

K04157

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VIA FEDERAL EXPRESS

July 18, 2000

Secretary of State of Florida
Corporations Division - Amendments
409 East Gaines Street
Tallahassee, FL 32399

FILED
SECRETARY OF STATE
DIVISION OF CORPORATIONS
00 SEP 27 PM 12:05

Re: Datamed Forms & Software, Inc.

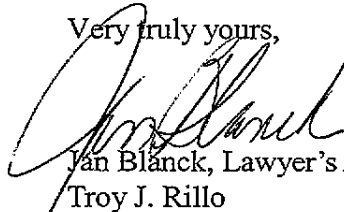
Ladies and Gentlemen:

Enclosed for filing with your offices are Articles of Amendment, in duplicate, to the Articles of Incorporation of Datamed Forms & Software, Inc. Also enclosed is our check in the amount of \$43.75 in payment of filing fees and a certified copy. Please forward the certified copy of the Amendment to me.

Thank you for your cooperation with this matter.

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*****43.75 *****43.75

Very truly yours,



Jan Blanck, Lawyer's Assistant to
Troy J. Rillo

cc: Troy J. Rillo

Amend.

V. SHEPARD SEP 29 2000

MI - 103335.1



FLORIDA DEPARTMENT OF STATE
Katherine Harris
Secretary of State

August 3, 2000

TROY J. RILLO
MIAMI CENTER, 20TH FLOOR
201 S. BISCAYNE BLVD.
MIAMI, FL 33131-2399

SUBJECT: DATAMED FORMS & SOFTWARE, INC.
Ref. Number: K04157

We have received your document for DATAMED FORMS & SOFTWARE, INC. and your check(s) totaling \$43.75. However, the enclosed document has not been filed and is being returned for the following correction(s):

Please specify which article number you are amending, adding, or deleting.

The date of adoption of each amendment must be included in the document.

The amendment must be adopted in one of the following manners:

(1) If an amendment was approved by the shareholders, one of the following statements must be contained in the document.

(a) A statement that the number of votes cast for the amendment by the shareholders was sufficient for approval, -or-

(b) If more than one voting group was entitled to vote on the amendment, a statement designating each voting group entitled to vote separately on the amendment and a statement that the number of votes cast for the amendment by the shareholders in each voting group was sufficient for approval by that voting group.

(2) If an amendment was adopted by the incorporators or board of directors without shareholder action.

(a) A statement that the amendment was adopted by either the incorporators or board of directors and that shareholder action was not required.

If shareholder approval was not required, a statement to that effect must be contained in the document.

Please return your document, along with a copy of this letter, within 60 days or your filing will be considered abandoned.

If you have any questions concerning the filing of your document, please call (850) 487-6909.

Velma Shepard

Rec'd 9/27

File'd at 10:30
FILED
SECRETARY OF STATE
DIVISION OF CORPORATIONS
00 SEP 27 PM 12:05

**ARTICLES OF AMENDMENT TO ARTICLES OF INCORPORATION
OF DATAMED FORMS & SOFTWARE, INC., A FLORIDA CORPORATION**

In accordance with the terms of Section 607.1006 of the Florida Business Corporation Act, Datamed Forms & Software, Inc., a Florida corporation, hereby adopts the following amendment to its Articles of Incorporation:

**ARTICLE III
CAPITAL STOCK**

The total number of shares of all classes of stock which the Corporation shall have the authority to issue is Twenty-Two Million (22,000,000) shares, consisting of the following:

1. Twenty Million (20,000,000) shares of Common Stock, having a par value of \$.001 per share; and
2. Two Million (2,000,000) shares of Preferred Stock, having a par value of \$.10 per share. The Preferred Stock shall be designated Series A Preferred Stock having the designation, rights and preferences set forth on Exhibit A, attached.

In accordance with Section 607.1003 of the Act, the foregoing amendment to the Articles of Incorporation was adopted by unanimous written consent of the shareholders dated May 3, 2000, and therefore, the number of votes cast in favor of the amendment was sufficient for its approval.

**DATAMED FORMS & SOFTWARE, INC.,
a Florida corporation**

By: *Angel M. Garcia*
Angel M. Garcia, M.D., President

And

By: *Elizabeth C. Mitchell*
Elizabeth C. Mitchell, Secretary

Date: *September 5*, 2000

EXHIBIT A

1. Designation and Number of Shares: The Series A Preferred Stock shall be designated "Series A 14% Cumulative Convertible Preferred Stock" of a par value of \$.10 each, and the number of shares constituting the Series A Preferred Stock shall be 2,000,000 shares.

2. Dividend Rights. Commencing February 1, 1994, holders of shares of the Series A Preferred Stock shall be entitled to receive cash dividends at an annual rate of 14% (\$1.40) per share out of funds legally available therefore and when and to the extent declared. Dividends shall be payable in quarterly installments of \$.35 per share on February 1 in each year, commencing February 1, 1994. Dividends on the Series A Preferred Stock shall be fully cumulative and accrue from date of original issue. Dividends on the Series A Preferred Stock, whether current or in arrears, shall be payable before any dividends shall be paid upon or set apart for shares of Common Stock or any other series of preferred stock of the Company; provided however, the Company reserves the right to issue up to an additional 500,000 shares of Preferred Stock (the "Additional Preferred Series") at any time prior to August 1, 1996 and the Additional Preferred Series shall have the equivalent right to the specified dividend as provided for in the Series A Preferred Stock.

