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DIVISION OF CORPORATIONS
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COVER LETTER

TO: Amendment Section
Division of Corporations

NAME OF CORPORATION: Rhinoco Inc.

DOCUMENT NUMBER: P16000009020

The enclosed ***Articles of Amendment*** and fee are submitted for filing.

Please return all correspondence concerning this matter to the following:

Crystal Umpierre
Name of Contact Person

Rhinoco Inc.
Firm/ Company

12333 SW 131st Avenue
Address

Miami, FL 33186
City/ State and Zip Code

crystal@rhinoco.com
E-mail address: (to be used for future annual report notification)

For further information concerning this matter, please call:

Crystal Umpierre at (305) 218-1636
Name of Contact Person — Area Code & Daytime Telephone Number

Enclosed is a check for the following amount made payable to the Florida Department of State:

- ☒ $35 Filing Fee
- ☐ $43.75 Filing Fee & Certificate of Status
- ☐ $43.75 Filing Fee & Certified Copy (Additional copy is enclosed)
- ☐ $52.50 Filing Fee Certificate of Status Certified Copy (Additional Copy is enclosed)

Mailing Address
Amendment Section
Division of Corporations
P.O. Box 6327
Tallahassee, FL 32314

Street Address
Amendment Section
Division of Corporations
Clifton Building
2661 Executive Center Circle
Tallahassee, FL 32301

Articles of Amendment
to
Articles of Incorporation
of

Rhinoco Inc.

(**Name of Corporation as currently filed with the Florida Dept. of State**)

P16000009020

(Document Number of Corporation (if known))

FILED 2017 JUN -2 AM 9: 48 SECRETARY OF STATE DIVISION OF CORPORATIONS

Pursuant to the provisions of section 607.1006, Florida Statutes, this ***Florida Profit Corporation*** adopts the following amendment(s) to its Articles of Incorporation:

A. If amending name, enter the new name of the corporation:

N/A

The new name must be distinguishable and contain the word "corporation," "company," or "incorporated" or the abbreviation "Corp.," "Inc.," or Co.," or the designation "Corp," "Inc," or "Co". A professional corporation name must contain the word "chartered," "professional association," or the abbreviation "P.A."

B. Enter new principal office address, if applicable: N/A
(Principal office address MUST BE A STREET ADDRESS)

C. Enter new mailing address, if applicable: N/A
(Mailing address MAY BE A POST OFFICE BOX)

D. If amending the registered agent and/or registered office address in Florida, enter the name of the new registered agent and/or the new registered office address:

Name of New Registered Agent N/A

(Florida street address)

New Registered Office Address: N/A , Florida ______
(City) *(Zip Code)*

New Registered Agent's Signature, if changing Registered Agent:
I hereby accept the appointment as registered agent. I am familiar with and accept the obligations of the position.

N/A
Signature of New Registered Agent, if changing

If amending the Officers and/or Directors, enter the title and name of each officer/director being removed and title, name, and address of each Officer and/or Director being added:
(Attach additional sheets, if necessary)
Please note the officer/director title by the first letter of the office title:
P = President; V= Vice President; T= Treasurer; S= Secretary; D= Director; TR= Trustee; C = Chairman or Clerk; CEO = Chief Executive Officer; CFO = Chief Financial Officer. If an officer/director holds more than one title, list the first letter of each office held. President, Treasurer, Director would be PTD.
Changes should be noted in the following manner. Currently John Doe is listed as the PST and Mike Jones is listed as the V. There is a change, Mike Jones leaves the corporation, Sally Smith is named the V and S. These should be noted as John Doe, PT as a Change, Mike Jones, V as Remove, and Sally Smith, SV as an Add.

Example:

X Change PT John Doe

X Remove V Mike Jones

X Add SV Sally Smith

Type of Action (Check One)	Title	Name	Address
1) ____ Change	______	N/A	______
____ Add			______
____ Remove			______
2) ____ Change	______	______	______
____ Add			______
____ Remove			______
3) ____ Change	______	______	______
____ Add			______
____ Remove			______
4) ____ Change	______	______	______
____ Add			______
____ Remove			______
5) ____ Change	______	______	______
____ Add			______
____ Remove			______
6) ____ Change	______	______	______
____ Add			______
____ Remove			______

E. If amending or adding additional Articles, enter change(s) here:
(Attach *additional sheets, if necessary*). *(Be specific)*

See attached additional sheets amending the Articles of Incorporation of Rhinoco Inc.

