrange for and manage all necessary

procedures under the requirements of the Arizona securities laws and related supervisory commissions relative to this plan.

ARTICLE 3 FURTHER AGREEMENTS

3.01 Employment and Consulting Agreement. Prior to or on the Effective Date, Parent, Sub and Stephen Brain, an affiliate and key employee of Target, shall execute an employment and consulting agreement (the "Employment and Consulting Agreement"). The Employment and Consulting Agreement shall be substantially in the form attached as Exhibit B hereto, with such additional terms and conditions as may be mutually agreed to by Sub and Stephen Brain.

3.02 Option Agreement. Prior to or on the Effective Date, Parent, Sub and Arizona Studios, LLC, an Arizona Limited Liability Company subject to the direction and control of Stephen Brain, an affiliated person and key employee, shall enter into an agreement ("Option Agreement") for the merger of Arizona Studios, LLC with Sub. The Option Agreement shall be substantially in the form of Exhibit C hereto, with such additional terms and conditions as may be mutually agreed to by Parent, Sub and Arizona Studios, LLC.

ARTICLE 4 COVENANTS, ACTIONS, AND OBLIGATIONS PRIOR TO THE EFFECTIVE DATE

4.01 Interim Conduct of Business; Limitations. Except as limited by this Paragraph 4.01, pending consummation of the merger, each of the constituent corporations will carry on their business in substantially the same manner as before and will use its best efforts to maintain their business organization intact, to retain their present employees, and to maintain their relationships with suppliers and other business contacts. Except with the prior consent in writing of Sub and Parent, pending consummation of the merger, Target shall not:

- (a) Issue any other distribution on its shares to any other party.
- (b) Create or issue any indebtedness for borrowed money.
- (c) Enter into any transaction other than those involved in carrying on its ordinary course of business.

4.02 Submission to Shareholders. This Agreement shall be submitted to the shareholders of Target for approval in the manner provided by the laws of the State of Arizona. This Agreement will not be submitted to the shareholders of Sub or Parent for approval because such approval is not required pursuant to Section 607.1103(7) of the Florida Statutes.

4.03 Conditions Precedent to Obligations of Target. Except as may be expressly waived in writing by Target, all of the obligations of Target under this Agreement are subject to the satisfaction, prior to or on the Effective Date, of each of the following conditions by Sub and Parent:

(a) The representations and warranties made by Sub and Parent to Target in Article 2 of this Agreement and in any document delivered pursuant to this Agreement shall be deemed to have been made again on the Effective Date and shall then be true and correct in all material respects. If Sub or Parent shall have discovered any material error, misstatement, or omission in those representations and warranties on or before the Effective Date, such party or parties shall report that discovery, immediately, to Target and shall either correct the error, misstatement, or omission or obtain a written waiver from Target.

(b) Sub and Parent shall have performed and complied with all agreements and conditions required by this Agreement to be performed and complied with by it prior to or on the Effective Date.

(c) Sub and Parent shall have delivered to Target an opinion of Riden, Earle & Kiefner, P.A., counsel for Sub and Parent dated the Effective Date, to the effect that:

(1) Sub and Parent are corporations duly organized, validly existing, and in good standing under the laws of the State of Florida, with full corporate power to carry on the business in which they are engaged. Sub has no subsidiaries.

(2) The execution, the delivery, and the performance of this Agreement by Sub and Parent have been duly authorized and approved by requisite corporate action of Sub and Parent.

(3) This Agreement has been duly and validly executed and delivered by Sub and Parent and constitutes the valid and binding obligations of Sub and Parent, enforceable in accordance with their terms except as limited by the laws of bankruptcy and insolvency.

(d) Sub and Parent shall have delivered to Target certificates dated the Effective Date executed in their respective corporate names by their respective Presidents or Vice Presidents, certifying to the satisfaction of the conditions specified in Subparagraphs (a) and (b) of this Paragraph 4.03.

(e) No action or proceeding by any governmental body or agency shall have been threatened, asserted, or instituted to restrain or prohibit the carrying out of the transactions contemplated by this Agreement.

(f) All corporate and other proceedings and action taken in connection with the transactions contemplated by this Agreement and all certificates, opinions, agreements, instruments, and documents shall be satisfactory in form and substance to counsel for Target.

