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NAME: BIG ENTERTAINMENT, INC.

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Sandra B. Mortham
Secretary of State

December 19, 1996

BIG ENTERTAINMENT, INC.
2255 GLADES RD
SUITE 237W
BOCA RATON, FL 33431

SUBJECT: BIG ENTERTAINMENT, INC.
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ARTICLES OF AMENDMENT
TO ARTICLES OF INCORPORATION
OF

H96000017795

BIG ENTERTAINMENT, INC.

FOR

DESIGNATION OF PREFERENCES, RIGHTS AND LIMITATIONS
OF SERIES B VARIABLE RATE CONVERTIBLE PREFERRED STOCK

Pursuant to the provisions of Sections 607.0602 and 607.1006 of the Florida Business Corporation Act, Big Entertainment, Inc. (the "Company"), a corporation organized and existing under the Florida Business Corporation Act, hereby adopts the following Articles of Amendment to its Articles of Incorporation.

FIRST: Designation of Series B Variable Rate Convertible Preferred Stock

Of the 1,000,000 shares of Preferred Stock, par value \$.01 per share, authorized pursuant to Article III of the Company's Articles of Incorporation, One Hundred Forty-Two Thousand, Two Hundred Twenty Three (142,223) of such shares are hereby designated as the Series B Variable Rate Convertible Preferred Stock (the "Series B Preferred Stock"). Shares of Series B Preferred Stock are sometimes referred to below as "Series B Preferred Shares."

The powers, designations, preferences, and relative, participating, optional or other special rights of the Series B Preferred Stock authorized hereunder and the qualifications, limitations and restrictions of such preferences and rights are as follows:

1. Stated Value. The initial Stated Value of each Series B Preferred Share is \$5.375. On the earlier to occur of March 31, 1997 or the Closing of the 25th Installment (the "Termination Date") under that certain Preferred Stock Purchase Agreement, dated as of November 8, 1995 and amended as of October 15, 1996 (the "Purchase Agreement") between Tekno Simon, LLC, an Indiana limited liability company ("Tekno Simon") and the Company, the Stated Value of each Series B Preferred Share shall be adjusted (the "Final Stated Value") so that it shall equal the average of the subsequent Stated Values determined at the time of closing each Installment under the Purchase Agreement held subsequent to October 15, 1996, but in no event greater than \$6.25 per share or less than \$4.50 per share. As used herein, the "Subsequent Stated Value" for a closing shall equal the "Market Value" of the Common Stock as of the date of such closing.

PREPARED BY:
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2. Dividends.

(a) Each outstanding share of Series B Preferred Stock shall accrue and cumulate dividends on the Stated Value thereof from and after the date of issuance at a variable rate (the "Dividend Rate") equal to the prime rate (the "Prime Rate") publicly disclosed and designated as such from time to time by J.P. Morgan Bank, New York, New York (or Citibank, N.A., New York, New York if no prime rate is designated by J.P. Morgan Bank), and such dividends shall be paid only in shares of the Company's Common Stock, par value \$.01 per share ("Common Stock"), except as provided in the following paragraph (b). Shares of Common Stock are sometimes referred to herein as "Common Shares." The Dividend Rate in effect upon the date of filing of these Articles of Amendment is 8-1/4%. Once a Dividend Rate is established such rate shall remain in effect unchanged until adjusted as provided herein. The Dividend Rate shall be adjusted quarterly on, and effective as of each January 1, April 1, July 1 and October 1, by adjusting the Dividend Rate to the extent required so that the Dividend Rate equals the prevailing Prime Rate in effect on such date. Cumulated dividends shall be distributed quarterly in arrears, promptly after each March 31, June 30, September 30 and December 31 (each such date being a "Distribution Date"), to the record holder(s) of the Series B Preferred Shares on the applicable Distribution Date. Dividends shall be paid in shares of the Company's Common Stock in an amount having an aggregate "Market Value" (as defined in Section 8 below) on the Distribution Date equal to the amount of the cumulated and unpaid dividends to be distributed.

