

P9500091803

Katz, Kutter, Heugler
 Requestor's Name
106 E. College Ave. St. 1200
 Address
Tallahassee 224-9634
 City/State/Zip Phone #

Office Use Only

CORPORATION NAME(S) & DOCUMENT NUMBER(S), (if known):

1. _____ (Corporation Name) _____ (Document #)
2. _____ (Corporation Name) _____ (Document #) *Merger*
3. _____ (Corporation Name) _____ (Document #)
4. _____ (Corporation Name) _____ (Document #)

FILED
 98 APR 17 PM 2:00
 SECRETARY OF STATE
 TALLAHASSEE, FLORIDA

- Walk in
 Pick up time _____
 Certified Copy
 Mail out
 Will wait
 Photocopy
 Certificate of Status

NEW FILINGS	
<input type="checkbox"/>	Profit
<input type="checkbox"/>	NonProfit
<input type="checkbox"/>	Limited Liability
<input type="checkbox"/>	Domestication
<input type="checkbox"/>	Other

AMENDMENTS	
<input type="checkbox"/>	Amendment
<input type="checkbox"/>	Resignation of R.A., Officer/ Director
<input type="checkbox"/>	Change of Registered Agent
<input type="checkbox"/>	Dissolution/Withdrawal
<input type="checkbox"/>	Merger

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 ****367.50 ****122.50

OTHER FILINGS	
<input type="checkbox"/>	Annual Report
<input type="checkbox"/>	Fictitious Name
<input type="checkbox"/>	Name Reservation

REGISTRATION QUALIFICATION	
<input type="checkbox"/>	Foreign
<input type="checkbox"/>	Limited Partnership
<input type="checkbox"/>	Reinstatement
<input type="checkbox"/>	Trademark
<input type="checkbox"/>	Other

Name Availability *4/17/98*
 Agent *POH*
 Update *POH*
 Verifier *POH*
 Acknowledgement *POH*
 W.P. Verifier *POH*

RECEIVED
 98 APR 17 AM 11:00

Examiner's Initials

ARTICLES OF MERGER
Merger Sheet

MERGING:

ERNEST H. MCDOWELL, D.M.D., INC., a Florida corporation K08821

INTO

ORTHODONTIX, INC., a Florida corporation, P95000091803

File date: April 17, 1998

Corporate Specialist: Annette Hogan

ARTICLES OF MERGER
of
ERNEST H. McDOWELL, D.M.D., INC.
and
ORTHODONTIX, INC.

FILED
98 APR 17 PM 2:00
SECRETARY OF STATE
TALLAHASSEE, FLORIDA

Pursuant to the provisions of Section 607.1105 of the Florida Business Corporation Act, the domestic corporations named herein adopt the following Articles of Merger:

FIRST: Annexed hereto and made a part hereof is the Agreement and Plan of Merger dated April 16, 1998 between Ernest H. McDowell, D.M.D., Inc., a Florida corporation, and Orthodontix, Inc., a Florida corporation (f/k/a Embassy Acquisition Corp.).

SECOND: The merger of Ernest H. McDowell, D.M.D., Inc. with and into Orthodontix, Inc. is permitted by and in compliance with the laws of Florida.

THIRD: The merger shall be effective upon filing with the Florida Department of State.

FOURTH: The Agreement and Plan of Merger was adopted by written consent by the sole shareholder of Ernest H. McDowell, D.M.D., Inc. on April 16, 1998. Under the Florida Business Corporation Act, the Agreement and Plan of Merger was not required to be adopted by the shareholders of Orthodontix, Inc.

FIFTH: The surviving corporation of the merger is Orthodontix, Inc., a Florida corporation.

IN WITNESS WHEREOF, said corporations to this merger have caused these Articles of Merger to be signed this 16th day of April, 1998.

Ernest H. McDowell, D.M.D., Inc.

By: 
Ernest H. McDowell, D.M.D., President

Orthodontix, Inc.

By: 
F.W. Mort Guilford, President

AGREEMENT AND PLAN OF MERGER

THIS AGREEMENT AND PLAN OF MERGER is made and entered into as of April 16, 1998, by and among Ernest H. McDowell, D.M.D., Inc., a Florida corporation ("McDowell"), and Orthodontix, Inc., a Florida corporation ("Orthodontix"), with such parties sometimes collectively referred to as the "Constituent Entities," and Orthodontix sometimes referred to as the "Survivor."