4.04 Conditions Precedent to Obligations of Sub and Parent. Except as may be expressly waived in writing by Sub and Parent, all of the obligations of Sub and Parent under this Agreement are subject to the satisfaction, prior to or on the Effective Date, of each of the following conditions by Target:

(a) The representations and warranties made by Target to Sub and Parent in Article 2 of this Agreement and in any document delivered pursuant to this Agreement shall be deemed to have been made again on the Effective Date and shall then be true and correct. If Target shall have discovered any material error, misstatement, or omission in those representations and warranties on or before the Effective Date, it shall report that discovery immediately to Sub and Parent and shall either correct the error, misstatement, or omission or obtain a written waiver from Sub and Parent.

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

(c) Target shall have delivered to Sub and Parent an opinion of Brown & Bain, P.A., counsel for Target, dated the Effective Date, to the effect that:

(1) Target is a corporation duly organized, validly existing, and in good standing under the laws of the State of Arizona, with full corporate power to carry on the business in which it is engaged. Target has no subsidiaries.

(2) The execution, the delivery, and the performance of this Agreement by Target has been duly authorized and approved by requisite corporate action of Target.

(3) This Agreement and the instruments delivered to Sub and Parent under this Agreement have been duly and validly executed and delivered by Target and constitute the valid and binding obligations of Target, enforceable in accordance with their terms except as limited by the laws of bankruptcy and insolvency.

(d) Target shall have delivered to Sub and Parent a certificate, dated the Effective Date, executed in its corporate name by the President and Secretary of Target and certifying to the satisfaction of the conditions specified in Subparagraphs (a), (b), and (f) of this Paragraph 4.04.

(e) No action or proceeding by any governmental body or agency (except for the aforementioned action by the Alberta Securities Commission) shall have been threatened, asserted, or instituted to restrain or prohibit the carrying out of the transactions contemplated by this Agreement.

(f) Target shall have delivered a letter to Sub and Parent containing the indemnity agreement and other provisions prescribed in Paragraph 8.02 of this Agreement.

(g) Stephen Brain shall have entered into the Employment Agreement with Sub in a form mutually agreed upon by the parties to this Agreement and Steven Brain.

(h) Stephen Brain shall have executed, on behalf of Arizona Studios, LLC, the Option Agreement with Parent in a form mutually agreed upon by Parent and Arizona Studios, LLC.

ARTICLE 5 MANNER OF CONVERTING SHARES

5.01 **Manner.** The holder of shares of Target shall surrender its shares to Parent within ten (10) days after the Effective Date, in exchange for shares of Parent to which it is entitled under this Article 5.

5.02 Basis.

(a) The sole shareholder of Target shall be entitled to receive 3,000,000 shares of common stock of the Parent, each of \$.001 par value, being 7.59 percent of the total outstanding common stock of the Parent.

ARTICLE 6 DIRECTORS AND OFFICERS

6.01 Directors and Officers of Sub.

(a) The present Board of Directors of Sub shall continue to serve as the Board of Directors of Sub until the next annual meeting or until their successors have been elected and qualified.

(b) If a vacancy shall exist on the Board of Directors of Sub on the Effective Date of the merger, the vacancy may be filled by the shareholders as provided in the bylaws of Sub.

(c) All persons who as of the Effective Date of the merger shall be executive or administrative officers of Sub shall remain as officers of Sub until the Board of Directors of Sub shall determine otherwise. The Board of Directors of Sub may elect or appoint additional officers as it deems necessary.

ARTICLE 7 BYLAWS

7.01 **Bylaws of Sub.** The bylaws of Sub, as existing on the Effective Date of the merger, shall continue in full force as the bylaws of Sub until altered, amended, or repealed as provided in the bylaws or as provided by law.

ARTICLE 8
NATURE AND SURVIVAL OF WARRANTIES AND INDEMNIFICATION
OF TARGET

8.01 Nature and Survival of Representations and Warranties. All statements contained in any memorandum, certificate, letter, document, or other instrument delivered by or on behalf of Target, Sub, Parent or the stockholders pursuant to this Agreement shall be deemed representations and warranties made by the respective parties to each other under this Agreement, except to the extent such statements are inconsistent herewith. The covenants, representations, and warranties of the parties and the stockholders shall survive for a period of three years after the Effective Date. No inspection, examination, or audit made on behalf of the parties or the stockholders shall act as a waiver of any representation or warranty made under this Agreement.

