

00000009132

Florida Department of State
Division of Corporations
Public Access System

Electronic Filing Cover Sheet

Note: Please print this page and use it as a cover sheet. Type the fax audit number (shown below) on the top and bottom of all pages of the document.

(((H05000136876 3)))

Note: DO NOT hit the REFRESH/RELOAD button on your browser from this page. Doing so will generate another cover sheet.

To:

Division of Corporations
Fax Number 850)205-0380

From:

Account Name : THE DELAWARE ESCROW COMPANY
Account Number : 19990000056
Phone : 208)622-7503
Fax Number : 208)622-7967

FILED
05 JUN -1 PM 12:00
SECRETARY OF STATE
TALLAHASSEE, FLORIDA

RECEIVED
05 JUN -1 AM 8:00
DIVISION OF CORPORATIONS

BASIC AMENDMENT

IBMS, INC.

Certificate of Status	0
Certified Copy	0
Page Count	06
Estimated Charge	\$35.00

☒ Electronic Filing Main Menu

☒ Corporate Filing Main Menu

☒ Public Access Help

NextPart_000_0000_01C536B9.B490F970-

AMEND
ORIG
6/1

H05000136876 3

**ARTICLES OF AMENDMENT
FOR
CERTIFICATE OF DESIGNATIONS,
PREFERENCES AND RIGHTS**

**1,000 Class "A" Preferred Shares
OF**

IBMS, INC.

FILED
05 JUN - 1 PM 12:00
SECRETARY OF STATE
TALLAHASSEE, FLORIDA

Pursuant to the Florida Business Corporation Act

IBMS, Inc., a corporation organized and existing under the Florida Business Corporation Act (the "Corporation"), hereby certifies that the following resolutions were adopted by the Board of Directors of the Corporation on May 31, 2005, pursuant to authority of the Board of Directors as provided in the Corporation's Articles of Incorporation and the Florida Business Corporation Act;

RESOLVED, that pursuant to the authority granted to and vested in the Board of Directors of this Corporation (the "Board of Directors" or the "Board") in accordance with the provisions of its Certificate of Incorporation, the Board of Directors hereby authorizes the issuance of a Class "A" Preferred share, .001 par value (the "Class "A" Preferred"), and hereby states the designation and number of shares, and fixes the relative rights, preferences, privileges, powers and restrictions thereof as follows:

Class "A" Preferred Shares

**ARTICLE I
DEFINITIONS**

SECTION 1.1 Definitions. The terms defined in this Article whenever used in this Certificate of Designations have the following respective meanings:

- (a) *"Additional Capital Shares"* has the meaning set forth in Section 6.1(c).

H05000136876 3

(b) **"Affiliate"** has the meaning ascribed to such term in Rule 12b-2 under the Securities Exchange Act of 1934, as amended.

(c) **"Business Day"** means a day other than Saturday, Sunday or any day on which banks located in the State of Florida are authorized or obligated to close.

(d) **"Capital Shares"** means the Common Shares and any other shares of any other class of common stock, whether now or hereafter authorized and however designated, which have the right to participate in the distribution of earnings and assets (upon dissolution, liquidation or winding-up) of the Corporation.

(e) **"Common Shares"** or **"Common Stock"** means shares of common stock, .001 par value, of the Corporation.

(f) **"Corporation"** means Phoenix International Industries, Inc., a corporation organized and existing under the Florida Business Corporation Act (the "Corporation"), and any successor or resulting corporation by way of merger, consolidation, sale or exchange of all or substantially all of the Corporation's assets, or otherwise.

(g) **"Holder"** means any Person who the Class "A" Preferred shares are issued to or are subsequently transferred to in accordance with the provisions hereof.

(h) **"Outstanding"** when used with reference to Common Shares or Capital Shares (collectively, "Shares"), means, on any date of determination, all issued and outstanding Shares, and includes all such Shares issuable in respect of outstanding scrip or any certificates representing fractional interests in such Shares; provided, however, that any such Shares directly or indirectly owned or held by or for the account of the Corporation or any Subsidiary of the Corporation shall not be deemed "Outstanding" for purposes hereof.

(i) **"Person"** means an individual, a corporation, a partnership, an association, a limited liability company, an unincorporated business organization, a trust or other entity or organization, and any government or political subdivision or any agency or instrumentality thereof.

(j) **"Class 'A' Preferred Shares"** means those shares issued pursuant to and subject to this Certificate of Designations, Preferences and Rights, and which shall not exceed one thousand (1,000) shares .001 par value.