F. If an amendment provides for an exchange, reclassification, or cancellation of issued shares, provisions for implementing the amendment if not contained in the amendment itself:
(*if not applicable, indicate N/A*)

N/A

The date of each amendment(s) adoption: ______________________, if other than the date this document was signed.

Effective date if applicable: May 24, 2017
(no more than 90 days after amendment file date)

Note: If the date inserted in this block does not meet the applicable statutory filing requirements, this date will not be listed as the document's effective date on the Department of State's records.

Adoption of Amendment(s) **(CHECK ONE)**

☒ The amendment(s) was/were adopted by the shareholders. The number of votes cast for the amendment(s) by the shareholders was/were sufficient for approval.

☐ The amendment(s) was/were approved by the shareholders through voting groups. *The following statement must be separately provided for each voting group entitled to vote separately on the amendment(s):*

"The number of votes cast for the amendment(s) was/were sufficient for approval

by ______________________."
(voting group)

☐ The amendment(s) was/were adopted by the board of directors without shareholder action and shareholder action was not required.

☐ The amendment(s) was/were adopted by the incorporators without shareholder action and shareholder action was not required.

Dated 5/24/17

Signature ______________________
(By a director, president or other officer – if directors or officers have not been selected, by an incorporator – if in the hands of a receiver, trustee, or other court appointed fiduciary by that fiduciary)

Michael Alfaro
(Typed or printed name of person signing)

Chief Executive Officer
(Title of person signing)

ARTICLES OF AMENDMENT
TO THE
ARTICLES OF INCORPORATION
OF
RHINOCO INC.

Rhinoco Inc., a corporation (hereinafter called the "Corporation") organized and existing under Florida Business Corporation Act (hereinafter called the "Act"), in accordance with the provisions of Section 607.1001, *et seq.* of the Act, DOES HEREBY CERTIFY:

These Articles of Amendment were adopted on May 24th, 2017 by the Board of Directors of the Corporation by way of unanimous written consent in lieu of a meeting, and on May 24th, 2017 by the stockholders of the Corporation by way of a written consent in lieu of a meeting by a majority of the votes of the Common Stock entitled to be cast in the manner prescribed by Section 607.1003 of the Act.

The Articles of Incorporation of the Corporation are hereby amended as follows:

FIRST: Article IV of the Articles of Incorporation is hereby deleted in its entirety and replaced with the following provision:

"ARTICLE IV. The total number of shares of capital stock that the Corporation has authority to issue is 50,000,000, of which 30,000,000 shall be common stock, no par value per share (hereinafter the "Common Stock"), and of which 20,000,000 shall be preferred stock, no par value per share (hereinafter the "Preferred Stock"). The Common Stock of the Corporation shall possess all such rights and privileges as are afforded to capital stock by the Act in the absence of any express grant of rights or privileges to the Preferred Stock, including but not limited to, the following: (a) holders of the Common Stock shall be entitled to one (1) vote per share on each matter submitted to a vote of stockholders; provided, however, that there shall not be any cumulative voting of the Common Stock; (b) dividends may be declared and paid or set aside for payment upon the Common Stock out of any assets or funds of the Corporation legally available therefor; and (c) upon the voluntary or involuntary liquidation, dissolution or winding up of the Corporation, its net assets shall be distributed ratably to holders of the Common Stock. The Board of Directors is hereby empowered to authorize the issuance, from time to time, of shares of any of its authorized capital stock for such consideration as determined by the Board of Directors in accordance with the Act, and without any action by the stockholders. The Corporation, if authorized by the Board of Directors, may acquire shares of the Corporation's capital stock."

SECOND: On May 24th, 2017, the Board of Directors of the Corporation (the "Board") by way of unanimous written consent in lieu of a meeting, declaring that the action set forth herein is advisable and in the best interests of the Corporation and its stockholders, and acting pursuant to the Section 607.10025 of the Act, authorized and declared, and the stockholders of the Corporation duly approved by written consent in lieu of a meeting, a 1,710-for-1 stock split up of the Corporation's outstanding Common Stock. Immediately upon acceptance for record of these Articles of Amendment by the Florida Department of State, which shall be date that this action shall become effective (the "Effective Time"), (i) the Corporation will have 1,710,000 shares of Common Stock authorized, issued and outstanding and 28,290,000 shares of Common Stock reserved for future issuance; and (ii) each one (1) share of the Corporation's Common Stock, whether issued and outstanding or held by the Corporation as treasury stock, prior to the Effective Time, is and shall be subdivided, reclassified and changed into 1,710 shares of fully paid and non-assessable shares of Common Stock (the "Stock Split"); provided, however, that no fractional interests in shares of Common Stock shall be issued to any holder of shares of Common Stock immediately prior to the Effective Time, and that in lieu of such fractional interests, the Corporation shall issue to each such holder the sum of One Dollar ($1.00) in full exchange therefore. Each stock certificate that, immediately prior to the Effective Time, represented shares of Common Stock ("Old Certificates"), shall thereafter represent that number of shares of Common Stock into which the shares of Common Stock represented by the Old Certificate shall have been subdivided, reclassified and changed, subject to the elimination of fractional interests in shares of Common Stock as described above.