8.02 Indemnification by Target. Target agrees that on or prior to the Effective Date it shall provide an agreement under which it shall:

(a) Make those representations and warranties to Sub and Parent as are described in Article 2 of this Agreement, as of the Effective Date;

(b) Agree that the representations and warranties made by them shall survive for a period of three years after the Effective Date; and

(c) Agree to indemnify Sub and Parent for misrepresentation or breach of any warranty made to Sub and Parent.

8.03 Indemnification by Sub. Sub agrees that on or prior to the Effective Date it shall obtain from Parent an agreement under which Parent shall:

(a) Reaffirm those representations and warranties to Target as are described in Article 2 of this Agreement, as of the Effective Date;

(b) Agree that the representations and warranties made by it shall survive for a period of three years after the Effective Date; and

(c) Agree to indemnify Target for misrepresentation or breach of any warranty made to Target.

ARTICLE 9
TERMINATION

9.01 Circumstances. This Agreement may be terminated and the merger may be abandoned at any time prior to the filing of the Articles of Merger with the Secretary of State, notwithstanding the approval of the shareholders of the constituent corporations:

(a) By mutual consent of the Board of Directors of the constituent corporations.

(b) At the election of the Board of Directors of the constituent corporations if:

(1) The number of shareholders of either constituent corporation, or of both, dissenting from the merger shall be so large as to make the merger, in the opinion of either Board of Directors, inadvisable or undesirable.

(2) Any material litigation or proceeding (except for and notwithstanding those matters identified in paragraph 2.02(e) above) shall be instituted or threatened against either constituent corporation, or any of its assets, that, in the opinion of the respective Board of Directors, renders the merger inadvisable or undesirable.

(3) Any legislation shall be enacted that, in the opinion of the respective Board of Directors, renders the merger inadvisable or undesirable.

(4) Between the date of this Agreement and the Effective Date, there shall have been, in the opinion of the respective Board of Directors, any materially adverse change in the business or condition, financial or otherwise, of the constituent corporations.

(c) At the election of the Board of Directors of Target if its counsel advises that for federal income tax purposes the merger will not qualify as a reorganization under Section 368(a) of the Internal Revenue Code and that material gain or loss will be recognized to the shareholder of Target on the exchange of its common stock for stock of Parent.

(d) At the election of the Board of Directors of Sub or Parent, if without the prior consent in writing of Sub and Parent, Target shall have:

(1) Created or issued any indebtedness for borrowed money.

(2) Entered into any transaction other than those involved in carrying on its business in the usual manner.

9.02 Notice of and Liability on Termination. If an election is made to terminate this Agreement and abandon the merger:

(a) The President or any Vice President of the constituent corporation whose Board of Directors has made the election shall give immediate written notice of the election to the other constituent corporations.

(b) On the giving of notice as provided in Subparagraph (a), this Agreement shall terminate and the proposed merger shall be abandoned, and except for payment of its own costs and expenses incident to this Agreement, there shall be no liability on the part of the respective constituent corporations as a result of the termination and abandonment.

ARTICLE 10
INTERPRETATION AND ENFORCEMENT

10.01 Notices. Any notice or other communication required or permitted under this Agreement shall be properly given when deposited with the United States Postal Service for transmittal by certified or registered mail, postage prepaid, or when deposited with a public telegraph company for transmittal, charges prepaid, addressed as follows:

- (a) In the case of Filmworks Corporation to:
Fredrick Nelson
P.O. Box 10422
Phoenix, AZ 85064

With a copy to:
Steve Lee, Esquire
Brown & Bain, P.A.
2901 North Central Avenue
P.O. Box 400
Phoenix, AZ 85012

or to such other person or address as Filmworks Corporation may from time to time request in writing.

- (b) In the case of Boyle Filmworks Entertainment Corp.
and/or Boyle International, Inc. to:
Kevin Boyle
c/o Clifford J. Hunt, Esquire
Riden, Earle & Kiefner, P.A.
4th Floor, North Tower
100 2nd Avenue South
St. Petersburg, FL 33701

or to such other person or address as Sub and/or Parent may from time to time request in writing.

10.02 Counterparts. This Agreement may be executed in any number of counterparts, all of which taken together shall be deemed one original.

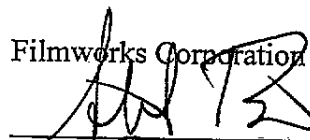
10.03 Controlling Law. The validity, interpretation, and performance of this Agreement shall be governed by, construed, and enforced in accordance with the laws of the State of Florida.