(k) **"SEC"** means the United States Securities and Exchange Commission.

(l) **"Securities Act"** means the Securities Act of 1933, as amended, and the rules and regulations of the SEC thereunder, all as in effect at the time.

(m) **"Subsidiary"** means any entity of which securities or other ownership interests having ordinary voting power to elect a majority of the board of directors or other persons performing similar functions are owned directly or indirectly by the Corporation.

H05000136876 3

**ARTICLE 2
DESIGNATION AND AMOUNT**

SECTION 2.1

The designation of the Class "A" Preferred shares, .001 par value, which consists of one thousand (1,000) shares.

**ARTICLE 3
RANK**

SECTION 3.1

The Class "A" Preferred shares, .001 par value shall rank (i) prior to the Common Stock; (ii) prior to any class of capital stock of the Corporation hereafter created other than "Pari Passu Securities" (collectively, with the Common Stock, "Junior Securities"); and (iii) pari passu with any class of capital stock of the Corporation hereafter created specifically ranking on parity with the Class "A" Preferred shares, .001 par value ("Pari Passu Securities").

**ARTICLE 4
INTEREST**

SECTION 4.1

The Holder shall be not entitled to receive any interest on the Class "A" Preferred shares, .001 par value shares.

**ARTICLE 5
LIQUIDATION PREFERENCE**

SECTION 5.1

(a) The Holders of the Class "A" Preferred shares, .001 par value shall have liquidation preferences equal to the holders of the common shares issued by the Corporation, except as reserved in this Certificate of Designations, Preferences and Rights of the Class "A" Preferred shares, .001 par value, and as set forth in Section 5.1 (b), below.

(b) At the option of each Holder, any proposed sale, conveyance or disposition of all or substantially all of the assets of the Corporation, the effectuation by the Corporation of a transaction or series of related transactions in which more than 50% of the voting power of the Corporation is disposed of, or the consolidation, merger or other business combination of the corporation with or into any other Person (as defined below) or Persons when the corporation is not the survivor shall either shall be deemed to be a liquidation, dissolution or winding up of the Corporation. The Holders of the Class "A" Preferred Shares shall be entitled to

H05000136876 3

H05000136876 3

vote as a separate group than that of the holders of any "common" shares, or other subsequently issued "preferred" shares. The consent of a the holders of a majority of the Class "A" Preferred Shares then outstanding shall be required for the Corporation to enter into any sale, conveyance of disposition of all or substantially all of the assets of the Corporation, the effectuation by the Corporation of a transaction or series of related transactions in which more than 50% of the voting power of the Corporation is disposed of, or the consolidation, merger or other business combination of the corporation with or into any other person or business entity, when the corporation is not the survivor.

ARTICLE 6 VOTING RIGHTS

The holders of Class "A" Preferred Shares shall have the right to vote shares as a separate group. Any vote required by the Articles of Incorporation, the Bylaws or the Florida Business Corporation Act to be submitted to the shareholders for approval must also be submitted to the holders of the Class "A" Preferred shares for approval. The holders of Class "A" preferred shall also have the right to propose for a vote, matters to the shareholders. The affirmative vote of the Holders of a majority of the Class "A" Preferred Shares shall be required for the passage of any matter submitted. (By way of example, if the holders of a majority of the common shares vote in favor of a matter, and a majority of the holders of the Class "A" Preferred Shares vote against the matter, the matter shall fail. In the alternative, if a majority of the holders of the Company's common shares vote against a matter, and a majority of the Class "A" Preferred holders vote in favor of the matter, the matter shall be approved.)

ARTICLE 7 PROTECTIVE PROVISIONS

7.1 So long as shares of the Class "A" Preferred Shares are outstanding, the Corporation shall not, without first obtaining the approval by vote or written consent of the holders of at least a majority of the then outstanding shares of Class "A" Preferred Shares:

- (a) alter or change the rights, preferences or privileges of the Class "A" Preferred Shares; or
- (b) create any new class of capital stock having a preference over the Class "A" Preferred Shares which would be in conflict with any of the terms and conditions of this Certificate; or
- (c) do any act or thing not authorized or contemplated by this Certificate of Designation which would result in taxation of the holders of shares of the Class "A" Preferred Shares under Section 305 of the Internal Revenue Code of 1986, as amended (or any comparable provision of the Internal Revenue Code as hereafter from time to time amended).

