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U.S. DEPARTMENT OF COMMERCE
U.S. Patent and Trademark Office

To the Honorable Commissioner of Patents and Trademarks: Please record the attached original documents or copy thereof.

1. Name of conveying party(ies):
Diaco, Inc. 3-31-03

- [ ] Individual(s)
- [ ] Association
- [ ] General Partnership
- [ ] Limited Partnership
- [x] Corporation-State (Florida)
- [ ] Other

Additional name(s) of conveying party(ies) attached? [ ] Yes [x] No

2. Name and address of receiving party(ies)
Name: Creative Optics, Inc.
Internal Address:
Street Address: 7332 E. Butherus Drive, Suite 102
City: Scottsdale State: AZ Zip: 85260

- [ ] Individual(s) citizenship
- [ ] Association
- [ ] General Partnership
- [ ] Limited Partnership
- [x] Corporation-State Delaware
- [ ] Other

If assignee is not domiciled in the United States, a domestic representative designation is attached: [ ] Yes [ ] No
(Designations must be a separate document from assignment)
Additional name(s) & address(es) attached? [ ] Yes [ ] No

3. Nature of conveyance:

- [ ] Assignment
- [x] Merger
- [ ] Security Agreement
- [ ] Change of Name
- [ ] Other

Execution Date: April 30, 1997

4. Application number(s) or registration number(s):

A. Trademark Application No.(s)

B. Trademark Registration No.(s) 2,049,787

Additional number(s) attached [ ] Yes [x] No

5. Name and address of party to whom correspondence concerning document should be mailed:
Name: Sanchelima & Associates, P.A.
Internal Address:

04/25/2003 ECOOPER 00000309 190129 2049787
01 FC:8521 40.00 CH

Street Address: 235 S.W. LeJeune Road

City: Miami State: FL Zip: 33134-1762

6. Total number of applications and registrations involved: 1

7. Total fee (37 CFR 3.41).....$ 40.00

- [ ] Enclosed
- [x] Authorized to be charged to deposit account

8. Deposit account number:
190129

DO NOT USE THIS SPACE

9. Signature.

Jesus Sanchelima, Esq.	J Sanchel	March 25, 2003
Name of Person Signing	Signature	Date

Total number of pages including cover sheet, attachments, and document: 56

Mail documents to be recorded with required cover sheet information to:
Commissioner of Patent & Trademarks, Box Assignments
Washington, D.C. 20231

AGREEMENT AND PLAN OF MERGER

Among

FRAMECORP, INC. , a Delaware corporation

CREATIVE OPTICS, INC., a Delaware corporation,

DIACO, INC., a Florida corporation

and

PAUL DIAZ-ASPER and ODALYS DIAZ-ASPER, as Shareholders

Dated as of April 30, 1997

List of Exhibits and Schedules

EXHIBIT A	Escrow Agreement
EXHIBIT B-1	Audited Balance Sheet
EXHIBIT B-2	Net Assets as of 12/31/96
EXHIBIT C	Stock Pledge and Security Agreement
EXHIBIT D-1	Accredited Investor Certification of Paul
EXHIBIT D-2	Accredited Investor Certification of Odalys
EXHIBIT E-1	DIACO Miami Lease
EXHIBIT E-2	ADICO Miami Lease
EXHIBIT F	Sunglass Assignment
EXHIBIT G	Paul Employment Agreement
EXHIBIT H	Non-Competition Agreement
EXHIBIT I	Menendez Retention Agreement

Schedule 2.5(d)	Assumed Ocean Debt
Schedule 3.3	Jurisdictions of Qualification
Schedule 3.10	Assets Other Than Proprietary Rights
Schedule 3.10(a)	Liens
Schedule 3.10(c)	Doubtful Accounts Receivable
Schedule 3.11	Proprietary Rights
Schedule 3.13	Litigation
Schedule 3.15	Third Party and Governmental Consents
Schedule 3.17	Permits
Schedule 3.18(a)	Employment, Deferred Compensation or Similar Agreements; Collective Bargaining Agreements
Schedule 3.18(b)	Employment Benefit Plans
Schedule 3.18(c)	Multi-Employer Plans
Schedule 3.20	Tax Audits
Schedule 3.21	Material Contracts
Schedule 3.21(a)	Affiliates
Schedule 3.22	Labor Relations
Schedule 3.23	Insurance Policies
Schedule 3.24	Officers, Directors and Depositories
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ARTICLE VIII

AGREEMENT AND PLAN OF MERGER

AGREEMENT AND PLAN OF MERGER (this "Agreement"), dated as of April 30, 1997, among **FRAMECORP, INC.**, a Delaware corporation, with an address at 7332 E. Butherus Drive, Suite 102, Scottsdale, Arizona 85260 ("Parent"), **CREATIVE OPTICS, INC.**, a Delaware corporation and a wholly-owned subsidiary of Parent, with an address at 7332 E. Butherus Drive, Suite 102, Scottsdale, Arizona 85260 ("Acquisition"), **DIACO, INC.**, a Florida corporation, with an address at 1407 Coral Way, Miami, Florida 33145 (the "Company"), **PAUL DIAZ-ASPER**, with an address at 803 North Green Way Drive, Coral Gables, Florida 33134 ("Paul") and **ODALYS DIAZ-ASPER**, with an address at 803 North Green Way Drive, Coral Gables, Florida 33134 ("Odalys", and together with Paul, the "Shareholders"). The Company and Acquisition are hereinafter sometimes referred to as the "Constituent Corporations" and Acquisition as the "Surviving Corporation."

WHEREAS, the Company and its wholly-owned subsidiary ADICO, Inc., a Florida corporation ("ADICO", and together with the Company, referred to herein from time to time collectively as the "Corporations" and individually each as a "Corporation") are engaged in the business of importing, marketing, selling and distributing eyewear frames (the "Business");

WHEREAS, Parent, Acquisition and the Company desire that the Company merge with and into Acquisition (the "Merger"), upon the terms and conditions set forth herein and in accordance with the General Corporation Law of the State of Delaware (the "Delaware GCL") and the Florida Business Corporation Act (the "Florida BCA"), with the result that Acquisition shall continue as the surviving corporation and the separate existence of the Company (except as it may be continued by operation of law) shall cease;

WHEREAS, Parent, Acquisition and the Company desire that upon the Merger, at the Effective Time (as hereinafter defined), all outstanding shares of the capital stock of the Company be converted into the right to receive (a) fully paid and nonassessable shares of common stock, no par value, of Parent ("Parent Common Stock") and (b) cash, as hereinafter provided;

WHEREAS, Parent, Acquisition and the Company desire that, immediately after the Effective Time and solely as a result of the Merger, Parent will own all the issued and outstanding shares of the capital stock of the Surviving Corporation;

WHEREAS, the respective Boards of Directors of the Company, Parent and Acquisition and the shareholders of the Company have approved the Merger;

NOW, THEREFORE, in consideration of the mutual representations, warranties, covenants, agreements and conditions contained herein, and in order to set forth the terms and conditions of the Merger and the mode of carrying the same into effect, the parties hereto hereby agree as follows:

ARTICLE I

THE MERGER

1.1 The Merger. Subject to the terms and conditions of this Agreement, at the Effective Time, in accordance with this Agreement, the Delaware GCL and the Florida BCA, the Company shall be merged with and into Acquisition, the separate existence of the Company (except as it may be continued by operation of law) shall cease, and Acquisition shall continue as the surviving corporation under the corporate name of " Creative Optics, Inc."

1.2 Effect Of the Merger. Upon the effectiveness of the Merger, except as otherwise provided in this Agreement, the Surviving Corporation shall succeed to and assume all the rights and obligations of the Company and Acquisition in accordance with the Delaware GCL and the Florida BCA and the Merger shall otherwise have the effects set forth in Section 259 of the Delaware GCL.

1.3 Consummation of the Merger. As soon as practicable after the satisfaction or waiver of the conditions to the obligations of the parties to effect the Merger set forth herein, provided that this Agreement has not been terminated previously, the parties hereto will cause the Merger to be consummated by filing (a) with the Secretary of State of the State of Delaware a properly executed certificate of merger in accordance with the Delaware GCL, and (b) with the Secretary of State of the State of Florida properly executed articles of merger in accordance with the Florida BCA. The Merger shall be effective upon filing of such certificate and articles or on such later date as may be specified therein (the time of such effectiveness being the "Effective Time"). The closing (the "Closing") in connection with the consummation of the Merger shall take place at the offices of the Company at 1407 Coral Way, Miami, Florida 33145, on or before May 2, 1997, which shall be the same business day on which the Merger becomes effective (the "Closing Date"), or at such other location and on such other date as the parties may mutually agree.

1.4 Charter; By-Laws; Directors and Officers. Immediately after the Effective Time, the Certificate of Incorporation of Acquisition shall be the Certificate of Incorporation of the Surviving Corporation until thereafter amended in accordance with the provisions thereof and as provided by the Delaware GCL. As of

the Effective Time, the By-Laws of the Surviving Corporation shall be the By-Laws of Acquisition as in effect immediately prior to the Effective Time, until thereafter amended in accordance with the provisions thereof and the Certificate of Incorporation of the Surviving Corporation and as provided by the Delaware GCL. The directors and officers of the Surviving Corporation shall be the directors and officers, respectively, of Acquisition immediately prior to the Effective Time, in each case until their respective successors are duly elected and qualified.

1.5 Further Assurances. If at any time after the Effective Time the Surviving Corporation shall consider or be advised that any deeds, bills of sale, assignments or assurances or any other acts or things are necessary, desirable or proper (a) to vest, perfect or confirm, of record or otherwise, in the Surviving Corporation, its right, title or interest in, to or under any of the rights, privileges, powers, franchises, properties or assets of either of the Constituent Corporations, or (b) otherwise to carry out the purposes of this Agreement, the Surviving Corporation and its proper officers and directors or their designees shall be authorized to execute and deliver, in the name and on behalf of either of the Constituent Corporations, all such deeds, bills of sale, assignments and assurances and do, in the name and on behalf of such Constituent Corporation, all such other acts and things necessary, desirable or proper to vest, perfect or confirm its right, title or interest in, to or under any of the rights, privileges, powers, franchises, properties or assets of such Constituent Corporation and otherwise to carry out the purposes of this Agreement.

ARTICLE II

CONVERSION OF SECURITIES

2.1 Conversion of Securities of the Company; Purchase Price. By virtue of the Merger and without any action on the part of the holders of the common stock, $1.00 par value, of the Company ("Company Common Stock"), and subject to the terms of Section 2.6(d) and Section 6.18 hereof, at the Effective Time all outstanding shares of the Company Common Stock shall be converted into the right to receive (a) One Hundred Fifty Thousand (150,000) shares of fully paid and nonassessable shares of Parent Common Stock having an aggregate agreed value of One Million Five Hundred Thousand Dollars ($1,500,000) (the "Stock Consideration) and (b) cash in the aggregate amount of One Million Nine Hundred Thousand Eight Hundred and Fifteen Dollars ($1,900,815) (the "Cash Consideration", and together with the Stock Consideration collectively referred to herein as the "Purchase Price"), which Purchase Price shall be subject to adjustment as hereinafter set forth. Each share of Company Common Stock issued and outstanding

immediately prior to the Effective Time shall be converted into the right to receive its pro rata portion (the "Per Share Portion") of (a) the Stock Consideration; and (b) the Cash Consideration.

2.2 Acquisition Common Stock. At the Effective Time, each share of common stock, no par value, of Acquisition issued and outstanding immediately prior to the Effective Time shall remain outstanding.

2.3 Exchange of Certificates.

(a) At the Closing, the Shareholders shall deliver to Parent the certificate or certificates representing their shares of Company Common Stock, all of which shares of Company Common Stock the Shareholders own jointly as joint tenants with the right of survivorship (each, a "Certificate") in form sufficient for transfer and cancellation pursuant thereto. Upon surrender of Certificates for cancellation to Parent in form sufficient for transfer and cancellation pursuant hereto and delivery to Parent of such other documents as may reasonably be required by Parent, subject to the terms of Section 2.6(d) and Section 6.18 hereof, the Shareholders jointly shall be entitled to receive in exchange therefor (i) a certificate evidencing the shares of Parent Common Stock representing the Stock Consideration and (ii) a certified or bank cashier's check or wire transfer of immediately available funds representing the portion of the Cash Consideration payable at the Closing pursuant to the provisions of Section 2.4(b)(i) hereof.