IN WITNESS WHEREOF, this Agreement was executed on this 28th day of July, 1998.

Filmworks Corporation

By:

Its:


PRESIDENT - STEPHEN L. BRAIN

Boyle Filmworks Entertainment Corp.

By:

Its:

Boyle International, Inc.

By:

Its:

- (b) In the case of Boyle Filmworks Entertainment Corp.
and/or Boyle International, Inc. to:
Kevin Boyle
c/o Clifford J. Hunt, Esquire
Riden, Earle & Kiefner, P.A.
4th Floor, North Tower
100 2nd Avenue South
St. Petersburg, FL 33701

or to such other person or address as Sub and/or Parent may from time to time request in writing.

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IN WITNESS WHEREOF, this Agreement was executed on this 28 day of July, 1998.

Filmworks Corporation

By: _____
Its: _____

Boyle Filmworks Entertainment Corp.

By: [Signature]
Its: DIRECTOR - KEVIN BOYLE
VICE PRESIDENT

Boyle International, Inc.

By: [Signature]
Its: DIRECTOR - KEVIN BOYLE
VICE PRESIDENT

EXHIBIT "A"

PRODUCTION AGREEMENT

THIS AGREEMENT ("the Agreement") is entered into and made effective as of the MAY 12, 1998 by and among **FILMWORKS CORPORATION (FWC)** and **ARIZONA STUDIOS, LLC ("AZS")**.

1. AZS hereby engages FWC to produce 88 episodes of television for cable, and 18 Motion Pictures (hereinafter called the "Pictures") which will be produced between July 1, 1998 and December 31, 1999. The specific projects will be determined by AZS during the term of this agreement.
2. AZS agrees to provide One Hundred Two Million Two Hundred Thousand Dollars (\$102,200,000.00) necessary to meet the Total Estimated Budget of said Pictures.
3. FWC shall provide the services of any principal actors or specific persons that may be required to appear in the Pictures, and shall obtain and furnish to AZS releases from all such persons. AZS shall indemnify FWC against any loss or damage that FWC may suffer as the result of any claim predicated on the elements of the Pictures that AZS provides.
4. FWC shall receive due credit as the Producer of the Pictures on a separate title card before the main title during the opening credits. The credit shall remain on the screen long enough to be viewed. Such credit shall be "A Filmworks Corporation Production".
5. FWC shall be responsible for providing a Line Producer or Co-Producer, Director and Production Manager for the production of the Pictures, subject to approval from AZS. Such approval shall not be unreasonably withheld.
6. FWC shall be responsible for providing crew, locations, equipment, services, vehicles, insurance, permits, lodging, supplies and catering as necessary for the preparation, filming and completion of the Pictures. The costs for any and all services, equipment, etc. engaged for the filming of the Pictures, shall be advanced to FWC from AZS.
7. FWC shall provide AZS, prior to start of pre-production, a weekly cash flow projection of anticipated costs and expenses to be incurred during the duration the production of each of the Pictures. During production, FWC shall provide AZS with updated cash flow projections and projected to actual expense comparison reports within one week after the close of the preceding work week. AZS shall pay to FWC, on Monday of each week, the funds outlined in the cash flow projection for expenses that will be incurred that week.
8. FWC shall deliver to AZS a 35-mm color answer print of the completed Pictures, with full musical score and front and end titles, within a period of sixteen (16) weeks following the final day of principal photography. FWC shall not be liable for any delay occasioned by AZS, its officers, employee's, agents or assigns, nor for any other delay beyond the control of FWC.
9. FWC shall afford AZS an opportunity to view rushes of the Pictures in the course of production; and FWC shall make such reasonable changes in the Pictures as AZS may request. If in order to comply with AZS's suggestions, FWC is required to depart from the approved script, and incur additional expense as a result thereof, AZS shall be responsible for reimbursing FWC for such additional expense(s).
10. AZS shall pay to FWC, for its services in producing the Pictures, the following fees:
 - (a) A Production Fee equal to Fifteen (15%) of the Total Budget of the Pictures.
 - (b) A sum equal to Ten (10%) of gross receipts of the Pictures from all sources.
11. Upon payment in full to FWC of all funds and fees due FWC as provided in Paragraphs 2 & 10, all rights and Copyrights in the Pictures and in the physical elements thereof, including the

original negative Pictures and sound tracks, and the color inter-negative Pictures and magnetic tracks, shall become the property of AZS; and FWC shall deliver these to AZS upon AZS's request.