THIRD: The Board of Directors and the stockholders of the Corporation are expressly authorized by Section 607.1003 of the Act to provide, by resolution or resolutions, out of the unissued shares of the authorized

Preferred Stock, for series of Preferred Stock. Before any shares of any such series are issued, the Board of Directors shall fix, and hereby is expressly empowered to fix, by resolution or resolutions, the following provisions of the shares thereof. Accordingly, the Board of Directors of the Corporation by way of unanimous written consent in lieu of a meeting, declaring that the action set forth herein is advisable and in the best interests of the Corporation and its stockholders, and the stockholders of the Corporation duly approved and adopted by written consent, the following designations, rights, privileges and obligations for the following series of Preferred Stock of the Corporation which shall become effective at the Effective Time.

A. Designation and Number. The Board of Directors of the Corporation has classified and hereby designates and establishes 1,600,000 authorized but unissued shares of preferred stock, no par value per share, of the Corporation as the "Series A Convertible Preferred Stock." Such number of shares may be increased or decreased by resolution of the Board of Director and by the filing of Articles of Amendment in accordance with the Act and the acceptance for record thereof by the Florida State Department; provided, that no decrease shall reduce the number of shares of Series A Convertible Preferred Stock to a number less than the number of shares then outstanding. The Board of Directors may authorize the issuance of some or all of such shares of the Series A Convertible Preferred Stock upon the receipt by the Corporation of such consideration that the Board of Directors deems to be adequate without further action of the stockholders.

B. Rank. The Series A Convertible Preferred Stock, with respect to dividend rights of the Corporation, ranks: (i) on parity with the Common Stock of the Corporation; (ii) junior to any other equity securities issued by the Corporation that are senior to the Series A Convertible Preferred Stock; and (iii) on parity with all other equity securities issued by the Corporation whose terms provide that those equity securities rank on parity with the Series A Convertible Preferred Stock with respect to rights to the payment of dividends or the distribution of the assets of the Corporation upon liquidation, dissolution or winding up.

C. Liquidation Preference. The Series A Convertible Preferred Stock (i) shall have a $1.00 per share preference over the Common Stock with respect to rights to the payment of any distribution of the assets of the Corporation upon liquidation, dissolution or winding up of the Corporation and will not participate with the Common Stock in any further distribution of assets or if greater (ii) shall receive such amount per share as would have been payable had all shares of Series A Convertible Preferred Stock been converted into Common Stock pursuant to Section F immediately prior to such liquidation, dissolution or winding up of the Corporation.

D. Dividends. The Series A Convertible Preferred Stock will not be entitled to receive any mandatory dividends or distributions of cash or other property. The Series A Convertible Preferred Stock shall be entitled to receive dividends as may be declared by the Board of Directors from time to time *pari passu* with the Common Stock.

E. Voting. The Series A Convertible Preferred Stock will have the right to vote as a class, and the vote of a majority of the outstanding shares of the Preferred Stock shall have the right to elect one member of the Corporation's Board of Directors and will have the right to approve only the following corporate actions: (i) any debt or equity raises (including any increase or decrease to the authorized number of shares of Series A Convertible Preferred Stock), (ii) any equity conversions (including any debt to equity conversions by Marblegate Special Opportunities Master Fund, LP ("Marblegate"), but excluding any rights held by Marblegate under existing loan and security agreements dated as of March 15, 2016 (as amended, restated, supplemented or otherwise modified through the filing date of these Articles of Amendment) the ("Marblegate Loan")), (iii) deferred payments on Corporation debt or repayment of the loans (excluding repayment or deferment on the Marblegate Loan); (iv) any repurchase or redemptions of equity and any guarantees of debt (excluding repurchase or redemption on the Marblegate Loan); (v) any dividends in cash or in kind or any distributions to the Common Stock; (vi) any sale or acquisition of material assets of the Corporation or any sale of the Corporation structured as a sale of equity, merger or reorganization; (vii) the granting of options or similar securities (other than options for up to 10% of the then outstanding shares of Common Stock to be granted to Mr. Gregory Lee); (viii) any affiliated transactions; (ix) the entering into a new line of business; (x) any material changes to existing scope or nature of existing business and joint ventures; (xi) the firing of Michael Alfaro and/or Nathan Forster or any increase in their pay as of the filing date of these Articles of Amendment over fifteen percent 15%; and (xii) as required by applicable Florida corporate law. For the purposes of this Section, each share of Series A Convertible Preferred Stock shall have one (1) vote per share. The terms of these Articles of Amendment relating to the Series A Convertible Preferred Stock may be amended, waived, altered or repealed only with the affirmative vote of the holders of at least majority of the shares of Series A Convertible Preferred Stock then outstanding, voting as a separate class.