WITNESSETH

WHEREAS, McDowell is a corporation organized and existing under the laws of the State of Florida; and

WHEREAS, Orthodontix is a corporation organized and existing under the laws of the State of Florida; and

WHEREAS, all of the directors of McDowell and Orthodontix (collectively, the "Directors"), have approved this Agreement and Plan of Merger (this "Agreement"); and

WHEREAS, the sole shareholder of McDowell (the "Shareholder") has adopted this Agreement in accordance with the applicable provisions of the Florida Business Corporation Act, as amended, which permits such a merger.

NOW, THEREFORE, in consideration of the mutual promises herein contained, and intending to be legally bound hereby, the parties covenant and agree as follows:

1. Merger

McDowell shall upon and subject to the terms and conditions set forth in this Agreement and that certain Agreement And Plan of Reorganization dated the 6th day of August, 1997, by and among McDowell, Shareholder and Orthodontix (the "Agreement of Reorganization"), be merged with and into Orthodontix (the "Merger"), and Orthodontix shall be the Survivor of said Merger and shall continue to do business as, and under the name of, "Orthodontix, Inc.," a corporation organized under the laws of the State of Florida. Except as continued by operation of law, the separate corporate existence of McDowell shall cease from and after the "Effective Date," as such term is defined below.

2. Effective Date

The Merger provided for in this Agreement shall become effective at the time and on the date of filing of Articles of Merger with the Florida Secretary of State (the "Effective Date").

3. Articles of Incorporation

(a) The Articles of Incorporation of Orthodontix shall constitute, from and after the

Effective Date and until further amended in accordance with applicable law, the Articles of Incorporation of the Survivor (the "Articles").

(b) The Bylaws of Orthodontix, as in effect on the Effective Date, shall constitute, from and after the Effective Date and until further amended in accordance with applicable law, the Bylaws of the Survivor (the "Bylaws").

4. Conversion of Shares and Other Consideration.

Orthodontix shall, pursuant to the Merger, acquire the assets of McDowell for \$1,792,041 of value (the "Consideration"). At the Merger, the Consideration shall be paid by Orthodontix to the Shareholder in cash consideration and in stock consideration as referenced below:

(a) Cash Consideration. At the closing of the Merger (the "Closing"), McDowell shall receive \$179,204 cash (the "Cash Consideration"). The Cash Consideration shall be delivered by Orthodontix to McDowell, at Orthodontix' option, in the form of a cashier's check or wire transfer of funds to such account as McDowell may designate; and

(b) Stock Consideration. All Consideration less the Cash Consideration (the "Remainder Consideration") shall be payable at the Closing by Orthodontix to McDowell by the delivery of the aggregate number of shares of common stock, par value \$.0001 per share of Orthodontix, equal to the quotient of (x) the Remainder Consideration divided by (y) the Share Value (the "Stock Consideration"). The term Share Value shall mean the average of the closing bid and ask price, as reported on the OTC Electronic Bulletin Board or similar quotation board of Orthodontix' shares of Common Stock for the 15 trading days immediately preceding the date of the Closing.

5. Cancellation And Extinguishment of Shares

Upon the Effective Date, by virtue of the Merger and without any action on the part of the holder thereof, each share of capital stock of McDowell issued and outstanding on the Effective Date shall be canceled and extinguished as of the Effective Date by virtue of the Merger and without any action on the part of the holder thereof. Upon the Effective Date, each share of capital stock of Survivor issued and outstanding immediately before the Effective Date shall not be converted or exchanged in any manner, but each said share which is issued when the Merger becomes effective shall continue to represent one issued share of the Survivor.

6. Directors And Officers

The directors and officers of Orthodontix on the Effective Date shall be, after the Effective Date, the directors and officers of the Survivor. Such directors and officers shall serve in such capacities until their successors shall have been duly elected and qualified according to the Articles and the Bylaws.

7. Effect of Merger

(a) Upon the Effective Date:

(i) Subject to the Agreement of Reorganization, the Survivor shall possess all the rights, privileges, powers and franchises, of a public and private nature, and shall be subject to all of the restrictions, disabilities and duties of each of the Constituent Entities;

(ii) Subject to the Agreement of Reorganization, all property, real, personal and mixed, and all debts due to any Constituent Entity on whatever account, including all choses in action and other things belonging to the Constituent Entities, shall be vested in the Survivor;