(b) No fractional shares or securities representing fractional shares of Common Stock shall be issued upon the distribution of dividends on the Series B Preferred Stock. Any fractional interest in a dividend share of Common Stock to which a holder of Series B Preferred Shares would otherwise be entitled shall be paid in cash (computed to the nearest cent) based on the Market Value of a Common Share on the applicable Distribution Date.

3. Conversion.

(a) Each Series B Preferred Share shall be and is convertible, at the sole option of the holder thereof, into one share of Common Stock at any time until the second anniversary of the date of the Closing of the first Installment under the Purchase Agreement (the "Conversion Period"). Upon a holder's timely exercise of this conversion option in accordance with the following paragraph (b) of this Section 3, such holder shall also be entitled to receive all unpaid dividends that have cumulated or accrued on the Series B Preferred Shares being converted, with such dividends to be determined and paid in accordance with Section 2 hereof as if the "Distribution Date" is the day on which the shares are surrendered for conversion.

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(b) In order to exercise this conversion option, the holder of any Series B Preferred Shares to be converted shall surrender and deliver to the Company, no later than the fifth day prior to the expiration of the Conversion Period, the certificate(s) representing such shares, together with a notice of election to convert in such form as the Company may reasonably require, duly completed and signed by the holder. Upon the proper delivery of such documents, the conversion to be effected thereby shall be effective as of the date of such delivery.

(c) Promptly after the effective date of a holder's conversion of Series B Preferred Shares in accordance with this Section 3, the Company shall issue and deliver to such holder a certificate or certificates for the number of full shares of Common Stock issuable to the holder (i) pursuant to the holder's conversion of Series B Preferred Shares in accordance with the provisions of this Section 3, and (ii) in payment of any unpaid dividends on the converted shares as provided under paragraph (a) of this Section 3. The fractional interest in one share of Common Stock arising upon the conversion, if any, shall be settled as provided in paragraph (e) below.

(d) All shares of Common Stock delivered upon conversion of the Series B Preferred Stock shall be duly and validly issued and fully paid and nonassessable. Upon the effective date of a holder's conversion of Series B Preferred Shares, such converted Series B Preferred Shares shall no longer be deemed to be outstanding and all rights of the holder with respect to such shares shall immediately terminate except the right to receive the shares of Common Stock issuable upon such conversion.

(e) No fractional shares or securities representing fractional shares of Common Stock shall be issued upon conversion of the Series B Preferred Stock. Any fractional interest in one share of Common Stock resulting from a holder's conversion of Series B Preferred Shares shall be paid in cash (computed to the nearest cent) based on the Market Value (as defined in Section 8 below) of a Common Share on the effective date of the conversion.

(f) In the event that, prior to the expiration of the Conversion Period, the Company (1) pays a dividend or makes a distribution on its Common Stock in shares of its Common Stock, (2) subdivides (by "stock split" or otherwise) its outstanding Common Stock into a greater number of shares, or (3) combines (by "reverse stock split" or otherwise) its outstanding Common Stock into a smaller number of shares, the number of Common Shares into which each outstanding Series B Preferred Share is convertible under this Section 3 shall be proportionately adjusted so that the holder of each Preferred Share thereafter surrendered for conversion pursuant to this Section 3 shall be entitled to receive the number of shares of Common Stock which he would have been entitled to receive had

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the Series B Preferred Share been effectively converted immediately prior to the happening of such event.

(9) In the event that, prior to the expiration of the Conversion Period, there occurs any consolidation of the Company with, or merger of the Company with or into, any other entity that results in a reclassification, change, conversion, exchange or cancellation of outstanding shares of Common Stock or any sale or transfer of all or substantially all of the assets of the Company, each holder of shares of the Series B Preferred Stock then outstanding shall have the right thereafter (and until the expiration of the Conversion Period) to convert the Series B Preferred Shares held by the holder into the kind and amount of securities, cash and other property which the holder would have been entitled to receive upon such reclassification, change, consolidation, merger, sale or transfer if the holder had held the Common Shares issuable upon the conversion of the holder's Series B Preferred Shares immediately prior to the reclassification, change, consolidation, merger, sale or transfer.