F. Conversion. 1. The Series A Convertible Preferred Stock is convertible into shares of Common Stock at the option of each holder of the Series A Convertible Preferred Stock at any time or from time to time into a number of fully paid and non-assessable shares of Common Stock determined in accordance with the following ratios: (i) based on the agreed valuation of the Corporation as of the Effective Time, each share of the Series A Convertible Preferred Stock will convert into one (1) share of Common Stock; and, (ii) (A) if the Corporation is able to successfully sell additional equity securities that raises net proceeds of $3.0 million or more by October 31, 2017 (the "Next Capital Raise"), then based the agreed valuation of the Corporation of $17.0 million, each share of the Series A Convertible Preferred Stock will convert into 0.91934 shares of Common Stock; and (B) if Mr. Gregory Lee joins Rhinoco as Chairman of its Board of Directors (or in similar senior role) by October 31, 2017, then based on a revised agreed valuation of the Corporation of $18.0 million, each share of the Series A Convertible Preferred Stock will convert into 0.87242 shares of Common Stock; provided however, if the Corporation's Next Capital Raise is based on a valuation of less than $15.5 million, then each share of the Series A Convertible Preferred Stock shall convert on a full ratchet basis to account for the revised agreed decreased valuation. No fractional shares of Common Stock shall be issued upon conversion of the Preferred Stock. In lieu of any fractional shares to which the holder would otherwise be entitled, a fractional share above 0.5 shall be rounded up to the next whole share and a fractional share of 0.5 or below will be rounded down to the prior whole share.

2. In addition, the Series A Convertible Preferred Stock will be convertible, on a one for one conversion basis, at the option of the holder, into shares of the Series B Preferred Stock, if a Series B Preferred Stock is offered and sold by the Corporation in the future.

3. If the Corporation shall at any time or from time to time after the issuance of the Series A Convertible Preferred Stock effect a subdivision of the outstanding Common Stock, the conversion rate then in effect immediately before that subdivision shall be proportionately increased. If the Corporation shall at any time or from time to time after the issuance of the Series A Convertible Preferred Stock combine the outstanding shares of Common Stock, the conversion rate then in effect immediately before the combination shall be proportionately decreased. Any adjustment under this Section shall become effective at the close of business on the date the subdivision or combination becomes effective.

4. If there shall occur any reorganization, recapitalization, reclassification, consolidation, or merger involving the Corporation in which the Common Stock (but not the Series A Convertible Preferred Stock) is converted into or exchanged for securities, cash, or other property, then, following any such reorganization, recapitalization, reclassification, consolidation, or merger, each share of Series A Convertible Preferred Stock shall thereafter be convertible in lieu of the Common Stock into which it was convertible prior to such event into the kind and amount of securities, cash or other property that a holder of the number of shares of Common Stock of the Corporation issuable upon conversion of one share of Series A Convertible Preferred Stock immediately prior to such reorganization, recapitalization, reclassification, consolidation, or merger would have been entitled to receive pursuant to such transaction. The Corporation shall, upon receipt of a written request of a holder of the Series A Convertible Preferred Stock, provide to such holder a calculation of the change in the number of shares for which the Series A Convertible Preferred Stock may be converted based on Sections F.3. or F.4. herein. Except as set forth in Section F.3. above and this Section F.4., the Series A Convertible Preferred Stock has no other rights to anti-dilution protection.