3. Conversion Rights: Holders of the Series A Preferred Stock will have the right, at their option and subject to procedures established from time to time by the Company, to convert each share of Series A Preferred Stock into the Company's Common Stock (calculated as to each conversion to the nearest share) at any time commencing with the date hereof, at the conversion ratio of two (2) shares of the Company's Common Stock for each share of Series A Preferred Stock, representing an initial conversion price of \$5.00 per share. No fractional share or script representing a fraction share of Common Stock will be issued upon conversion of the Series A Preferred Stock. If any of the shares of the Series A Preferred Stock are called for redemption, the conversion rights pertaining thereto will terminate at the close of business on the redemption date. In the event of any reclassification, merger, consolidation or change of shares of the Series A Preferred Stock and/or the Common Stock of the Company, the Company shall make adjustments to the conversion ratio which shall be nearly as equivalent to that stated above as may be practical.

The conversion price will be subject to adjustment in certain events, including (i) the issuance of capital stock as a dividend or distribution on Common Stock, (ii) subdivisions, combinations, reverse stock splits and reclassifications of the Common Stock, (iii) the fixing of a record date for the issuance to all holders of Common Stock of rights or warrants entitling them (for a period expiring within 45 days of such record date) to subscribe for Common Stock and (iv) the fixing of a record date for the distribution to all holders of Common Stock of evidence of indebtedness or assets (other than cash dividends)

of the Company or subscription rights or warrants (other than those referred to above).

In addition to these adjustments, the Company may make adjustments in the conversion price as it considers to be advisable so as to increase the number of shares issuable upon conversion in order that any event otherwise treated for federal income tax purposes as a taxable dividend of stock or stock rights shall not be taxable to the recipients. Except in these cases the conversion price will not be adjusted.

4. Redemption: The Company may not redeem any shares of Series A Preferred Stock prior to January 1, 1996. Commencing January 1, 1996, the Series A Preferred Stock shall be redeemable at the option of the Company at any time upon 15 days prior notice, either in whole or in part, at the applicable redemption price per share set forth below for the redemption date.

If redeemed during the 12-month period beginning January 1:

<u>Year</u>	<u>Redemption Price</u>
1996	\$12.50
1997	12.00
1998	11.50
1999	11.00
2000	10.50
2001	10.00

and thereafter at \$10.00 per share, plus in each case accrued dividends to the redemption date.

If at any time full cumulative dividends on all outstanding Series A Preferred Stock, whether current or in arrears, have not been paid, no sums shall be paid or set apart from the redemption, or for the purchase for retirement, of either a part or the whole of any other issued series of preferred stock of the Company, except in the case of any shares of preferred stock constituting Additional Preferred Series.

Any shares of Series A Preferred Stock which shall at any time have been redeemed, or which shall have been converted into Common Stock, shall, after such redemption or conversion, have the status or authorized but unissued preferred stock, without designation as to series until such stock is once more designated as part of a particular series by the Company's Board of Directors.

5. Voting Rights: Except as may be provided by law, the holders of Series A Preferred Stock shall be entitled to vote. Unless the vote or consent of the holders of a greater number of shares is required by law, the consent of the holders of at least a majority of this Series A Preferred Stock at the outstanding

shall be necessary to change, alter or revoke the rights and preferences conferred upon the Series A Preferred Stock by the Articles of Incorporation or this Resolution, as amended from time to time.

6. Liquidation Rights: In the event of liquidation, dissolution or winding up of the Company, holders of the Series A Preferred Stock shall be entitled to receive, after due payment or provision for payment of the debts and other liabilities of the Company, a liquidation distribution before any distribution may be made to holders of Common Stock or any other series of preferred stock of the Company, except in the case of any additional shares of preferred stock constituting Additional Preferred Series which shall have the equivalent right to the specified liquidation distribution as provided for in the Series A Preferred Stock. Upon any liquidation, dissolution or winding up, whether voluntary or involuntary, the holders of the Series A Preferred Stock outstanding shall be entitled to receive an amount equal to \$10.00 per share, plus accrued dividends to the date of the final distribution. If such liquidation, dissolution or winding up is voluntary, the holders of the Series A Preferred Stock outstanding shall be entitled to receive an amount equal to the redemption price specified above that would be then applicable, plus accrued dividends to the date of final distribution.

7. Miscellaneous: The Series A Preferred Stock has no preemptive rights. In the event the entire Series A Preferred Stock is not sold by the Company pursuant to an offering of such Series A Preferred Stock, the officers of the Company are authorized to file a further amendment to these Articles of Amendment to reduce the number of shares of Series A Preferred Stock authorized hereby. The Series A Preferred Stock, when issued, will be legally issued, fully paid and nonassessable.