(h) The Company shall at all times reserve and keep available, free from preemptive rights and other encumbrances, out of the aggregate of its authorized but unissued shares of Common Stock, for the purpose of effecting conversions of the Series B Preferred Shares, the full number of shares of Common Stock deliverable upon the conversion of all outstanding Series B Preferred Shares.

(i) The Company shall list the shares of Common Stock required to be delivered upon conversion of the Series B Preferred Shares, prior to the delivery thereof, upon each national securities exchange or NASDAQ, if any, upon which the outstanding Common Stock is listed at the time of delivery.

4. Redemption.

(a) All of the outstanding Series B Preferred Shares shall be redeemable by the Company at any time after the expiration of the Conversion Period (except for Series B Preferred Shares as to which the holder or holders thereof have timely exercised the conversion thereof in accordance with Section 3 hereof), upon not less than 30 nor more than 60 calendar days' prior written notice by the Company to the holder or holders of Series B Preferred Shares, at a redemption price per Series B Preferred Share equal to 115% of the Final Stated Value. In addition to the redemption price for each Series B Preferred Share redeemed from a holder pursuant to this Section 4, upon such redemption the Company shall also pay such holder an amount equal to 115% of the Final Stated Value for each share of Common Stock (or fraction thereof) constituting cumulated and unpaid dividends on the shares redeemed. For purposes of this paragraph, the number of Common Shares

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constituting unpaid dividends shall be determined in accordance with Section 2 hereof as if the "Redemption Data" (as defined in paragraph (b) below) is the "Distribution Data."

(b) Notice of any such redemption of the Series B Preferred Shares, specifying the date fixed by the Board of Directors for the redemption (the "Redemption Date"), the place of redemption and the redemption price shall be given by first class mail to each holder of record of the shares to be redeemed, at his address of record, not less than 30 nor more than 60 calendar days prior to the Redemption Date.

(c) Upon the Redemption Date, all rights of the holders of the Series B Preferred Shares to be redeemed shall cease with respect to such shares, and such shares shall not, after the Redemption Date, be deemed to be outstanding and shall not have the status of Preferred Stock.

(d) The Series B Preferred Shares are not subject or entitled to the benefit of a sinking fund.

5. Preemptive Rights. Shares of the Series B Preferred Stock are not entitled to any preemptive rights to acquire any unissued shares of any capital stock of the Company, now or hereafter authorized, or any other securities of the Company, whether or not convertible into shares of capital stock of the Company or carrying a right to subscribe to or acquire any such shares of capital stock.

6. Voting. The holders of shares of Series B Preferred Stock will be entitled to vote such shares (with each share having one vote) together with holders of shares of Common Stock and shares of the Company's Series A Variable Rate Preferred Stock (the "Series A Preferred Stock") as a single class on all matters, including the election of directors, except as otherwise required by law. Except as set forth in the preceding sentence or as required by law, the shares of the Series B Preferred Stock shall not have any voting powers, either general or special.

7. Liquidation Preference.

(a) Upon the voluntary or involuntary liquidation, dissolution or winding up of the Company, the holders of the shares of the Series B Preferred Stock shall be entitled to receive out of the assets of the Company available for distribution to stockholders under applicable law, before and in priority to any payment or distribution of assets by any means whatsoever that is made on the Common Stock or on any other class or series of capital stock of the Company ranking junior to the Series B Preferred Stock upon liquidation, the amount of (i) the Final Stated Value per Series B Preferred Share, plus (ii) the Final Stated Value for each