12. FWC shall have the right to make and retain one 35 mm print of the Pictures for private exhibition to FWC's prospective clients. These print shall be made at FWC's expense; and if FWC has delivered the negative elements to AZS, AZS shall make them available to FWC for the aforesaid purpose.
13. AZS shall carry and pay for all insurance coverage's consistent with the requirements of Financier and FWC, to cover all customary risks in connection with the production of a motion Pictures and for the performance of its obligations hereunder. AZS will provide FWC with certificates of insurance including but not limited to public liability, cast, errors and omissions, negative coverage and Workers Compensation. Certificates of Insurance shall state and certify the amount and type of insurance and shall name FWC as an insured party thereunder. AZS shall provide FWC with copies of all said policies.
14. Any and all charges incurred by FWC that have been defined in the Cash Flow and/or Budget plus reasonable additional costs usual, customary and necessary for the production of the Pictures are the responsibility of AZS.
15. FWC shall obtain a copyright on the Pictures in the United States in the name of AZS and at AZS's expense.
16. As an incentive to FWC to complete the Pictures under budget, AZS shall share with FWC Fifty percent (50%) of the difference between the Budget of the Pictures and the Final Cost of the Pictures, excluding the Contingency which is designed to cover budget overruns and is controlled by AZS.
17. Notices. Any and all notices, communications and demands required or desired to be given hereunder by either party hereto shall be in writing and shall be validly given or made if served either personally or if deposited in the United States mail, certified or registered, postage prepaid, return receipt requested or facsimile transmission with receipt acknowledged by return facsimile. If such notice or demand be served personally, services shall be conclusively deemed made at the time of such personal service. If such notice or demand be served by facsimile transmission, service shall be conclusively deemed made when receipt is acknowledged by return facsimile transmission. If such notice or demand be served by registered or certified mail in the manner herein provided, service shall be conclusively deemed made two (2) business days after the deposit thereof in the United States mail addressed to the party to whom such notice or demand is to be given as hereinafter set forth:

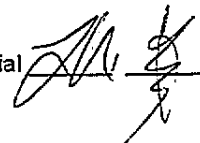
Filmworks Corporation
3625 North 16th Street, Suite 100
Phoenix, Arizona 85016
Phone: 602-263-8650
Fax: 602-263-8890

Arizona Studios, LLC
2525 East Camelback Road
Phoenix, Arizona 85016
Phone 602-996-6500
Fax 602-996-6161

18. This Agreement shall be governed by and construed to be in accordance with the laws of the State of Arizona. Any controversy, dispute or claim arising out of, or relating to, this contract or the breach thereof, shall be adjudicated in the courts of the State of Arizona or in the federal courts sitting in Maricopa County, Arizona. In the event of any controversy or claim arising out of, or relating to, this contract or the breach thereof, the prevailing party shall be entitled to reimbursement of its legal costs.

19. AZS and FWC shall indemnify and hold harmless each other as follows:

- 19.1 AZS shall indemnify, defend and hold harmless FWC and each of FWC's affiliates, agents, successors, and assigns from and against any loss, damage or expenses

Handwritten initials and signature, likely representing the parties involved in the agreement.

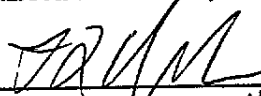
(including reasonable attorney's fees) that FWC may suffer or incur by reason of the breach of any of the forgoing representations or warranties, except that the liability of AZS under this indemnity shall in no event exceed the total consideration paid to FWC by AZS.

- 19.2 FWC shall indemnify, defend and hold harmless AZS and each of AZS's affiliates, agents, successors, and assigns from and against any loss, damage or expenses (including reasonable attorney's fees) that AZS may suffer or incur by reason of the breach of any of the forgoing representations or warranties.


If the foregoing correctly sets forth our understanding, please sign below. This letter will then constitute a binding agreement between FWC and AZS.

Agreed and accepted:

AZS
ARIZONA STUDIOS, LLC


By: Frederick L. Nelson
Its: Vice President

FWC
FILMWORKS CORPORATION


By: STEPHEN BRAWN
Its: PRESIDENT & CEO
Date: MAY 12, 1998

Initial 