5. The Corporation shall ensure that, at all times, there are a sufficient number of authorized shares of Common Stock reserved so that all outstanding shares of Series A Convertible Preferred Stock can be converted as set forth herein. Before any holder of Series A Convertible Preferred Stock shall be entitled to convert the same into shares of Common Stock, such holder shall: (a) surrender the certificate or certificates therefor, duly endorsed, to the Corporation, and (b) and give written notice to the Corporation of the election to convert the same and state therein the name or names in which the certificate or certificates for shares of Common Stock are to be issued at the executive office of the Corporation or of any transfer agent for the Series A Convertible Preferred Stock. Subject to the first sentence of this Section F.5., the Corporation shall, as soon as practicable thereafter, issue and deliver at such office to such holder of Series A Convertible Preferred Stock, or to the nominee or nominees of such holder, a certificate or certificates for the number of shares of Common Stock to which such holder shall be entitled as aforesaid. Conversion shall be deemed to have been effected on the date when delivery of proper notice of an election to convert and certificates for shares is received by the Corporation.

6. Any of the rights, powers, or preferences of the holders of Series A Convertible Preferred Stock set forth herein may be waived by the affirmative consent or vote of the holders of at least a majority of the shares of Series A Convertible Preferred Stock then outstanding.

7. Except for the issuances to Marblegate as contemplated by the letter agreement dated May 24th, 2017 between the Corporation and Marblegate, including pursuant to the Warrant contemplated therein, if the Corporation shall at any time within one year after the issuance of the Series A Convertible Preferred Stock issue additional shares of capital stock to Marblegate or to any of its affiliates, or to any other person holding any indebtedness in respect of the Marblegate Loan, without consideration or for consideration per share less than the Series A conversion price immediately prior to such issue (including as part of any waiver, modification or conversion of the Marblegate Loan), after a default under the Marblegate Loan or to prevent the occurrence of any such default, then the Series A conversion price shall be reduced, on a full ratchet basis, concurrently with such issue, to the consideration per share received by the Corporation for such issue.

G. <u>Transferability</u>. The shares of Series A Convertible Preferred Stock shall be subject to the same restrictions on transfer as the Common Stock.

H. <u>Redemption</u>. 1. The Series A Convertible Preferred Stock is not redeemable. However, for the avoidance of doubt, nothing in this Section shall prohibit the Corporation from effecting, and the Corporation shall, to the extent not prohibited by law or that certain Credit Agreement dated as of March 15, 2016 between the Corporation, the lenders party thereto and Cantor Fitzgerald Securities, as administrative agent (as amended, restated, supplemented or otherwise modified from time to time), be entitled to offer, at any time and from time to time, to repurchase in the open market, in privately negotiated transactions or through tender offers or other transactions any amount of the then outstanding shares of Series A Convertible Preferred Stock that it desires to repurchase at such sums and on such conditions as shall be negotiated between or among the Corporation and one or more holders of Series A Convertible Preferred Stock.

2. Any shares of Series A Convertible Preferred Stock redeemed or repurchased by the Corporation pursuant to this Section or otherwise shall be retired and canceled and may not be reissued as shares of such series and the Corporation may thereafter take such appropriate action (without the need for shareholder action) as may be necessary to reduce the authorized number of shares of Series A Convertible Preferred Stock accordingly.

I. <u>Severability</u>. If any term of these Articles of Amendment relating to the Series A Convertible Preferred Stock is deemed invalid, unlawful, or incapable of being enforced by reason of any rule of law, judgment or public policy, all other terms of these Articles of Amendment relating to the Series A Convertible Preferred Stock as set forth herein which can be given effect without the invalid, unlawful or unenforceable term will, nevertheless, remain in full force and effect, and no term of these Articles of Amendment will be deemed dependent upon any other such term unless so expressed in these Articles of Amendment.

FOURTH: Except as set forth herein, the Articles of Incorporation of the Corporation, as amended to date, shall continue unaltered in full force and effect.

FIFTH: These Articles of Amendment to the Articles of Incorporation of the Corporation as set forth herein have been duly advised by the Board of Directors of the Corporation and have been approved, and recommended for approval by the stockholders of the Corporation, by the Board of Directors, and have been approved by the written consent of the stockholders of the Corporation as required by law.

SIXTH: The undersigned executive officer of the Corporation has been authorized and directed to prepare and file these Articles of Amendment in accordance with the resolutions of the Board of Directors and the provisions of Florida law.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, Rhinoco Inc. has caused these presents to be signed in its name and on its behalf by its President this 24th day of May 2017.

RHINOCO INC.

By: ______________________
Nathan Forster, President

ATTEST:

By: ______________________
Crystal Umpierre, Esq., Counsel