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share of Common Stock (or fraction thereof) constituting cumulated and unpaid dividends on the outstanding Series B Preferred Shares (for purposes of this clause (ii), the number of Common Shares constituting unpaid dividends shall be determined in accordance with Section 2 hereof as if the "Distribution Date" is the date upon which the first payment of any portion of the amount referenced in the foregoing clause (i) is paid). The term "Liquidation Preference" as used herein means the sum of the amounts referenced in the foregoing clauses (i) and (ii). The sale, conveyance, exchange or transfer (for cash, shares of stock, securities or other consideration) of all or substantially all the property and assets of the Company shall not be deemed a dissolution, liquidation or winding up of the Company for the purposes of this Section 7, nor shall the merger or consolidation of the Company into or with any other corporation or association or the merger or consolidation of any other corporation or association into or with the Company, be deemed to be a dissolution, liquidation or winding up of the Company for the purposes of this Section 7.

(b) After the payment in full of the Liquidation Preference in cash to the holders of the Series B Preferred Shares, as provided in the foregoing paragraph (a), the holders of the Series B Preferred Stock shall have no further right or claim to any of the remaining assets of the Company, except as otherwise provided herein or as otherwise required by law.

B. Market Value. The "Market Value" of a share of Common Stock as of any specified date (the "Value Date") shall be the average of the last reported sale prices per share on each of the twenty Trading Days (as defined below) immediately preceding the second day prior to the Value Date. The last reported sale price for any Trading Day shall be (1) the last reported sale price, or the closing bid price if no sale occurred, of the Common Stock on the National Association of Securities Dealers, Inc. Automated Quotation System ("NASDAQ"), or any similar system of automated dissemination of quotations of securities prices then in common uses, if so quoted, or (2) if Common Stock prices are not quoted as described in clause (1), the mean between the high bid and low asked quotations for the Common Stock as reported by the National Quotation Bureau Incorporated if at least two securities dealers have inserted both bid and asked quotations for the Common Stock on at least five of the ten preceding days, or (3) if the Common Stock is listed or admitted for trading on any national securities exchange, the last sale price, or the closing bid price if no sale occurred, of the Common Stock on the principal securities exchange on which the Common Stock is listed, or (4) if Common Stock prices are not quoted as described in the foregoing clauses (1), (2) or (3) but are quoted on any national securities or central market system other than as described above, the last reported sale price shall be determined in the manner set forth in the foregoing clause

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(2) if bid and asked quotations are reported but actual transactions are not, and in the manner set forth in clause (3) of the preceding sentence if actual transactions are reported. If the Market Value of a share of Common Stock cannot be determined under the foregoing provisions of this Section 8 because such provisions are inapplicable by their terms, then the Market Value shall be determined by an independent appraiser jointly selected by the Board of Directors and Tekno Simon, provided, however, that if Tekno Simon is not a holder of Series B Preferred Shares at such time, the appraiser shall be selected by the Board of Directors subject to approval of the appraiser by the holders of a majority of the outstanding Series B Preferred Shares. As used herein, the term "Trading Days" means (a) if the Common Stock is quoted on NASDAQ or any similar system of automated dissemination of quotations of securities prices, days on which trades may be made on such system, or (b) if not quoted as described in clause (a), days on which quotations are reported by the National Quotation Bureau Incorporated, or (c) if the Common Stock is listed or admitted for trading on any national securities exchange, days on which such national securities exchange is open for business, or (d) if the Common Stock is quoted on any national securities or central market system referenced in clause (4) above, days on which trades may be made or prices are quoted on such system, as the case may be.

9. RANK. The Series B Preferred Stock shall rank *pari passu* as to payment of dividends and rights upon voluntary or involuntary liquidation, dissolution or winding up of the Company with the Company's Series A Preferred Stock. The Series B Preferred Stock shall rank senior as to payment of dividends and rights upon voluntary or involuntary liquidation, dissolution or winding up of the Company as to all classes and series of capital stock of the Company outstanding as of the date of these Articles of Amendment. The Company shall not hereafter issue any shares of Preferred Stock or other capital stock ranking senior to, or on parity with, the Series B Preferred Stock as to the payment of dividends or rights upon voluntary or involuntary liquidation, dissolution or winding up of the Company, without the prior consent of the holders of at least 75% of the outstanding shares of Series A Preferred Stock and Series B Preferred Stock. Any shares of Series B Preferred Stock which shall at any time have been converted or redeemed or otherwise reacquired by the Company shall, after such redemption, reacquisition or conversion, have the status of authorized but unissued shares of Preferred Stock, without designation as to class or series until such shares are once more designated as part of a particular class or series of Preferred Stock by the Board of Directors.