(iii) Subject to the Agreement of Reorganization, all property, rights, privileges, powers and franchises, and every other interest of each of the Constituent Entities shall be, from and after the Effective Date, the property of the Survivor, and the title to any real estate vested by deed or otherwise in the Constituent Entities shall not revert or be impaired in any way by this Agreement or the Merger provided for herein; but all rights of creditors and all liens upon any property of any Constituent Entity shall be preserved unimpaired, and all debts, liabilities and duties of the Constituent Entities shall, from and after the Effective Date, attach to and become the debts, liabilities and duties of the Survivor, and may be enforced against it to the same extent as if said debts, liabilities and duties had been incurred or contracted by it; and

(iv) Subject to the Agreement of Reorganization, all transfers and vesting in the Survivor referred to herein shall be deemed to occur by operation of law, and no consent or approval of any other person shall be required in connection with any such transfer or vesting unless such consent or approval is specifically required in the event of merger or consolidation by law or express provision of any contract, agreement, decree, order or other instrument to which any of the Constituent Entities is bound.

(b) Subject to the Agreement of Reorganization, upon the Effective Date, the accounting entries with respect to the assets, liabilities, capital, surplus and any and all other items of the Constituent Entities shall be taken up on the books of the Survivor at the amounts which they, respectively, are then carried on the books of said Constituent Entities, subject to such adjustments as may be appropriate in giving effect to the Merger.

(c) Subject to the Agreement of Reorganization, nothing in this Agreement, however, shall be deemed to limit the generality of the property and rights hereby vested in, and liabilities assumed by, the Survivor pursuant to the provisions of the law applicable to the Merger, or to exclude any other defects, obligations, liabilities or duties provided by law as incident to or resulting from such Merger and not specifically mentioned in this Agreement.

8. Prior Acts

All corporate plans, policies, approvals and authorizations of the Constituent Entities, and of the Directors and committees appointed by such Directors, and their respective officers and

agents, which were valid and effective immediately prior to the Effective Date, shall be taken for all purposes as the acts, plans, policies, approvals and authorizations of the Survivor and shall be as effective and binding thereon as the same were with respect to McDowell and Orthodontix.

9. Further Assurances

If at any time the Survivor shall determine or be advised that any further instruments of transfer, assignments or assurances in law or any other acts or things are necessary or desirable to vest, perfect, confirm or record or authorize in the Survivor title to any property, rights, privileges, powers, franchises or any other interests of McDowell or otherwise to carry out the provisions of this Agreement, McDowell and its respective officers, as and when requested by the Survivor shall execute and deliver any and all such instruments of transfer, assignments, assurances or other instruments.

10. Amendment

(a) Subject to the provisions contained in Subsection 10(b) below, at any time prior to the Effective Date, this Agreement may be amended in any manner as may be determined in the joint judgment of the Directors to be necessary, desirable or expedient in order to facilitate the purposes and intent of this Agreement.

(b) Notwithstanding the provisions contained in Subsection 10(a) above, any action taken pursuant to said Subsection shall not: (i) alter or change the amount or kind of shares, obligations, securities, cash, property or rights to be received in exchange for or on conversion of all or any of the shares of any class or series or partnership interests of the Constituent Entities; (ii) alter or change any term of the Articles of the Survivor; or (iii) alter or change any of the terms and conditions of this Agreement if such alteration or change would adversely affect the holders of any shares of stock of or partnership interests in any of the Constituent Entities.

11. Termination

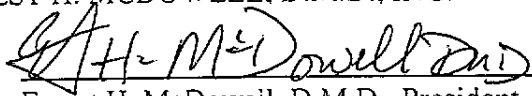
At any time before the Effective Date, this Agreement may be terminated and the Merger may be abandoned by the joint decision of the Directors, notwithstanding approval of this Agreement by the Shareholder.

12. Counterparts

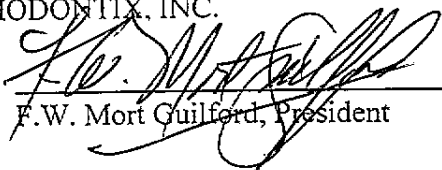
This Agreement may be executed in any number of counterparts, each of which shall be deemed an original and all of which, taken together, shall constitute one and the same instrument.

IN WITNESS WHEREOF, McDowell and Orthodontix, pursuant to the approval and authority duly given by resolutions adopted by the Directors and Shareholder, have caused this Agreement and Plan of Merger to be executed on their behalf in each case as of the day and year first above written.

ERNEST H. MCDOWELL, D.M.D., INC.

By: 
Ernest H. McDowell, D.M.D., President

ORTHODONTIX, INC.

By: 
F.W. Mort Guilford, President