(b) All shares of Parent Common Stock received in the Merger shall be subject to the terms and conditions of (i) that certain Shareholders Agreement among Acquisition and its shareholders dated January 8, 1996, (ii) that certain Subscription Agreement among Acquisition and its shareholders dated November 29, 1995 and (iii) Acquisition's Key Management Stock Option Plan, each as modified by the terms of that certain Agreement and Plan of Reorganization dated as of March 21, 1997 by and among Acquisition, Parent, COI S2 Inc. and the other parties named therein to, among other things, effect the assumption by Parent of all rights and obligations of Acquisition under the Shareholders Agreement, the Subscription Agreement and the Stock Option Plan (collectively, the "Framecorp Agreements"), copies of all of which Framecorp Agreements have heretofore been delivered to the Shareholders.

2.4 Payment of Cash Consideration.

(a) Simultaneously with the execution hereof, Parent shall deposit by a certified or bank cashier's check or by wire transfer the amount of Two Hundred and Fifty Thousand Dollars ($250,000) (the "Deposit") with Shanley & Fisher, P.C. (the "Escrow Agent"), to be held by the Escrow Agent in an interest-bearing

attorney trust account and in accordance with the terms and conditions of an escrow agreement to be executed on the Closing Date (the "Escrow Agreement") substantially in the form attached hereto as Exhibit A. If Parent defaults in effecting the Merger in accordance with the terms hereof through no fault of either the Shareholders or the Company, then the Shareholders shall be entitled to receive the Deposit, plus interest, as consideration for this Agreement and this Agreement shall be deemed terminated. However, if the conditions precedent to Parent's and Acquisition's obligation to effect the Merger, as set forth in this Agreement, including without limitation the conditions set forth in Article VII hereof, have not been met by the Effective Time, then Parent shall be entitled to receive the Deposit, plus interest and this Agreement shall be deemed terminated. If this Agreement is terminated pursuant to Section 6.12(a)(1) or 6.12(a)(4) hereof, then Parent shall be entitled to receive the Deposit, plus interest, as consideration for this Agreement and Escrow Agent shall promptly forward same to Parent without further action and this Agreement shall be deemed terminated. However, if either Parent or the Shareholders elect to terminate this Agreement pursuant to Section 6.12(a)(2) or 6.12(a)(3), respectively, then the terminating party shall deliver a written notice to the other party and to Escrow Agent setting forth the specific basis for termination (the "Termination Notice"), and if Escrow Agent and the terminating party do not receive written notice from the non-terminating party disputing such termination within five (5) business days of receipt of the Termination Notice, then Escrow Agent shall forward the Deposit, plus interest to the appropriate party pursuant to the terms of Section 6.12(a)(2) or 6.12 (a)(3), as the case may be, on the sixth (6^{th}) business day following receipt of the Termination Notice. In the event the non-terminating party timely disputes the basis for termination within such five (5) business day period, such dispute shall be resolved in accordance with the terms of Section 6.12(b) hereof and Escrow Agent shall continue to hold the Deposit in an interest-bearing attorney trust account until such dispute is finally resolved.

(b) At the Closing, Parent shall (i) pay to the Shareholders jointly the sum of One Million Six Hundred Thousand Eight Hundred and Fifteen Dollars ($1,600,815) by delivery of a certified or bank cashier's check or by wire transfer of immediately available funds to an account designated in advance in writing by the Shareholders jointly and (ii) pay by wire transfer to an account designated in advance by Escrow Agent or by delivery of a certified or bank cashier's check payable to Escrow Agent the amount of Fifty Thousand Dollars ($50,000) (the "Additional Deposit", and together with the Deposit, the "Escrow Amount"), to be held by Escrow Agent pursuant to the terms and conditions of the Escrow Agreement as security for adjustment of the Purchase Price pursuant to Section 2.6 hereof.

2.5 Certain Loans and Other Liabilities. Parent, Acquisition, the Company and the Shareholders hereby agree that from and after the Effective Time the Surviving Corporation and/or ADICO, as the case may be, shall remain responsible for the following liabilities:

(a) the Assumed Liabilities (as hereinafter defined) as of the Effective Time;

(b) the contracts identified on Schedule 3.21 hereto marked with an asterisk (all such contracts are hereinafter referred to as the "Assumed Contracts");

(c) all unfilled purchase orders received by the Corporations in the ordinary course of business and outstanding as of the Effective Time (the "Unfilled Orders");

(d) the outstanding indebtedness as of the Effective Time owed by the Company to Ocean Bank in the maximum aggregate amount of Three Million Dollars ($3,000,000), pursuant to the agreement identified on Schedule 2.5(d) attached hereto and incorporated herein by this reference (the "Assumed Ocean Debt"), which Assumed Ocean Debt Parent shall cause to be paid off as of the Effective Time;

(e) obligations under the promissory note dated August 11, 1995, executed by the Company payable to the order of the Shareholders in the aggregate unpaid amount of principal and interest of Eight Hundred Twenty Thousand Nine Hundred Twenty-One Dollars ($820,921)(the "Assumed Shareholder Note"), which Assumed Shareholder Note Parent shall cause to be paid off as of the Effective Time; and

(f) obligations with respect to payables due to the Shareholders, as reflected on the financial books and records of the Company, in the aggregate amount of Four Hundred Thirty-Five Thousand Two Hundred Eighty-Four ($435,284) (the "Assumed Shareholder Payables"), which Assumed Shareholder Payables Parent shall cause to be paid off as of the Effective Time.

2.6 Escrow Amount; Adjustment of Purchase Price; Pledge Agreement.

(a) Except as otherwise herein set forth, the Escrow Amount shall be held by Escrow Agent until such time as any adjustments to the Purchase Price required pursuant to the terms of Section 2.6(b) have been made and the Parent Calculation Costs and the Shortage (each as hereinafter defined), if any, have been paid to Parent. The Escrow Amount shall secure and shall be

available, in part or in its entirety, for adjustments to the Purchase Price pursuant to Section 2.6(b) below. Parent agrees to prepare the Closing Balance Sheet (as defined in Section 2.6(b) hereof) within sixty (60) days after the Effective Time. If no adjustment is required to be made to the Purchase Price pursuant to Section 2.6(b) hereof, Escrow Agent shall promptly pay to the Shareholders, jointly, the Escrow Amount plus interest.

(b) Attached hereto as Exhibit B-1 is an audited consolidated balance sheet of the Corporations as of December 31, 1996 (the "Audited Balance Sheet"). For purposes of this Agreement, the sum of amounts set forth on Exhibit B-2 entitled "Net Assets Calculation December 31, 1996" under the heading "Balance" for (1) inventories ("Inventory"), (2) accounts receivable which satisfy the conditions set forth in clauses (a), (b), (c) and (d) of Section 3.10(c) hereof ("Assumed Accounts Receivable"), (3) cash and cash equivalents ("Cash"), (4) deferred tax assets, (5) prepaid expenses and other current assets, (6) property and equipment, net and (7) deposits and other assets, less (8) the sum of trade payables incurred in the ordinary course of business, accrued expenses incurred in the ordinary course of business and accrued income taxes (collectively, the "Assumed Liabilities"), shall constitute "Net Assets" as of December 31, 1996. The amounts comprising Net Assets shall be rolled forward from December 31, 1996 through the end of the month immediately preceding the Effective Time and such amounts shall be set forth on a balance sheet as of such month end, which balance sheet shall be prepared by Parent at Parent's cost, except as otherwise herein set forth, within sixty (60) days following the Effective Time and approved by the Shareholders (as so prepared and approved, the "Closing Balance Sheet"). Insofar as the rolling forward relates to Old Inventory (as defined in Section 3.10(d)), the rolling forward shall consist only of quantitative reductions with respect to the Old Inventory, as determined by physical count or measurement, valued at average cost and on a basis consistent with that of prior years. In the event the Net Assets figure shown on the Closing Balance Sheet falls short of the Net Assets figure as of December 31, 1996 by five (5%) percent or more, a dollar for dollar reduction in the Purchase Price shall be made with respect to the entire shortage (the "Shortage"), and, subject to the terms of Section 2.6(c) below, Escrow Agent shall pay to Parent an amount equal to the Shortage to the extent the Shortage does not exceed the Escrow Amount, plus a pro rata share of interest earned on the Escrow Amount from the date of execution of this Agreement through the date of payment of the Shortage, with any remaining balance in the Escrow Amount, plus interest, payable to the Shareholders. If the Shortage exceeds the Escrow Amount, the Shareholders, jointly and severally, shall forthwith pay Parent the amount of such excess within five (5) days of receipt of notice of same, which obligation

shall be subject to the indemnification provisions set forth in Section 9.3 hereof. In the event Net Assets shown on the Closing Balance Sheet (i) exceed Net Assets as of December 31, 1996, or (ii) fall short of Net Assets as of December 31, 1996 in an amount less than five (5%) percent thereof, no adjustment shall be made to the Purchase Price and Escrow Agent shall promptly pay to the Shareholders, jointly, the Escrow Amount plus interest.

(c) Notwithstanding the foregoing terms regarding payment of the Shortage by Escrow Agent, Parent may in lieu thereof cause to be offset against amounts due to the Shareholders pursuant to Section 6.19 hereof in connection with the Sunglass Transaction all or part of the amount of the Shortage, in which event Parent shall notify Escrow Agent accordingly.

(d) Notwithstanding anything herein to the contrary, the Stock Consideration consisting of One Hundred Fifty Thousand (150,000) shares of Parent Common Stock (the "Pledged Shares") shall be delivered by the Shareholders to Escrow Agent at the Closing and shall be held in escrow pursuant to the terms of the Stock Pledge and Security Agreement substantially in the form attached hereto as Exhibit C (the "Pledge Agreement") and shall be available for the payment and satisfaction of Shareholders' indemnification obligations pursuant to Section 9.3 hereof.

ARTICLE III

REPRESENTATIONS AND WARRANTIES OF THE COMPANY AND THE SHAREHOLDERS

The Company and each Shareholder jointly and severally hereby represents and warrants to Parent and Acquisition, knowing and intending that each of Parent and Acquisition is relying hereon in entering into the transactions contemplated hereby, as follows:

3.1 Authority Relative to Agreement. The Company has all requisite power and authority to enter into and to perform its obligations hereunder. The execution and delivery of this Agreement by the Company and the consummation by the Company of the transactions contemplated hereby have been duly authorized by the Board of Directors of the Company and by the shareholders of the Company, and no other corporate proceedings on the part of the Company are necessary to authorize this Agreement and the transactions contemplated hereby. The Shareholders, and each of them, have all requisite power and authority to enter into and to perform the obligations of the Shareholders hereunder.

3.2 Shareholders' Title to Stock.

(a) The shares of Company Common Stock identified on the signature page(s) hereof opposite the Shareholders' names are owned jointly by the Shareholders as joint tenants with the right of survivorship, free and clear of all liens, claims, options, encumbrances or restrictions whatsoever, and the Shareholders, and each of them, have full legal right and power and all authorizations and approvals required by law to sell, transfer and deliver such shares hereunder and to make the representations, warranties and agreements hereunder. The shares of Company Common Stock owned by the Shareholders represent, collectively, all of the issued and/or outstanding shares of capital stock (or other equity interests) in the Company. The Shareholders are not parties to any Shareholders' Agreement, buy-sell agreement or similar agreement or arrangement.

(b) The Company owns all of the issued and outstanding stock of ADICO.

3.3 Organization and Standing. Each Corporation is a corporation, duly organized, validly existing and in good standing under the laws of the State of Florida and each has the corporate power and lawful authority to own and hold its properties and conduct its business as now owned, held and conducted in its state of incorporation and the states in which it has qualified to do business. Each Corporation is qualified and in good standing in all states (or other jurisdictions) in which such qualification is required by reason of the nature or extent of business conducted by each Corporation therein and such states (and jurisdictions) are specified in Schedule 3.3 attached hereto.

3.4 Stock of the Corporations. The authorized capital stock of the Company consists in its entirety of Two Million Sixty Thousand (2,060,000) shares of common stock, $1.00 par value, all of which are validly issued and outstanding, fully paid and nonassessable. The authorized capital stock of ADICO consists in its entirety of Ten Thousand (10,000) shares of common stock, $1.00 par value, all of which shares are validly issued and outstanding, fully paid and nonassessable. Neither Corporation has any outstanding obligations, options or rights entitling others to acquire shares of capital stock of either Corporation, nor any outstanding securities, options or other instruments convertible into shares of capital stock of either Corporation.