10. Reports and Notices. So long as any shares of the Series B Preferred Stock shall be outstanding, the Company shall provide to the holder or holders of such shares copies of all annual,

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quarterly and other reports of the Company and copies of all stockholder notices of the Company when and as furnished to the holders of the Common Stock.

A. Waiver by Preferred Shareholders. Except as expressly provided for herein or as otherwise required by law, any rights or benefits of the Series B Preferred Stock and the holders thereof provided herein may be waived as to all outstanding Series B Preferred Shares and the holders thereof by the consent of the holders of at least seventy-five percent (75%) of the outstanding Series B Preferred Shares.

B. Holder. The term "holder" as used in this Designation of Series B Variable Rate Convertible Preferred Stock means a record holder of any shares of Series B Preferred Stock.

SECOND: Adoption of Amendments to Articles of Incorporation

These Articles of Amendment to Articles of Incorporation and the amendments to the Company's Articles of Incorporation set forth herein were adopted and approved by the Company's Board of Directors without shareholder action on December 9, 1996, pursuant to Section 607.0602 of the Florida Business Corporation Act, and shareholder action was not required.

IN WITNESS WHEREOF, these Articles of Amendment to Articles of Incorporation have been executed by the undersigned duly authorized Officer of the Company as of the 9th day of December, 1996.

BIG ENTERTAINMENT, INC.

By: Mitchell Rubenstein

Mitchell Rubenstein, Chairman
of the Board and Chief
Executive Officer

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FROM: EMPIRE CORPORATE KIT COMPANY

ACCT#: 072450003255

CONTACT: RAY STORMONT

PHONE: (305) 541-3694

FAX #: (305) 541-3770

NAME: BIG ENTERTAINMENT, INC.

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FLORIDA DEPARTMENT OF STATE
Sandra B. Mortham
Secretary of State

December 19, 1996

BIG ENTERTAINMENT, INC.
2255 GLADES RD
SUITE 237W
BOCA RATON, FL 33431

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Linda Stitt
Corporate Specialist

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ARTICLES OF AMENDMENT
TO ARTICLES OF INCORPORATION

OF

BIG ENTERTAINMENT, INC.

The undersigned, Chairman of the Board of Big Entertainment, Inc., a corporation organized and existing under and by virtue of the Florida Business Corporation Act (the "Corporation"), does hereby certify:

1. The name of the Corporation is Big Entertainment, Inc.

2. The first paragraph of Article First of "Articles of Amendment to Articles of Incorporation of Big Entertainment, Inc. for Designation of Preferences, Rights and Limitations of Series A Variable Rate Convertible Preferred Stock" filed on November 14, 1995, is amended to read as follows:

Of the 1,000,000 shares of Preferred Stock, par value \$.01 per share, authorized pursuant to Article III of the Company's Articles of Incorporation, Two Hundred Seventeen Thousand Six Hundred (217,600) of such shares are hereby designated as the Series A Variable Rate Convertible Preferred Stock (the "Series A Preferred Stock"). Shares of Series A Preferred Stock are sometimes referred to below as "Series A Preferred Stock."

3. The foregoing amendment was adopted by the directors of the Corporation at a meeting duly held on December 9, 1996 and by the sole holder of the Series A Variable Rate Convertible Preferred Stock.

IN WITNESS WHEREOF, the undersigned officer of the Corporation has executed these Articles of Amendment this 9th day of December, 1996.

BIG ENTERTAINMENT, INC.

PREPARED BY:

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By: Mitchell Rubenstein
Mitchell Rubenstein
Chairman of the Board, and
Chief Executive Officer

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