H05000136876 3

H05000136876 3

(d) In the event holders of at least a majority of the then outstanding shares of the Class "A" Preferred Shares agree to allow the Corporation to alter or change the rights, preferences or privileges of the shares of Class "A" Preferred Shares, pursuant to subsection (a) above, so as to affect the Class "A" Preferred Shares, then the Corporation will deliver notice of such approved change to the holders of the Class "A" Preferred Shares that did not agree to such alteration or change (the "Dissenting Holders").

ARTICLE 8 MISCELLANEOUS

SECTION 8.1 Loss, Theft, Destruction of Convertible Shares. Upon receipt of evidence satisfactory to the Corporation of the loss, theft, destruction or mutilation of shares of Class "A" Preferred Shares and, in the case of any such loss, theft or destruction, upon receipt of indemnity or security reasonably satisfactory to the Corporation, or, in the case of any such mutilation, upon surrender and cancellation of the Class "A" Preferred Shares, the Corporation shall make, issue and deliver, in lieu of such lost, stolen, destroyed or mutilated shares of Class "A" Preferred Shares, new shares of Class "A" Preferred Shares of like tenor. The Class "A" Preferred Shares shall be held and owned upon the express condition that the provisions of this Section 8.1 are exclusive with respect to the replacement of mutilated, destroyed, lost or stolen shares of Class "A" Preferred Shares and shall preclude any and all other rights and remedies notwithstanding any law or statute existing or hereafter enacted to the contrary with respect to the replacement of negotiable instruments or other securities without the surrender thereof.

SECTION 8.2 Who Deemed Absolute Owner. The Corporation may deem the Person in whose name the Class "A" Preferred Shares shall be registered upon the registry books of the Corporation to be, and may treat it as, the absolute owner of the Class "A" Preferred Shares for the purpose of receiving payment of Interest on the Class "A" Preferred Shares, for the conversion of the Class "A" Preferred Shares and for all other purposes, and the Corporation shall not be affected by any notice to the contrary. All such payments and such conversion shall be valid and effectual to satisfy and discharge the liability upon the Class "A" Preferred Shares to the extent of the sum or sums so paid or the conversion so made.

SECTION 9.3 Notice of Certain Events. In the case of the occurrence of any event described in this Certificate of Designations, the Corporation shall cause to be mailed to the Holder of the Class "A" Preferred Shares at its last address as it appears in the Corporation's security registry, at least twenty (20) days prior to the applicable record, effective or expiration date hereinafter specified (or, if such twenty (20) days notice is not possible, at the earliest possible date prior to any such record, effective or expiration date), a notice stating (x) the date on which a record is to be taken for the purpose of such Interest, distribution, issuance or granting of rights, options or warrants, or if a record is not to be taken, the date as of which the holders of record of Class "A" Preferred Shares to be entitled to such Interest, distribution, issuance or granting of rights, options or warrants are to be determined or (y) the date on which such reclassification, consolidation, merger, sale, transfer, dissolution, liquidation or winding-up is expected to become effective, and the date as of which it is expected that holders of record of

H05000136876 3

Class "A" Preferred Shares will be entitled to exchange their shares for securities, cash or other property deliverable upon such reclassification, consolidation, merger, sale transfer, dissolution, liquidation or winding-up.

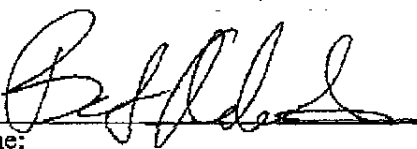
SECTION 8.4 Register. The Corporation shall keep at its principal office a register in which the Corporation shall provide for the registration of the Class "A" Preferred Shares. Upon any transfer of the Class "A" Preferred Shares in accordance with the provisions hereof, the Corporation shall register such transfer on the Class "A" Preferred Shares register. The Corporation may deem the person in whose name the Class "A" Preferred Shares shall be registered upon the registry books of the Corporation to be, and may treat it as, the absolute owner of the Class "A" Preferred Shares for any purpose.

SECTION 8.5 Withholding. To the extent required by applicable law, the Corporation may withhold amounts for or on account of any taxes imposed or levied by or on behalf of any taxing authority in the United States having jurisdiction over the Corporation from any payments made pursuant to the Class "A" Preferred Shares.

SECTION 8.6 Headings. The headings of the Articles and Sections of this Certificate of Designations are inserted for convenience only and do not constitute a part of this Certificate of Designations.

IN WITNESS WHEREOF, the Corporation has caused this Certificate of Designations, Preferences and Rights to be signed by its duly authorized officers on this 12 day of June, 2005.

IBMS, INC.

By: 

Name: _____

Title: President and Director

By: _____

Name: _____

Title: Director

H05000136876 3