3.5 Subsidiaries. Except for ADICO, there is no corporation, partnership, joint venture, or other entity in which either Corporation has, directly or indirectly, any investment or to which either Corporation has made an advance of cash. Neither

Corporation is under any obligation to acquire any of its outstanding securities from any person or entity.

3.6 Certificate of Incorporation and By-Laws. True and complete copies of each Corporation's Certificate of Incorporation and By-Laws (together with any amendments thereto) have heretofore been delivered to Parent.

3.7 Execution and Performance of Agreement; Validity and Binding Nature. The execution and delivery of this Agreement, and the performance by the Company and the Shareholders of the terms of this Agreement and the transactions contemplated hereby, will not result in a breach of any of the terms of, or constitute a violation of or default under, the Certificate of Incorporation or By-Laws of either Corporation or any statute, contract, indenture or other instrument by which either Corporation or any of their respective properties are bound, and, except as provided in Section 3.15 hereof, no consent, approval, authorization or order of any court or governmental authority is required in connection with the execution and delivery of this Agreement by the Company and the Shareholders and the performance by the Company and the Shareholders of the terms of this Agreement and the transactions contemplated hereby. This Agreement is, and the documents and agreements to be executed and delivered by the Company and/or the Shareholders pursuant to the terms hereof, when duly executed and delivered by all parties whose execution and delivery thereof is required, will be legal, valid and binding obligations of the Company and/or the Shareholders, as the case may be, enforceable against the Shareholders in accordance with their respective terms, except to the extent that enforceability may be limited by bankruptcy, receivership, moratorium, conservatorship, reorganization or other laws of general application affecting the rights of creditors generally or by general principles of equity.

3.8 Financial Statements. Parent acknowledges receipt of the consoldiated balance sheets of the Corporations for the fiscal years ended December 31, 1995 and 1996, respectively, and the related statements of income and retained earnings and changes in financial position for the fiscal years then ended, certified by Arthur Andersen LLP, independent certified public accountants (such balance sheets and related financial statements for such two fiscal years being hereinafter referred to collectively as the "Financial Statements"). Each of the Financial Statements (a) is true and correct and has been prepared from the books and records of the Corporations, (b) has been prepared in accordance with generally accepted accounting principles ("GAAP") applied on a consistent basis with prior periods covered thereby and on the same basis used in the preparation of the Corporations' Federal Income Tax Returns, and (c) presents fairly the financial position of the Corporations as at its respective date and the results of the Corporations'

operations, changes in retained earnings and changes in cash flow for such period in all respects. All prepaid expenses included therein as assets represent payments theretofore made by one or both of the Corporations, the benefit and advantage of which may be obtained and enjoyed by the business of the Corporations. The books and records of the Corporations have been kept, and will be kept to the Effective Time, in reasonable detail and in accordance with the same accounting principles heretofore used consistently applied and fairly and accurately reflect, and will fairly and accurately reflect to the Effective Time, all of the transactions of the Corporations, and are and will be complete and correct. Except as and to the extent disclosed or accrued in the Audited Balance Sheet, as of December 31, 1996, there existed no liabilities or obligations of any nature whatsoever (whether absolute, contingent or otherwise, matured or unmatured, known or unknown, written or oral) in respect of the business or properties of the Corporations. As of December 31, 1996, there was no basis for assertion against the business or the properties of the Corporations of any claim or liability of any nature in any amount not fully disclosed in the Audited Balance Sheet.

3.9 Liabilities On and As of the Effective Time. Except for the Assumed Liabilities, the Assumed Contracts, the Unfilled Orders, the Assumed Ocean Debt, the Assumed Shareholder Note and the Assumed Shareholder Payables, on and as of the Effective Time, there shall exist no liabilities or obligations of any nature whatsoever (whether absolute, contingent or otherwise, matured or unmatured, known or unknown, written or oral) in respect of the business or properties of the Corporations. At the Effective Time, there shall not be any basis for assertion against the business or the properties of the Corporations of any claim or liability of any nature in any amount other than with respect to the Assumed Liabilities, the Assumed Contracts, the Unfilled Orders, the Assumed Ocean Debt, the Assumed Shareholder Note and the Assumed Shareholder Payables.

3.10 Properties.

(a) Each Corporation has good and marketable title to all of the assets, tangible or intangible, used in connection with the operation of the Business, all of which assets are identified on Schedule 3.10 and Schedule 3.11 hereto (collectively, the "Assets"). The Assets are free and clear of all liens, charges, restrictions and other encumbrances, except those described in Schedule 3.10(a) hereto (the "Liens"). The Company and/or the Shareholders shall cause each of the Liens with an asterisk alongside it to be released on or prior to the Effective Time ("Liens to be Released") and, from and after the Effective Time, neither Parent, Acquisition, the Surviving Corporation and/or ADICO shall have any liability therefor.

Neither Corporation and neither Shareholder has received any notice of violation of any applicable regulation, ordinance or other law, order, regulation or requirement relating to the Business or the Assets.

(b) The Assets which are fixed assets include all of their components and parts, are in good operating condition and suitable for the conduct of the Business, subject to ordinary wear and tear, and are currently used or usable in the Business. Neither Shareholder nor the Company, after due inquiry, has any knowledge of any defect or defects, except such as require routine maintenance, which would interfere with the continued use thereof in the conduct of the normal operations of the Business as presently being conducted.

(c) Except as set forth in Schedule 3.10(c) hereto, the accounts receivable of the Corporations reflected in the Audited Balance Sheet or acquired by either Corporation subsequent to the Audited Balance Sheet date (the "Accounts Receivable") (a) are true, bona fide accounts receivable of the Corporations created in the ordinary course of the Business; (b) have been collected or are fully collectible in amounts not less than the aggregate amount thereof net of reserves established therefor, as set forth on the books of the Corporations; (c) are not subject to any offsets, credits or counterclaims; and (d) have not at any time been placed for collection with any attorney, collection agency or similar individual or firm.

(d) All inventory (whether on hand or in transit) acquired by either of the Corporations after December 31, 1996 and which is part of Inventory at the Effective Time (the "New Inventory") will consist at the Effective Time of items of a quality and quantity which are saleable or usable in the ordinary course of the Business, except for items of obsolete materials and materials of below standard quality, all of which shall have been written down to commercially reasonable values. All such New Inventory shall be the property of one of the Corporations as of the Effective Time. No items of New Inventory shall have been pledged as collateral as of the Effective Time, which pledge shall not have been fully discharged or released on or prior to the Effective Time. No items of New Inventory shall be held as of the Effective Time by either Corporation on consignment from others or shall be, as of the Effective Time, held by others on consignment from either Corporation. As of the Effective Time, the New Inventory shall be based upon quantities determined by physical count or measurement and shall be valued at average cost and on a basis consistent with that of prior years. All inventory acquired by either of the Corporations prior to January 1, 1997 and which is part of the Inventory at the Effective Time (the "Old Inventory") is being acquired "as is"

and the representations and warranties contained in this Section 3.10(d) are not applicable to the Old Inventory.

(e) All Unfilled Orders represent purchase orders relating to the Business received by the Corporations in the ordinary course of business and outstanding as of the Effective Time.

3.11 Proprietary Rights. Schedule 3.11 attached hereto contains a complete and correct list and accurate description of all trademarks, trade names, service marks, logos and other identifying symbols, names or marks, copyrights, inventions, processes, designs, formulas, trade secrets, patents, patent applications and other intellectual and/or proprietary rights or interests (collectively, "Proprietary Rights") (a) owned by each of the Corporations, free and clear of all licenses, liens, charges or encumbrances, except as specified in such Schedule, or (b) licensed to either or both of the Corporations under valid and enforceable agreements. There are no infirmities concerning the validity of any of the Proprietary Rights. The Shareholders have caused each Corporation to protect all of the Proprietary Rights to the fullest extent permitted by law and they are all in good standing, valid and enforceable and free from default on the part of the Corporations. Each Corporation owns, or possesses adequate rights to use, all Proprietary Rights necessary for the conduct of the Business. There are no infringements by any third parties upon any Proprietary Rights or any conflict with or infringement of asserted rights of others with respect to same. No proceedings are pending and no claim has been made or threatened which challenges the rights of the Corporations in respect of any of the Proprietary Rights or the validity thereof.

3.12 Books and Records. The books and records of the Corporations include all of the information pertaining to the Business and the Assets. All of the books and records are true and correct and accurately reflect the status of the Business and each Corporation's relationships with customers and suppliers of the Business and there are no oral arrangements or agreements which would alter such status.

3.13 Litigation. Except as set forth in Schedule 3.13 hereto, there are no claims, actions, suits, proceedings or investigations pending or, to the best knowledge of either Shareholder or the Company, after due inquiry, threatened against or affecting either Corporation, the Business or the Assets, at law or in equity, before or by any Federal, state, municipal or other court, governmental department, commission, board, agency or instrumentality, and neither Shareholder nor the Company knows of any basis for any of the foregoing. Except as set forth in Schedule 3.13, there is no order, writ, injunction or decree of

any court or any Federal, state, municipal or local agency or instrumentality affecting either Corporation, the Business or the Assets to which either Shareholder or either Corporation is subject or by which the Business or any of the Assets is subject or bound, and, neither Shareholder and neither Corporation is in default with respect to any order of any Federal, state, municipal or other court, department, commission, board, agency or instrumentality relating to the Business or the Assets.

3.14 Compliance with Laws. Each Corporation has, and at the Effective Time shall have, complied with all laws, ordinances, rules, regulations, judgments, orders, decrees, permits, authorizations, approvals and directives of any and all Federal, state, county, city and other governments, governmental departments, bureaus, agencies and other bodies, and any and all public authorities whatsoever, including, without limitation, any and all Federal, state and local laws, rules, regulations or directives pertaining to the environment, to the extent the same pertain or relate to either Corporation, the Assets or the Business and the operation thereof. Each Corporation has, and at the Effective Time shall have, duly made all reports and filings pertaining to or affecting the Business or the Assets required to be made pursuant to applicable law. All governmental authorizations or approvals necessary in any material respect for the conduct of the Business have been duly and lawfully obtained and are in full force and effect, and there are no proceedings pending or threatened which may result in the revocation, cancellation or suspension, or any materially adverse modification, of any thereof.

3.15 Third Party and Governmental Consents.

Except as described in Schedule 3.15 hereto, no consent, authorization, approval, order, license, certificate or permit of or from, or registration, declaration or filing with, any governmental authority or any court or other tribunal or any other person, firm or entity, nor under any contract, indenture, mortgage, lease, license or other agreement or instrument to which either Corporation is a party or by which either Corporation or any of its respective assets or properties is subject or bound, is required by or with respect to either Shareholder or either Corporation in connection with the execution, delivery or performance of this Agreement or of any other agreement, document or instrument to be executed and delivered by the Company or either Shareholder pursuant hereto or in connection herewith or the consummation of the transactions contemplated hereby.

3.16 Return Items. Except as reflected on the Audited Balance Sheet or incurred since the date of the Audited Balance

Sheet in the ordinary course of business and consistent with past practices, neither Corporation has any obligation (other than warranty obligations) to accept a return for credit of any products shipped to customers or others prior to the date hereof or to be shipped prior to the Effective Time.

3.17 Licenses and Permits. Each Corporation has obtained all consents, approvals, waivers and permits required in connection with the ownership of the assets of each Corporation and the operation of the Business as presently and heretofore conducted (herein collectively referred to as the "Permits"). The Permits are listed on Schedule 3.17 attached hereto and made a part hereof. No other licenses or permits are required to conduct or operate the Business as presently conducted.

3.18 Employment, Deferred Compensation or Similar Agreements; Collective Bargaining Agreements; Employee Benefit Plans.

(a) Except as set forth in Schedule 3.18(a), neither Corporation is a party to any agreement or employment contract or deferred compensation or similar arrangement with any of its employees or former employees. There are no collective bargaining agreements covering any employees of either Corporation. The Business is not affected by any present strike or other labor disturbance involving any employees of either Corporation nor, to the best knowledge of the Shareholders, is any union attempting to represent, as collective bargaining agent, any person employed by either Corporation.

(b) Except as set forth in Schedule 3.18(b), neither Corporation sponsors or maintains or is otherwise a party to or liable under any plan, program, fund or arrangement (whether or not qualified for Federal income tax purposes), whether benefiting a single individual or multiple individuals, and whether funded or not, that is an "employee pension benefit plan," or an "employee welfare benefit plan," as such terms are defined in the Employee Retirement Income Security Act of 1974, as amended ("ERISA"), or any incentive or other benefit arrangement for its employees, their dependents and beneficiaries.

(c) Except as set forth in Schedule 3.18(c) hereto, neither Corporation has or does contribute to any multi-employer plan (as defined in Section 3(37) of ERISA), has incurred any liability under Section 4201 of ERISA for any complete or partial withdrawal from any multi-employer plan or has assumed any such liability by any prior owner of any of its assets or properties.

(d) Each employee pension benefit plan maintained by each Corporation and listed on Schedule 3.18(b) complies in all material respects with the requirements of ERISA. No "reportable

event" within the meaning of Section 403 of ERISA has occurred with respect to any such plan and neither the Shareholders nor the Corporations have engaged in any "prohibited transaction" within the meaning of Section 406(a) or (b) of ERISA or of Section 4975(c) of the Internal Revenue Code (the "Code"), with respect to any such plan; and no such plan has been terminated in accordance with the procedures set forth in Section 4041 or 4042 of ERISA.

(e) No liability has been incurred by either Corporation for any tax imposed by Section 4975 of the Code with respect to any plan described in Schedule 3.18(b). Each Corporation has, for all periods ending on or prior to the date hereof, administered each employee pension benefit plan and each employee welfare benefit plan described in Schedule 3.18(b) in all respects in compliance with the reporting, disclosure and all other requirements applicable thereto under ERISA, the Code or any other applicable law.

3.19 Real Estate Owned and Leased.

(a) No real estate is owned by either Corporation as of the date hereof.

(b) The Company's headquarters/distribution center facility in Miami (the "DIACO Miami Facility"), formerly owned by the Company and since April 18, 1997 owned by Adox, is leased to the Company pursuant to an oral triple net lease which will expire as of the Effective Time and be replaced by the DIACO Miami Lease (as defined in Section 6.15(a) hereof).

(c) ADICO leases facilities located at 6600 Southwest 44th Street, Miami, Florida 33155 (the "ADICO Miami Facility"), owned by the Shareholders pursuant to an oral triple net lease which will expire as of the Effective Time and be replaced by the ADICO Miami Lease (as defined in Section 6.15(b) hereof.

(d) The DIACO Miami Facility and the ADICO Miami Facility (collectively, the "Miami Facilities") real estate (and improvements thereon) are in good operating condition and repair and conforms in all material respects with all applicable building, zoning, planning and other regulations, ordinances or laws, and each Corporation has the right to use all real estate necessary to the conduct of its business as currently conducted.

3.20 Taxes. The Corporations have properly completed and filed all Federal, state, county, municipal and other tax returns, reports and declarations which are required to be filed by them and have paid all taxes, penalties and interest which have become (or may hereafter become) due pursuant thereto or which became (or may hereafter become) due pursuant to assessments. Neither Corporation

has received any notice of deficiency or assessment of additional taxes, and no tax audits are in process. The last years for which the federal or state income tax or other taxes of the Corporations have been examined are set forth accurately and completely on Schedule 3.20 hereto. Neither Corporation has granted any waiver of any statute of limitation with respect to, or any extension of a period for the assessment of, any federal, state, county, municipal or other tax. The accruals and reserves for taxes reflected in the Audited Balance Sheet are adequate to cover all taxes (including interest and penalties, if any, thereon) due and payable or accrued in accordance with generally accepted accounting principles as a result of the operations of the Corporations for all periods prior to the date of the Audited Balance Sheet. Neither Corporation has filed an election under Section 1362(a) of the Code to be taxed as an S Corporation.

3.21 Material Contracts. Except as set forth in Schedule 3.21, neither Corporation is a party to, and none of their respective properties are bound by, any of the following types of contracts or commitments, written or oral: (i) mortgages, indentures, security agreements and other agreements and instruments relating to the borrowing of money or extension of credit or imposition of an encumbrance on any of the assets of either Corporation, (ii) agreements with any labor union or other collective bargaining unit, (iii) bonus or compensation agreements (including nonqualified deferred compensation) which have not been incurred in the ordinary course of business of either Corporation consistent with past practices, (iv) profit-sharing, stock option, pension, or retirement agreements, trusts, or funds for the benefit of employees, (v) sales agency, manufacturer's representative or distributorship agreements, (vi) other contracts and commitments which in any case involve payments or receipts of more than $5,000, (vii) any contract for the purchase, sale or lease of real or personal property either as lessor or lessee, (viii) any contract with any officer, director or with any employee of either Corporation (other than agreements relating to current wage or salary payments terminable by either Corporation on notice of thirty (30) days or less), (ix) any contract or promissory note or other instrument with any Affiliate (as hereinafter defined) of either Corporation, or (x) any guarantee or obligation to provide funds or assume the debt of any Affiliate of either Corporation. The Shareholders have delivered to Parent complete and correct copies of all written contracts and commitments, together with all amendments thereto, and accurate descriptions of all oral agreements, described in Schedule 3.21 hereto. Neither Corporation is in default with respect to any such contract. For purposes of this Agreement, "Affiliate" of a corporation means (i) any corporation, partnership, trust or other entity in control of, controlled by or under common control with such Corporation; and (ii) any officer, director, trustee, general partner or employee of

any corporation, partnership, trust or other entity in control of, controlled by or under common control with such Corporation. Schedule 3.21(a) sets forth all Affiliates of each Corporation which are business entities currently in existence.

3.22 Labor Relations. Except as disclosed in Schedule 3.22, each Corporation, in the conduct of its affairs, has complied with all applicable laws (including, without limitation, labor and tax laws), and regulations relating to the hiring and employment of employees and independent contractors, including, without limitation, those related to discrimination, wages, hours, collective bargaining, employee pension and welfare benefit plans, and the payment of (and withholding for) income, Social Security and other taxes, and neither Corporation is liable for any penalties or damages for failure to comply with any of the foregoing. There are no unfair labor practice claims or charges pending or threatened involving either Corporation.

3.23 Insurance. Schedule 3.23 hereto sets forth a list and brief description (including the name of the insurer, coverage and expiration date) of all insurance policies maintained by each Corporation. Schedule 3.23 further lists all claims presently pending or threatened which are covered by such policies. Neither Corporation has received notice of cancellation or non-renewal of any of such policies.

3.24 Officers, Directors and Depositories. Schedule 3.24 hereto correctly and completely sets forth the names of all the officers and directors of each Corporation and the names of all depositories of their respective funds and the names of the officers and other persons empowered to sign instruments withdrawing funds from said depositories.

3.25 Environmental Matters.

(a) No governmental agency has asserted any claim or threatened to assert any claim against either Corporation in respect of its business, any assets owned or leased by it, real properties leased by it, or the condition, use or operation thereof by such Corporation, arising out of any Federal, state or local law, rule, regulation or directive pertaining to the environment.

(b) To the best knowledge of each Shareholder and the Company, after due inquiry, there are nowhere on any real property owned, leased, used or otherwise under the control of either Corporation any deposits, dumps, or tanks of toxic or other poisonous, dangerous or noxious waste, fluids, solvents, chemicals or effluents, except for chemicals, fuels and fluids currently used in the manufacturing or production processes of the Corporation, all of which chemicals, fuels and fluids are properly and safely

stored, identified, labelled and maintained in accordance with applicable industrial standards and all governmental or other laws or regulations relating thereto. Neither Corporation discharges from any real property owned, leased, used or otherwise under its control, whether by effluent, emission or other means, any noxious, toxic, hazardous or deleterious matter or gases. All discharges of waste material and other substances from any of the Corporations' operating facilities are in full compliance with applicable law and covered by valid permits and licenses, where required.

3.26 Transactions Since December 31, 1996. Except as contemplated by this Agreement or as set forth in Schedule 3.26 hereto, the Shareholders have during the period from and after December 31, 1996 conducted the Business only in the ordinary course and on a basis consistent with past practices, and since said date:

(a) There has not been any material adverse change in the business, assets, properties, condition (financial or otherwise) or prospects of either Corporation or in connection with the Business or the Assets;

(b) There has not been any damage, destruction or loss of property (whether or not covered by insurance) resulting in or which could result in a material adverse change in the Business or the Assets (financial or otherwise);

(c) Except as specifically contemplated by this Agreement, the Corporations have not made any sale, assignment or transfer of, or additions to, or transactions involving, any tangible or intangible assets of either Corporation in connection with the Business or the Assets or engaged in any transactions in connection with the Business or the Assets, other than in the ordinary course of business on a basis consistent with past practices;

(d) Neither Corporation has made any change in any accounting principle policy or practice, which change will have an affect on the timing or recognition of income, expense or losses in connection with the Business or the Assets;

(e) There has not been any change in the relationship or course of dealings among either Corporation and its suppliers or customers in connection with the Business or the Assets which has caused or could cause a material adverse change in the Business or the Assets (financial or otherwise);

(f) Neither Corporation has granted increases in the compensation of any employee or partner, whether now or hereafter payable;

(g) There has not been any declaration, setting aside or payment of any distribution in respect of any ownership interest in either Corporation, and no shareholder of either Corporation has withdrawn any assets used or usable in the Business;

(h) Neither Corporation and neither of the Shareholders has made any loan or advance or incurred any indebtedness that is being assumed by Purchaser other than the Assumed Liabilities or as otherwise herein set forth;

(i) All transactions between either Corporation and any shareholder, director, officer, principal or employee of either Corporation have been in the normal course and for fair value, and neither Corporation has made any loans or advances, other than routine travel and entertainment advances, to any principal or employee of either Corporation; and

(j) Neither Corporation has agreed, whether in writing or otherwise, to do or permit any of the foregoing.

3.27 Additional Representations and Covenants of Shareholders. Each Shareholder hereby acknowledges, represents and warrants to Parent, as to itself, severally and not jointly and agrees as follows, knowing and intending that Parent is relying hereon in entering into the transactions contemplated hereby:

(a) Each Shareholder understands that the shares of Parent Common Stock which are the subject of this Agreement are intended to be exempt from registration under the Securities Act of 1933, as amended (the "Securities Act") by virtue of Section 4(2) thereof, based, in part, upon the representations, warranties and agreements of each Shareholder contained in this Agreement.

(b) Neither the Securities and Exchange Commission (the "SEC") nor any state securities commission has approved the Parent Common Stock or passed upon or endorsed the merits of an investment therein or confirmed the accuracy or adequacy of any information provided by Parent to the Shareholders or the accuracy or adequacy of any of the representations, warranties and agreements of Parent contained herein.

(c) The Shareholders are acquiring Parent Common Stock jointly solely for their own joint account for investment and not with a view to resale or distribution thereof, in whole or in part. Neither Shareholder has any agreement or arrangement, formal or informal, written or oral, with any person to sell or transfer or otherwise dispose of all or any part of the Parent Common Stock, and none has any present plans to enter into any such agreement or arrangement.

(d) No Shareholder became aware of the offer and sale of Parent Common Stock through or as a result of any form of general solicitation or general advertising including, without limitation, any article, notice, advertisement or other communication published in any newspaper, magazine or other media in connection with the offer and sale of Parent Common Stock contemplated hereby and no Shareholder is purchasing Parent Common Stock through or as a result of any seminar or meeting to which any Shareholder was invited.

(e) Paul and Odalys each meets the requirements of at least one of the categories of an "accredited investor", as defined in Rule 501(a) of Regulation D promulgated under the Securities Act and as set forth in the form of Accredited Investor Certification attached hereto as Exhibit D-1 and D-2, respectively. In connection with the closing of the transactions contemplated by this Agreement, Paul and Odalys shall each certify to Parent, in the form of the certification set forth in Exhibit D-1 and D-2, respectively, as to which category (or categories) of accredited investor is applicable to such Shareholder.

(f) Each Shareholder, or each Shareholder together with its purchaser representative, if any, has such knowledge and experience in financial, tax, and business matters in general, and investments in securities in particular, so as to enable such Shareholder to evaluate the merits and risks of an investment in Parent Common Stock and to make an informed investment decision with respect thereto.

(g) Each Shareholder recognizes that the Shareholders must bear the economic risks of the investment in Parent Common Stock indefinitely and that legends shall be placed on the certificates representing Parent Common Stock issuable pursuant to the terms thereof stating that the shares represented thereby have not been registered under the Securities Act or applicable state securities laws and that such shares are subject to the terms and conditions of the Framecorp Agreements.

(h) Neither Shareholder is relying on Parent or any of its employees or agents with respect to the legal, tax, economic and related considerations of an investment in Parent Common Stock, other than as expressly contained in the representations and warranties of Parent contained in Article IV hereof.

(i) Each Shareholder (i) has had the opportunity to meet with representatives of Parent and to have them answer any questions and provide such additional information regarding the terms and conditions of the transactions contemplated hereby, and the business and prospects of Parent deemed relevant by such

Shareholder. Each Shareholder is aware that an investment in Parent Common Stock is speculative and involves significant risks, including, among other things, the risk of the loss of the Shareholders' investment in Parent Common Stock.

3.28 Representations and Warranties True; No Misleading Statements. All of the representations and warranties set forth in this Article III shall be true and correct as of the Effective Time as if made at that time. The representations and warranties made herein in connection with the sale of the Company Common Stock and the operation of the Business and in any Schedule, list or other agreement, document or instrument to be executed and delivered by the Shareholders or the Company pursuant hereto do not contain any untrue statements of a material fact or omit to state a material fact necessary in order to make the statements herein or therein, in light of the circumstances under which they were made, not misleading. All documents provided to Parent by the Shareholders or the Company are true and correct copies of the documents which they purport to represent.

ARTICLE IV

REPRESENTATIONS AND WARRANTIES OF PARENT

Parent represents and warrants to the Shareholders as follows:

4.1 Organization and Standing. Parent is a corporation duly organized, validly existing and in good standing under the laws of the State of Delaware and has full power and authority to own its properties and carry on its present business.

4.2 Authority and Binding Effect. The execution of this Agreement by Parent has been duly and validly authorized and, when executed and delivered by Parent, shall be valid and binding on Parent and enforceable in accordance with its terms.

4.3 Execution and Performance of Agreement. The execution and delivery of this Agreement, and the performance by Parent of the terms of this Agreement and the transactions contemplated hereby, will not result in a breach of any of the terms of, or constitute a violation of or default under, the Certificate of Incorporation or By-laws of Parent or any statute, or material contract, indenture or other instrument by which Parent or any of its properties is bound. All consents, approvals, authorizations and orders of any court or governmental authority required in connection with the execution and delivery of this Agreement by Parent and the performance by Parent of the terms of this Agreement and the transactions contemplated hereby, have been obtained.

4.4 Framecorp Shares. The authorized capital stock of Parent as of the date hereof consists in its entirety of One Million Eight Hundred Sixty-Six Thousand Five Hundred (1,866,500) shares of common stock, no par value (the "Common Stock"), of which Five Hundred Seventy-Five Thousand (575,000) shares are validly issued and outstanding, fully paid and nonassessable, and Five Hundred Thousand (500,000) shares of Series A Convertible Preferred Stock, no par value (the "Series A Shares"), all of which are validly issued and outstanding, fully paid and nonassessable. Six Hundred Sixty-Six Thousand Six Hundred Seventy (666,670) shares of Common Stock have been reserved for issuance upon conversion of the Series A Shares and exercise of stock options which have been issued or which may hereafter be issued pursuant to the terms of the Management Stock Option Plan of Parent. Upon the consummation of the transactions contemplated hereby and the issuance and delivery of the Parent Common Stock pursuant to the terms hereof, the Parent Common Stock shall be validly issued and outstanding, fully paid and nonassessable.

ARTICLE V

REPRESENTATIONS AND WARRANTIES OF ACQUISITION

5.1 Organization and Standing. Acquisition is a corporation duly organized, validly existing and in good standing under the laws of the State of Delaware and has full power and authority to own its properties and carry on its present business.

5.2 Authority and Binding Effect. The execution of this Agreement by Acquisition has been duly and validly authorized and, when executed and delivered by Acquisition, shall be valid and binding on Acquisition and enforceable in accordance with its terms.

5.3 Execution and Performance of Agreement. The execution and delivery of this Agreement, and the performance by Acquisition of the terms of this Agreement and the transactions contemplated hereby, will not result in a breach of any of the terms of, or constitute a violation of or default under, the Certificate of Incorporation or By-laws of Acquisition or any statute, or material contract, indenture or other instrument by which Acquisition or any of its properties is bound. All consents, approvals, authorizations and orders of any court or governmental authority required in connection with the execution and delivery of this Agreement by Acquisition and the performance by Acquisition of the terms of this Agreement and the transactions contemplated hereby, have been obtained.

5.4 Stock of Acquisition. The authorized capital stock of Acquisition consists in its entirety of One Thousand (1,000) shares

of common stock, no par value, of which One Hundred (100) shares are validly issued and outstanding, fully paid and non-assessable.

ARTICLE VI

COVENANTS AND OTHER AGREEMENTS

6.1 Conduct of Business. From the date hereof through the Effective Time, except as otherwise consented to by Parent in writing or as specifically contemplated by this Agreement, the Shareholders shall cause the Corporations to: (i) carry on the Business in, and only in, the usual, regular and ordinary course in substantially the same manner as conducted heretofore and, to the extent consistent with such operation, use all reasonable efforts to preserve intact its present business organization, keep available the services of its present employees, and preserve its relationships with suppliers, customers and others having business dealings with them, (ii) maintain all the Corporations' material structures, equipment and other property in good repair, order and condition, except for depletion, depreciation, ordinary wear and tear and damage by unavoidable casualty, (iii) keep in full force and effect insurance now carried by each Corporation, (iv) perform in all material respects all obligations of the Corporations under agreements, contracts and instruments relating to or affecting properties, assets and business, (v) maintain the books of account and records of the Corporations in the usual, regular and ordinary manner, (vi) comply in all material respects with all statutes, laws, ordinances, rules and regulations applicable to the Corporations and to the conduct of the Business, (vii) not merge or consolidate with, or agree to merge or consolidate with, or purchase substantially all of the assets of, or otherwise acquire any business or any corporation, partnership, association or other business organization or division thereof, (viii) not borrow any funds from any person or entity without the consent of Parent, and (ix) promptly advise Parent in writing of any materially adverse change in its financial condition, operations, business, properties or prospects or any event which will or may result in the failure to satisfy the conditions specified in Article VII hereof.

6.2 Undertaking to Use Best Efforts. From the date hereof through the Effective Time, the Corporations, each Shareholder, Parent and Acquisition agree to use their respective best efforts to cause fulfillment of the conditions precedent set forth in Articles VII and VIII hereof, respectively.

6.3 Access and Information. The Shareholders shall cause the Corporations and their respective counsel and accountants to give Parent, its counsel, accountants and other representatives full access, during normal business hours, throughout the period through the date of Closing, to all the books, leases, contracts,

commitments, minutes, documents, instruments and records of the Corporations, and shall cause to be furnished to Parent and its representatives during such period all such information concerning the affairs of the Corporations as they may reasonably request. In the event that the transactions contemplated by this Agreement are not consummated for whatever reason, Parent shall promptly return to the Corporations any and all documents furnished to Parent relating to the Corporations and all copies of any such documents in Parent's possession or control.

6.4 Interim Financial Statements. From December 31, 1996 through the Effective Time, the Shareholders shall cause the Corporations to prepare and deliver to Parent the monthly internal financial statements normally prepared for or with respect to the Corporations.

6.5 Other Negotiations. In order to evidence the Shareholders' commitment to the consummation of the transactions contemplated hereby, the Shareholders agree that, between the date hereof and the Closing, they will not, collectively or individually, directly or indirectly through any officer, director or employee of either Corporation or through any third party, begin or continue any discussions with or consider any proposal from any person or entity other than Parent which relates to the sale of the Company Common Stock, the sale of a substantial portion of the assets of either Corporation or a merger or other business combination involving either Corporation.

6.6 Filing and Similar Fees; Taxes. The Shareholders, jointly and severally, agree and acknowledge that any and all taxes and fees incurred by or on behalf of the Corporations in connection with the transfer and/or assignment of the assets set forth on Schedule 3.26 hereto shall be the sole and exclusive responsibility of the Shareholders and that the Shareholders, jointly and severally, shall indemnify and reimburse Parent, Acquisition, the Surviving Corporation and/or ADICO, as the case may be, pursuant to the terms and provisions of Section 9.3 hereof, for any such taxes and fees promptly upon demand. This indemnification obligation shall survive the Closing indefinitely.

6.7 Risk of Loss; Casualty. Until the Effective Time, the risk of loss or damage to any of the Assets by fire or other casualty or any cause whatsoever shall be upon the Shareholders and the Corporations. In the event of damage or destruction or loss to the extent of more than ten (10%) percent of the aggregate fair market value of the Assets, computed as of the Effective Time, as a result of fire or other elements, or other casualty or any cause whatsoever, whether or not beyond any party's control, Parent shall have the right to terminate this Agreement by serving upon the Shareholders and the Company,

within seven (7) days of receipt by Parent of written notice from the Shareholders of any such occurrence, written notice of its election to terminate. In the event Parent elects to terminate this Agreement pursuant to this Section 6.7, Escrow Agent shall promptly return the Escrow Amount, plus interest, to Parent. The Shareholders agree to give Parent written notice of any damage or destruction to any of the Assets with full details of the nature and extent thereof, and Parent shall have an opportunity to review the extent of such damage and destruction. If Parent shall not elect in a writing delivered to the Shareholders to terminate this Agreement or in the event of any destruction or damage or loss not giving rise to any right in Parent to terminate this Agreement, this Agreement shall remain in full force and effect, without diminution of the Purchase Price, and all insurance proceeds payable with respect to any damaged or destroyed or lost property, which property would have become the property of the Surviving Corporation as of the Effective Time, shall be payable to Parent on the later of the date of Closing or when received from the insurance carrier by the Shareholders or the Corporations, as the case may be.

6.8 Eyewear Agreements. The Shareholders shall cooperate fully with Parent in obtaining, on or prior to the Effective Time, on terms satisfactory to Parent, assignments, assumptions, consents or new agreements, as applicable, with respect to the brand name, license and/or distribution agreements pertaining to Essence Eyewear, Bob Mackie Eyewear and Polinelli (collectively, the "Eyewear Agreements").

6.9 Shareholders' Obligations. Each Shareholder agrees and acknowledges that such Shareholder is a director and officer of each of the Corporations and agrees that such Shareholder shall be personally liable with respect to (a) any willful or fraudulent misrepresentations of Shareholders contained in this Agreement or in any other document or instrument contemplated by this Agreement or delivered in accordance with the provisions hereof; (b) any Federal, state or local taxes payable by the Corporations in connection with the operation of the Business prior to the Effective Time and/or in connection with the transfers and/or assignments of the assets referred to in Schedule 3.26; and (c) all matters covered by the indemnification provisions of Section 9.3 hereof; as to all of which Parent, Acquisition, the Surviving Corporation and/or ADICO shall have full recourse directly against the Shareholders, which recourse shall survive indefinitely, except as otherwise provided with respect to representations and warranties.

6.10 Brokers. Each party hereto represents and warrants to the other party hereto that neither it nor any agent affiliated with it has employed any broker or finder in connection with this

Agreement or the transactions contemplated hereby, and agrees to indemnify, defend and hold the other harmless from any and all liabilities (including, without limitation, reasonable counsel fees and disbursements paid and incurred in connection with such liabilities) as to brokers, finders and similar fees in connection with this Agreement and the transactions contemplated hereby insofar as such claims are based on arrangements or agreements or actions alleged to have been made on behalf of such party. This indemnification obligation shall survive the Closing indefinitely.

6.11 Public Announcements. None of the Corporations, the Shareholders, Parent or Acquisition shall issue or permit any of their respective officers, directors or employees to issue any press release, public announcement or other information with respect to this Agreement or the transactions contemplated hereby, without the express prior consent of the other parties hereto, except as may be required by law.

6.12 Termination.

(a) Manner of Termination. This Agreement may be terminated and the Merger provided for by this Agreement may be abandoned on or before the Effective Time:

(1) By mutual agreement of the Shareholders and Parent, in which event Escrow Agent shall deliver the Deposit, plus interest, to Parent;

(2) By Parent, on the Closing Date, in the manner hereafter set forth, if Purchaser is not then in default under this Agreement and any of the conditions provided for in Article VII of this Agreement have not been met on such date and have not been waived by Parent in writing, in which event Escrow Agent shall deliver the Deposit, plus interest, to Parent;

(3) By the Shareholders, on the Closing Date, in the manner hereafter set forth, if neither Shareholder is then in default under this Agreement and Parent has defaulted hereunder with respect to a material term hereof which is under Parent's control, in which event Escrow Agent shall deliver the Deposit, plus interest, to the Shareholders; or

(4) By Parent, pursuant to Section 6.7 hereof, in which event Escrow Agent shall deliver the Deposit, plus interest, to Parent.

(b) Election to Terminate; Dispute Resolution. Any election to terminate this Agreement under this Section 6.12 shall be exercised in writing by a duly authorized officer of

Parent and/or the Shareholders, as the case may be. With respect to any election to terminate pursuant to clauses 2 or 3 of Section 6.12(a) above, the terminating party shall deliver a Termination Notice to the other parties and Escrow Agent on the Closing Date, setting forth such party's election to terminate and the specific basis for termination. The other party may dispute such termination by written notice delivered to the terminating party and Escrow Agent within five (5) business days of receipt of the Termination Notice, specifying the nature of the dispute. In the event of any such dispute, which dispute is not resolved by the parties independently, the parties hereby agree that the dispute shall be resolved in accordance with the arbitration provisions set forth in Section 6.16 hereof. Until the resolution of such dispute, this Agreement shall not be deemed terminated unless Parent and the Shareholders agree in writing otherwise.

(c) Effect of Termination. In the event of the termination and abandonment of this Agreement pursuant to the provisions of this Section 6.12, this Agreement shall terminate, except that the provisions of Section 6.3, Section 6.10, Section 10.1 and Section 10.5 hereof shall survive the termination hereof.

6.13 Liabilities as of the Closing Date. The Shareholders agree and acknowledge that, as of the Effective Time, the only outstanding liabilities of the Corporations shall be the Assumed Liabilities, the Assumed Contracts, the Unfilled Orders, the Assumed Ocean Debt, the Assumed Shareholder Note and the Assumed Shareholder Payables. In the event there are any other outstanding liabilities or obligations of either Corporation as of the Effective Time or arising out of events prior to the Effective Time, the Shareholders shall promptly satisfy same at the Shareholders' sole cost and expense.

6.14 Employee Matters.

(a) The Shareholders shall cause each Corporation to terminate all of its respective employees as of the Effective Time and, except as hereinafter set forth, all severance and/or benefit obligations resulting from or arising in connection with employment and/or termination by either Corporation shall be the sole and exclusive responsibility of the Shareholders.

(b) Nothing in this Agreement shall confer upon any employee of either Corporation the right to continued employment after the Effective Time and nothing contained herein shall restrict any right of Parent, Acquisition and/or the Surviving Corporation to terminate either Corporation's former employees at will if any such former employees of such Corporation are hired

by Parent, Acquisition and/or the Surviving Corporation, as the case may be. Each Shareholder acknowledges that neither Parent, Acquisition nor the Surviving Corporation are assuming or agreeing to assume any ERISA obligations or liabilities of either Corporation or of any prior owner of any of the Assets. Except as otherwise hereinafter set forth, each Shareholder also acknowledges that neither Parent, Acquisition nor the Surviving Corporation are assuming or agreeing to assume any employment, deferred compensation or other similar agreements or commitments of either Corporation or any benefit plans, programs, practices, policies or arrangements of either Corporation relating to employees, independent contractors or former employees of either Corporation and that should Parent, Acquisition and/or the Surviving Corporation, as the case may be, elect to continue the employment of any of either Corporation's employees or a relationship with any of either Corporation's independent contractors, Parent, Acquisition and/or the Surviving Corporation, as the case may be, shall have no liabilities or obligations with respect to either Corporation's employees or independent contractors for any periods prior to the Effective Time, including without limitation with respect to accrued vacation time, sick time, severance pay or any tax withholding obligations in connection with any of such Corporation's employees or independent contractors.

(c) Notwithstanding the foregoing, the Surviving Corporation intends to offer to hire on a temporary basis certain former employees of the Corporations as listed in Schedule 6.14 hereof. If any such employee accepts the Surviving Corporation's offer of temporary employment, but does not (i) move to Scottsdale, Arizona, in order to participate in the Surviving Corporation's operations there or (ii) accept an offer of permanent employment at the Surviving Corporation's new offices in the Miami area, Parent and the Shareholders agree that the Surviving Corporation shall be responsible for the entire payment of certain agreed upon retention bonuses for such temporary employees to be paid in lieu of severance (collectively, "Benefits Due Certain Employees") as set forth alongside such employee's name on Schedule 6.14 hereof. The Surviving Corporation may, at its sole option, hire any such employees post-termination by the Corporations for a limited time until the principal operations of the Business are consolidated by the Surviving Corporation with the operations of the Surviving Corporation in Scottsdale, Arizona or for positions in Scottsdale with respect to the consolidated operations. Except as otherwise herein set forth with regard to Benefits Due Certain Employees, any compensation, benefit and other obligations with respect to any such employees hired by the Surviving Corporation shall be the sole and exclusive responsibility of the Surviving Corporation.

(d) Notwithstanding anything herein to the contrary, with respect to severance to be paid to Ana M. Menendez in the aggregate amount of $90,000 (the "Menendez Severance") pursuant to the terms of the Menendez Retention Agreement (as defined in Section 7.7(l) hereof, the Shareholders shall be responsible for payment of $60,000 of the Menendez Severance and the Surviving Corporation shall be responsible for payment of $30,000 of the Menendez Severance.

(e) Each of the Shareholders, on the one hand, and the Surviving Corporation, on the other, shall indemnify the other with regard to the obligations set forth in Sections 6.14(c) and (d) above, which indemnification obligations shall survive the Effective Time indefinitely.

6.15 Miami Facilities.

(a) At the Closing, Parent shall cause the Surviving Corporation to execute and deliver to Adox a gross lease with respect to the DIACO Miami Facility for a term of six (6) months from the Effective Time, at a monthly rental rate of $14,000 per month, payable as of the first day of each month, and upon the other terms and conditions set forth in the form of lease attached hereto as Exhibit E-1 (the "ADICO Miami Lease").

(b) At the Closing, Parent shall cause the Surviving Corporation to execute and deliver to the Shareholders a gross lease with respect to the ADICO Miami Facility for a term of six (6) months from the Effective Time at a monthly rate of $150 per month, payable as of the first day of each month, and upon the other terms and conditions set forth in the form of lease attached hereto as Exhibit E-2 (the "ADICO Miami Lease").

6.16 Arbitration. The parties hereby agree that any disputes which arise in connection with this Agreement and the transactions contemplated hereby shall be submitted to arbitration as follows:

(a) Either the Shareholders or Parent may initiate the arbitration process by written notice to the other party providing that the existence and/or extent of liability be determined by arbitration. Any party giving any notice pursuant to the provisions of this paragraph shall simultaneously deliver a duplicate copy of such notice to Escrow Agent.

(b) Within fifteen (15) days of the giving of such notice by the Shareholders or Parent, as the case may be, the Shareholders on the one hand, and Parent, on the other, shall each designate an arbitrator and notify the other party and Escrow Agent of the name and address of the arbitrator so designated, provided,

however, that if either the Shareholders or Parent fail to designate an arbitrator within fifteen (15) days after the giving of such notice, such arbitrator shall be appointed by the other party.

(c) The arbitrators so designated shall meet within ten (10) days after the second arbitrator is designated and shall designate a third arbitrator who shall serve as chairman of the board or arbitrators. If for any reason the two arbitrators fail to agree upon such third arbitrator, either the Shareholders or Parent, on behalf of both the Shareholders and Parent, may request such appointment by the American Arbitration Association (or any successor organization).

(d) Arbitration shall be conducted in Scottsdale, Arizona or at another location mutually agreed to by all three arbitrators. All arbitration shall be governed (except as expressly modified herein) in accordance with the Rules of the American Arbitration Association (or any successor organization) pertaining to commercial arbitration before three arbitrators. After such hearings as the arbitrators determine to be useful in their consideration of the dispute, the arbitrators shall resolve the dispute and make such award as the arbitrators shall determine. The decision of the arbitrators shall be binding on all parties and may be entered as a judgment in any court having jurisdiction.

6.17 Additional Covenants of Shareholders.

(a) Each Shareholder hereby agrees not to offer, sell, or otherwise dispose of the shares of Parent Common Stock received jointly by the Shareholders in connection with the Merger other than (i) pursuant to an effective registration statement under the Securities Act, or (ii) otherwise pursuant to an exemption from the registration requirements of the Securities Act.

(b) Each Shareholder hereby agrees not to take any action that would make any representation or warranty herein of such Shareholder untrue or incorrect in any material respect or that would have the effect of preventing or disabling such Shareholder from performing its obligations under this Agreement.

(c) Each Shareholder hereby waives any and all dissenter's rights with respect to Company Common Stock granted pursuant to Section 607.1320 of the Florida BCL.

(d) Each Shareholder hereby agrees to be bound by the terms and conditions of the Framecorp Agreements from and after the Effective Time.

(e) The Shareholders hereby agree to surrender the Certificates owned by the Shareholders jointly in exchange for the Stock Consideration and the Cash Consideration pursuant to the terms of this Agreement.

6.18 Pledged Shares. At the Effective Time, the Shareholders shall jointly grant to Parent a security interest in the Pledged Shares, the certificates for which, together with blank stock powers endorsed by the Shareholders jointly, shall be delivered at the Closing by the Shareholders to Escrow Agent to be held in escrow as security for the indemnification obligations of the Shareholders to Parent, Acquisition and the Surviving Corporation pursuant to the terms of Section 9.3 hereof and the terms of the Pledge Agreement.

6.19 Sunglass Transaction. The Shareholders shall cause Adox, at or prior to the Effective Time, to assign to the Surviving Corporation all of the rights of Adox in and to the purchase orders covering eight (8) styles of sunglasses providing for purchases at aggregate gross prices not exceeding $1,000,000 (the "Orders") from Sunglass Hut, Inc. ("Sunglass") with respect to supplying private label sunglasses to Sunglass (the "Sunglass Transaction") pursuant to the Assignment Agreement substantially in the form of Exhibit F attached hereto (the "Sunglass Assignment") in consideration for the agreement of the Surviving Corporation to pay to Adox certain amounts generated from the Orders, as follows:

(a) Upon final shipment to Sunglass of the Orders, the Surviving Corporation shall pay to the order of Adox an amount equal to twenty-five (25%) percent of the net gross profit dollars to be derived from the Orders (the "Sunglass Transaction Gross Profit"). The Sunglass Transaction Gross Profit shall be calculated as set forth in Schedule 1 attached to the Sunglass Assignment and made a part hereof.

(b) Upon final payment by Sunglass to the Surviving Corporation of all amounts due under the Orders, the Surviving Corporation shall pay to the order of Adox an amount equal to an additional twenty-five (25%) percent of the Sunglass Transaction Gross Profit.

(c) No additional monies shall be paid to the Shareholders as a result of or in connection with the Sunglass Transaction except as contemplated pursuant to the terms of that certain Employment Agreement between the Surviving Corporation and Paul to be executed at or prior to the Closing Date and to be effective as of the Effective Time ("Paul Employment Agreement").

6.20 Ananta Agreement. The Shareholders shall use their best efforts to cause, prior to the Effective Time, the termination of that certain Agreement dated as of September 27, 1994 by and among

the Company, Paul, Tebra Licensing Corporation and the Ananta Group, Ltd., a true and complete copy of which has been heretofore delivered to Parent (the "Ananta Agreement"). In the event the Ananta Agreement is not duly terminated at or prior to the Effective Time, the Shareholders, jointly and severally, agree to assume and to perform all of the liabilities and obligations under the Ananta Agreement and the Shareholders, jointly and severally, agree to indemnify, protect, defend and hold harmless Parent and the Surviving Corporation, pursuant to the terms and provisions of Section 9.3 hereof, with respect to any and all claims, damages, liabilities and expenses (including reasonably attorneys' fees) resulting from or in connection with (a) the Shareholders failure to terminate the Ananta Agreement at or prior to the Effective Time and (b) the obligations of the Company under the Ananta Agreement. This indemnification obligation shall survive the Closing indefinitely.

ARTICLE VII

CONDITIONS PRECEDENT TO THE OBLIGATIONS OF PARENT AND ACQUISITION

All obligations of Parent and Acquisition under this Agreement shall be subject to the fulfillment of each of the following conditions, except to the extent any such conditions are expressly waived in writing by Parent and Acquisition at or prior to the Closing.

7.1 Accuracy of Representations and Warranties. All of the representations and warranties made by the Company and/or Shareholders, or any of them, in this Agreement shall be true in all material respects as if made at and as of the Effective Time.

7.2 Covenants Performed. Prior to or at the Effective Time, the Shareholders, and each of them, shall have performed or complied with all covenants and agreements required of them under this Agreement.

7.3 Certificates Delivered. Parent shall have received the certificates representing all of the Shares of Company Common Stock listed opposite the Shareholders' names on the signature pages hereto, free and clear of all liens, claims, options, encumbrances or restrictions whatsoever.

7.4 Consents. The Shareholders shall have obtained and delivered to Parent consents in form and substance satisfactory to Purchaser from the third parties and governmental entities listed in Schedule 3.15 hereto.

7.5 Resolutions. Certified copies of resolutions duly adopted by the Board of Directors and the Shareholders of the

Company, approving this Agreement and the transactions contemplated hereby, shall have been delivered to Parent.

7.6 Liens to be Released. Each of the Liens to be Released, as identified on Schedule 3.10(a), shall have been paid-off, released or otherwise discharged in full.

7.7 Additional Documents.

(a) Undated written resignations of all of the directors and officers of the Corporations shall have been delivered to Parent.

(b) A certificate signed by the Company and the Shareholders, dated as of the date of Closing, shall be delivered to Parent stating that the representations and warranties of the Shareholders set forth in this Agreement are true as of the Effective Time and as of the date of Closing.

(c) Certificates from the Secretaries of States or other appropriate state authorities shall have been delivered to Parent certifying as to the good standing of the Corporations in their state of incorporation and their respective states of qualification.

(d) The Sunglass Assignment Agreement shall have been duly executed and delivered on behalf of Adox.

(e) The Escrow Agreement shall have been duly executed and delivered by the Shareholders and the Escrow Agent.

(f) The DIACO Miami Lease shall have been duly executed and delivered by Adox, and the ADICO Miami Lease shall have been duly executed and delivered by the Shareholders.

(g) The Eyewear Agreements shall have been duly assigned or appropriate consents or new agreements with regard to the Eyewear Agreements shall have been obtained, as applicable.

(h) The Shareholders shall have agreed in writing to be bound by the terms of the Framecorp Agreements insofar as they relate to the Parent Common Stock.

(i) Paul shall have executed and delivered the Paul Employment Agreement in the form attached hereto as Exhibit G.

(j) Each of the Shareholders and Adox shall have executed and delivered the Noncompetition Agreement among the Shareholders, Adox and the Surviving Corporation dated the Closing

Date in the form attached hereto as Exhibit H (the "Noncompetition Agreement").

(k) Each of the Shareholders and Escrow Agent shall have executed and delivered the Pledge Agreement.

(l) Each of the Company and Ana M. Menendez shall have executed and delivered that certain Retention Agreement with respect to Menendez's employment in the form of Exhibit I hereto (the " Menendez Retention Agreement").

(m) A certified copy of resolutions duly adopted by the Board of Directors of the Company and the Shareholders, approving this Agreement and the transactions contemplated hereby, shall have been delivered to Parent.

7.8 Payment of Certain Liabilities. Parent shall have caused the Assumed Ocean Debt, the Assumed Shareholder Note and the Assumed Shareholder Payables to be paid off and Parent shall have received releases from the respective payees in such forms as are reasonably acceptable to Parent.

7.9 No Suits. There shall be no suits, actions, litigation or other legal, administrative, arbitration or other proceedings or governmental investigations pending or, to the knowledge of Parent or its counsel, threatened to which Parent, Acquisition, either Corporation or either Shareholder is or may become a party which seek to delay, enjoin or otherwise affect the consummation of the transactions contemplated hereby or which affect the right of any party hereto to consummate the Merger or the right of the Surviving Corporation to operate or control, after the Effective Time, the Assets or the Business, and there shall not be any statute, rule or regulation enacted or any order or directive issued which would render Parent, Acquisition, the Corporations or the Shareholders unable to consummate the transactions contemplated hereby or render such transactions illegal or adversely affect the Merger or to operate the Assets or the Business or require Parent to divest itself of any material portion of the Assets or the Business.

7.10 Acceptance by Parent's Counsel. The form and substance of the documents required to be delivered under this Article VII shall be reasonably acceptable to counsel to Parent and Acquisition.

ARTICLE VIII

CONDITIONS PRECEDENT TO THE OBLIGATIONS OF THE COMPANY AND THE SHAREHOLDERS

All obligations of the Company and the Shareholders under this Agreement shall be subject to the fulfillment of each of the following conditions, except to the extent any such conditions are expressly waived in writing by the Company and the Shareholders at or prior to the Closing.

8.1 Accuracy of Representations and Warranties. All of the representations and warranties made by Parent and Acquisition shall be true in all material respects as if made at and as of the Effective Time and the date of the Closing.

8.2 Covenants Performed. Prior to or at the Effective Time, Parent shall have performed or complied with all covenants and agreements required of it under this Agreement.

8.3 Purchase Price. Parent shall have completed (or shall stand ready to complete) the payment of the portions of the Purchase Price payable at the Closing, including without limitation the issuance and delivery of the Parent Common Stock, all as contemplated pursuant to Sections 2.3 and 2.4 above.

8.4 Resolutions. Certified copies of resolutions duly adopted by each of the Board of Directors and Shareholders of Parent and Acquisition, approving this Agreement and the transactions contemplated hereby, shall have been delivered to the Shareholders.

8.5 Additional Documents.

(a) Each of Parent and Acquisition shall have delivered to the Shareholders a certificate dated as of the Effective Time signed by the Chairman, President or any Vice President of Parent or Acquisition, as the case may be, stating that to the best of his knowledge and belief the representations and warranties of Parent or Acquisition, as the case may be, set forth in this Agreement are true as of the Effective Time and the date of Closing.

(b) The Escrow Agreement shall have been duly executed and delivered by Parent and the Escrow Agent.

(c) The Surviving Corporation shall have duly executed and delivered the DIACO Miami Lease and the ADICO Miami Lease.

(d) Parent and the Surviving Corporation shall have duly executed and delivered the Paul Employment Agreement.

(e) The Surviving Corporation and each of the Shareholders shall have executed and delivered the Noncompetition Agreement.

(f) The Surviving Corporation shall have executed and delivered the Menendez Retention Agreement.

8.6 No Suits. There shall be no suits, actions, litigation or other legal, administrative, arbitration or other proceedings or governmental investigations pending or, to the knowledge of the Shareholders or their counsel, threatened to which Parent, Acquisition, either Corporation or either Shareholder is or may become a party which seek to delay, enjoin or otherwise affect the consummation of the transactions contemplated hereby or which affect the right of any party to consummate the Merger or the right of the Surviving Corporation to operate or control, after the Closing Date, the Assets or the Business, and there shall not be any statute, rule or regulation enacted or any order or directive issued which would render Parent, the Corporations, Acquisition or the Shareholders unable to consummate the transactions contemplated hereby or render such transactions illegal or adversely affect the Merger or to operate the Assets or the Business or require the Surviving Corporation to divest itself of any material portion of the Assets or the Business.

8.7 Acceptance by Shareholders' Counsel. The form and substance of the documents required to be delivered under this Article VIII shall be reasonably acceptable to counsel for the Shareholders.

ARTICLE IX

SURVIVAL OF REPRESENTATIONS AND WARRANTIES, INDEMNIFICATION AND RELATED PROVISIONS

9.1 Reliance Upon Representations, Warranties and Agreements. The Company and each of the Shareholders jointly and severally acknowledge and agree that, notwithstanding any right of Parent to fully investigate the affairs of the Corporations, and notwithstanding the existence of any facts determinable pursuant to such right of investigation, Parent has the right to rely fully upon the representations, warranties and agreements of the Company and the Shareholders contained in this Agreement and on the accuracy of any document, certificate, schedule or exhibit given or delivered pursuant to the terms of this Agreement.

9.2 Survival of Representations and Warranties . All representations and warranties made by the parties in or pursuant to this Agreement shall be deemed to be remade as of the Effective

Time and the Closing and shall survive the Effective Time for a period of two (2) years from the Effective Time, except that the representations and warranties contained in Section 3.20 with respect to tax matters shall survive the Effective Time for the period of one (1) year plus the period of the relevant statutes of limitations (and any extensions thereof) under applicable tax legislation, and except that the representations and warranties in Section 3.25 with respect to environmental matters shall survive the Effective Time for a period of five (5) years.

9.3 Indemnification.

(a) The Shareholders shall be liable jointly and severally to and shall indemnify, protect, defend and hold harmless Parent, Acquisition and the Surviving Corporation and their respective officers, directors, shareholders (other than the Shareholders) and successors (each, an "Indemnified Party" and collectively, the "Indemnified Parties") against any and all claims, damages, liabilities and expenses (including reasonable attorneys' fees) sustained by any such Indemnified Party resulting from or in connection with (1) the breach of any warranty or the inaccuracy of any representation by the Company or either Shareholder contained in this Agreement or in any Exhibit or Schedule hereto or in any agreement, instrument, certificate or other document executed by or on behalf of the Company or either Shareholder in connection herewith, (2) any failure by the Company or either Shareholder to perform any of the covenants, agreements or obligations under this Agreement or any other agreement or instrument executed and delivered by or on behalf of the Company or either Shareholder pursuant hereto or in connection herewith, and (3) the assertion against any such Indemnified Party of any claim, liability or obligation relating to or arising out of the business, operations or assets of either Corporation on or prior to the Effective Time, including, without limitation, (i) all existing litigation and claims or potential claims including, without limitation, claims disclosed in this Agreement asserted in any existing litigation and (ii) any judgments, orders, decrees, claims, actions, suits or proceedings relating to the Corporations, the Business, operations or assets arising out of events occurring or with respect to the Assets or the manner in which the Business was conducted prior to the Effective Time including, without limitation, any judgments, orders, decrees, actions, suits or proceedings disclosed in this Agreement, but excluding liabilities set forth in Section 2.5 hereof. Subject to the terms of Section 9.3(c) below, the indemnification obligations of the Shareholders with respect to representations and warranties shall survive the Effective Time for a period of two (2) years, except as otherwise set forth in Section 9.2 above regarding tax matters and environmental matters. The indemnification obligations of the Shareholders

with respect to covenants, agreements or obligations of the Shareholders under this Agreement or any other agreement or instrument executed and delivered by or on behalf of the Company or either or both Shareholders, shall survive the Closing indefinitely.

(b) In addition to the rights of the Indemnified Party to recover any and all such liabilities, costs and expenses (including reasonable attorneys' fees) directly from each Shareholder, the Indemnified Parties shall be entitled to recover any such liabilities, costs and expenses (including reasonable attorneys' fees) by taking possession and control of the Pledged Shares pursuant to the terms of the Pledge Agreement. The remedies of the Indemnified Parties set forth herein are in addition to any to which they might otherwise be entitled under any other provision of this Agreement, the Pledge Agreement or otherwise under law. In the event the Shareholders become entitled to any sums under the terms hereof, any such Indemnified Party shall have the right to set off the indemnification obligations of the Shareholders against any existing or future liabilities of such Indemnified Party to the Shareholders or any of them individually.

(c) If any Indemnified Party has given notice to the Shareholders of one or more claims for indemnification pursuant to this Section 9.3, and such claim or claims have not been finally resolved as of the second anniversary of the Closing Date (the "Release Date"), the indemnification obligations of the Shareholders shall not be deemed to have expired and Escrow Agent shall continue to hold the Pledged Shares (or such portion thereof as such Indemnified Party and the Shareholders shall agree is the maximum sufficient to satisfy such claim or claims, taking into account future expenses or losses likely to be incurred by such Indemnified Party and/or any other Indemnified Party, as the case may be, which expenses or losses are related to, or have the same basis as, the claim or claims), until the first to occur of (i) final resolution of the claim or claims as evidenced by the receipt by Escrow Agent of a Claim Certificate signed by both the Shareholders and such Indemnified Parties or of a copy of a certified final arbitration award in respect of such claim or claims or (ii) the expiration of the applicable statute of limitations, as extended by any waiver or consent, with respect to such claim or claims. Notwithstanding the foregoing, if the Shareholders provide bonding or other security sufficient to satisfy such claim or claims on a reasonable commercial basis, the Indemnified Parties shall authorize Escrow Agent, by written notice identifying the subject claim or claims and the respective amounts thereof, to release such portion of the Pledged Shares to the extent such claim or claims have been so bonded or secured.

(d) Promptly after an Indemnified Party has received notice of or has knowledge of any claim by a person not a party to this Agreement ("third person") of the commencement of any action or proceeding by a third person, such Indemnified Party shall, if a claim with respect thereto is to be made against the Shareholders to provide indemnification pursuant hereto (hereinafter the "Indemnifying Party"), give the Indemnifying Party written notice of such claim or the commencement of such action or proceeding. Such notice shall state the nature and basis of such claim and, if ascertainable, the amount thereof. In each such case the Indemnified Party agrees to give such notice to the Indemnifying Party promptly; provided, however, that the failure of the Indemnified Party to give such notice shall not excuse the Indemnifying Party's obligation to indemnify except to the extent the Indemnifying Party has suffered damage or prejudice by reason of the Indemnified Party's failure to give or delay in giving such notice. The Indemnified Party shall have the right, with the prior written consent of the Indemnifying Party, to compromise or defend such third person claim, at the expense of the Indemnifying Party. Provided that the Indemnifying Party shall have acknowledged in writing its obligation to indemnify in respect to such claim, the Indemnifying Party may, at its expense, have the right to participate in the defense of such third person claim and no such third person claim shall be settled by the Indemnified Party without the consent of the Indemnifying Party. At any time after notice of any third person claim, the Indemnifying Party may request the Indemnified Party to agree in writing to the payment or compromise of the third person claim (provided such payment or compromise has been previously approved in writing by the third party claimant), whereupon such action shall be deemed agreed to by the Indemnified Party and shall be agreed to in writing by the Indemnified Party unless (i) such settlement would involve a remedy or remedies other than the payment of money damages by the Indemnifying Party and (ii) the Indemnified Party determines that the contest shall be continued, and so notifies the Indemnifying Party in writing within fifteen (15) days of such request from the Indemnifying Party. In the event that the Indemnified Party determines that the contest shall be continued, the Indemnifying Party shall be liable pursuant to this Section 9.3 with respect to such claim only to the extent of the lesser of (i) the amount which the other party to the contested third person claim had agreed to accept in complete payment or compromise as of the time the Indemnifying Party made its request therefor to the Indemnified Party plus reasonable attorneys' fees and expenses incurred to such date with respect to such claim, or (ii) such amount for which the Indemnifying Party may be liable with respect to such third person claim by reason of the provisions of this Section 9.3.

(e) If any Indemnified Party shall have any claim pursuant to this Section 9.3, including but not limited to a claim for damages as the result of the Indemnifying Party's failure to acknowledge its obligation to indemnify, such Indemnified Party shall deliver to the Indemnifying Party written notice explaining the nature and amount of such claim promptly after such Indemnified Party shall know the amount of such claim. The Indemnified Party and Indemnifying Party shall thereafter attempt in good faith for a period of not less than thirty (30) days to agree upon whether the Indemnified Party is entitled to be indemnified and held harmless under this Section 9.3 and the extent to which it is entitled to be indemnified and held harmless hereunder. If the parties cannot so agree within said period, the Indemnified Party may thereafter proceed to arbitration pursuant to Section 6.16. Upon resolution of any claim pursuant to this Section 9.3, whether by agreement between the parties or the rendering of a final arbitration award, the Indemnifying Party shall within ten (10) days of such resolution either (i) pay over and deliver to the Indemnified Party funds in the amount of any claim as resolved, together with any fees, including attorneys' and arbitrators' fees, if applicable, incurred by the Indemnified Party with respect to any such claim (collectively, with respect to each such claim, the "Payment Amount") or (ii) direct Escrow Agent, by written notice, to deliver to the Indemnified Party such portion of the Pledged Shares as are valued at an amount equal to the Payment Amount pursuant to the valuation method set forth in the Pledge Agreement. If the Indemnifying Party fails to pay the Payment Amount or direct Escrow Agent to do so within such ten (10) day period, Escrow Agent shall deliver the Pledged Shares to the Indemnified Party in an amount equal to the Payment Amount pursuant to the valuation method set forth in the Pledge Agreement upon the request of such Indemnified Party.

(f) Notwithstanding anything herein contained to the contrary, the indemnification obligations of the Shareholders under this Agreement shall not exceed the Purchase Price.

9.4 Pledged Shares as Security. The indemnification obligations of the Shareholders to the Indemnified Parties under this Agreement and such other obligations as the Shareholders may have to the Indemnified Parties arising out of this Agreement and the transactions contemplated herein, shall be secured by the Pledged Shares for a period of two (2) years from the Effective Date pursuant to the terms and conditions of the Pledge Agreement.

9.5 Other Rights and Remedies Not Affected. The indemnification rights of the Indemnified Parties under this Agreement are independent of and in addition to such rights and

remedies as any such party may have at law or in equity or otherwise for any misrepresentation, breach of warranty or failure to fulfill any agreement or covenant hereunder on the part of any other party, including, without limitation, the right to seek specific performance, rescission or restitution, none of which rights or remedies shall be affected or diminished hereby.

ARTICLE X

ADDITIONAL AGREEMENTS AND PROVISIONS

10.1 Confidentiality. At all times prior to the Effective Time, Parent and Acquisition shall hold, and shall use their best efforts to cause its officers, directors, employees, consultants, advisors and agents to hold, in confidence, unless compelled to disclose by judicial or administrative process or by other requirements of law, all confidential documents and information concerning the Corporations furnished to Parent and/or Acquisition in connection with the transactions contemplated by this Agreement, except to the extent that such information can be shown to have been: (i) previously known on a nonconfidential basis by Parent and/or Acquisition; (ii) in the public domain through no fault of Parent and/or Acquisition; or (iii) later lawfully acquired by Parent and/or Acquisition from sources other than the Shareholders; provided that Parent and/or Acquisition may disclose such information to their affiliates and affiliates' officers, directors, employees, consultants, advisors and agents, lenders and other investors in connection with the transactions contemplated by this Agreement so long as such persons are informed by Parent and/or Acquisition of the confidential nature of such information and are directed by Parent and/or Acquisition to treat such information confidentially. If the transactions contemplated by this Agreement are abandoned, such confidentiality shall be maintained and Parent and/or Acquisition, as the case may be, shall, and shall use its best efforts to cause their officers, directors, employees, consultants, advisors and agents to, destroy or deliver to the Shareholders, upon request, all documents and other materials, and all copies thereof, obtained by Parent and/or Acquisition or on its behalf from the Shareholders in connection with this Agreement that are subject to such confidentiality.

10.2 Further Assurances. Parent, Acquisition, the Company and each Shareholder each agrees that they shall, at any time and from time to time after the Effective Time, upon request of the other party, do, execute, acknowledge and deliver or cause to be done, executed, acknowledged and delivered, such further acts, deeds, assignments, transfers, conveyances and assurances as may

be reasonably necessary to further effectuate the terms of this Agreement.

10.3 Waivers. The Company and the Shareholders, on the one hand, and Parent and Acquisition, on the other hand, may, by written notice to the other, (i) extend the time for the performance of any of the obligations or other actions of the other under this Agreement; (ii) waive any inaccuracies in the representations or warranties of the other contained in this Agreement or in any document delivered pursuant to this Agreement; (iii) waive compliance with any of the conditions of the other contained in this Agreement; or (iv) waive performance of any of the obligations of the other under this Agreement. Except as provided in the preceding sentence, no action taken pursuant to this Agreement, including, without limitation, any investigation by or on behalf of any party, shall be deemed to constitute a waiver by the party taking such action of compliance with any representations, warranties, covenants or agreements contained in this Agreement. The waiver by any party hereto of a breach of any provision of this Agreement shall not operate or be construed as a waiver of any subsequent breach.

10.4 Section Headings; Exhibits; Schedules. Section headings contained in this Agreement are for convenience or reference only and shall not be deemed a part of this Agreement. Any reference to Exhibits or Schedules shall signify that such Exhibits or Schedules are incorporated herein by reference.

10.5 Expenses. Parent and Acquisition on the one hand and the Company and each Shareholder on the other hereby agrees that they shall each be responsible for their own costs and expenses incurred in connection with this Agreement and the transactions contemplated hereby, provided, however, that any costs and expenses related to the conveyance of the Miami Facility and the other assets referred to in Schedule 3.26 shall be solely and exclusively the responsibility of the Shareholders except as provided therein.

10.6 Amendment. This Agreement shall not be amended or modified except by means of a written instrument executed by all parties hereto.

10.7 Notices. All notices, claims, requests, demands and other communications hereunder shall be in writing and shall be given to the parties at their respective addresses set forth below and shall be sent by (a) hand delivery, (b) certified mail, return receipt requested, postage prepaid, (c) a recognized overnight delivery service, or (d) telecopy or other means of facsimile. Notices sent by hand delivery shall be deemed received when delivered to the address and/or person set forth below; notices sent by certified mail shall be deemed received when accepted or

refused; notices sent by overnight delivery service shall be deemed received when delivered and notices sent by telecopy shall be deemed received upon receipt of confirmation of dispatch.

(a) If to the Company or any of the Shareholders, to:

Mr. Paul Diaz-Asper
803 North Green Way Drive
Coral Gables, Florida 33134
Tel.: (305) 444-4116
Telecopy: (305) 445-5693

with a copy to:

Jose Diaz-Asper, Esq.
2803 Olive Street, N.W.
Washington, D.C. 20007
Tel.: (202) 342-6369
Telecopy: (202) 342-0580

(b) If to Parent, Acquisition or the Surviving Corporation, to:

Framecorp, Inc.
7332 E. Butherus Drive, Suite 102
Scottsdale, Arizona 85260
Attention: Jack V. Gunion, Chairman and
Chief Executive Officer
Tel.: (602) 951-7174
Telecopy: (602) 951-8052

with a copy to:

Shanley & Fisher, P.C.
131 Madison Avenue
Morristown, New Jersey 07962-1979
Attention: John Kandravy, Esq.
Tel.: (201) 285-1000
Telecopy: (201) 285-1625

or to such other person or address as any party may subsequently designate in writing and deliver as provided in this Section 10.7.

10.8 Entire Agreement. This Agreement sets forth the entire understanding of the parties hereto and supersedes any and all prior agreements, arrangements and understandings relating to the subject matter thereof.

10.9 Counterparts. This Agreement may be executed in one or more counterparts, each of which shall for all purposes be an original, and all such counterparts shall constitute one and the same instrument. In addition, this Agreement may contain more than one counterparts of signature pages, and all such counterpart signature pages shall have the same force and effect as though all parties had signed a single set of signature pages. However, this Agreement shall be of no force or effect as to any parties until executed and delivered by all parties.

10.10 Parties in Interest. Prior to the Effective Time, this Agreement shall not be assignable by any party hereto. Thereafter, however, this Agreement and any documents for which forms are attached hereto may be assigned by Parent or the Surviving Corporation, as the case may be (but not by any Shareholder). Except as otherwise set forth in this Section 10.10, this Agreement shall be binding upon and shall inure to the benefit of the successors, heirs and personal representatives of the parties hereto.

10.11 Governing Law. This Agreement and the rights of the parties hereunder shall be governed by and interpreted in accordance with the laws of the State of Delaware without regard to the conflict of laws rules. Each of the parties hereby irrevocably submits to the jurisdiction of any State or Federal Court in the State of Arizona with respect to any suit, action or proceeding arising out of or related to this Agreement and each party hereby waives any right it may have to transfer or change the venue of any litigation or arbitration brought against such party in accordance with the terms hereof.

IN WITNESS WHEREOF, the parties have duly executed this Agreement and Plan of Merger as of the date first written above.

PARENT:

FRAMECORP, INC.

By: _____
Jack V. Gunion, Chairman
and Chief Executive Officer

(Signatures continued on next page)

(Signatures continued from preceding page)

ACQUISITION:

CREATIVE OPTICS, INC.

By: _____
Jack V. Gunion, Chairman
and Chief Executive Officer

THE COMPANY:

DIACO, INC.

By: _____
Paul Diaz-Asper,
President

SHAREHOLDERS:

_____
Paul Diaz-Asper

2,060,000 Shares of Company Common Stock are held by Paul Diaz-Asper and Odalys Diaz-Asper as joint tenants with the right of survivorship

_____
Odalys Diaz-Asper

433660

Schedule 3.11
Proprietary Rights

Registered Trademarks:

Mark	Registration No.	Date Registered
SoBe	1,898,716	6/13/95
SoBe (Design)	1,873,169	1/10/95
Next	1,641,078	4/16/91

Pending Trademarks:

Mark	Serial No.	Date Filed
ORGANIX	74/687,461	6/12/95
Lace	74/589,234	10/21/94

Unregistered Trademark:

Hola

Corporate Tradenames:

DIACO
ADICO

435744
042197