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DANIEL B. NUNN, JR.  
SCOTT G. SCHILDBERG  
MICHAEL D. WHALEN  
GARY L. WILKINSON  
L. PETER JOHNSON (1942-1988)

December 29, 1998

VIA FEDERAL EXPRESS

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

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-12/30/98--01037--006  
\*\*\*\*\*87.50 \*\*\*\*\*43.75

Re: Douglas Capital Management, Inc.

To Whom It May Concern:

I enclose the original and one photocopy of executed Amended and Restated Articles of Incorporation for the above-referenced corporation, along with the Certificate Accompanying Amended and Restated Articles of Incorporation. Our firm check in the amount of \$87.50 is enclosed herewith for fees related to this request. Please forward the certified copy to my attention at the above address.

If you should have any questions or concerns pertaining to this matter, please do not hesitate to contact me.

Sincerely,

*Haley A. Watkins*

Haley A. Watkins  
Paralegal

*HALEY* GAVE  
AUTHORIZATION BY PHONE TO  
CONNECT *take out initial*  
DATE *1-11-99*  
/hw  
Enclosures *HW*

FILED  
98 DEC 30 PM 1:59  
SECRETARY OF STATE  
TALLAHASSEE, FLORIDA

*HW + Rest*  
*HW*  
*11/11*

CERTIFICATE ACCOMPANYING  
AMENDED & RESTATED  
ARTICLES OF INCORPORATION  
OF  
DOUGLAS CAPITAL MANAGEMENT, INC.

FILED  
98 DEC 30 PM 1:59  
SECRETARY OF STATE  
TALLAHASSEE, FLORIDA

1. The name of the corporation is Douglas Capital Management, Inc. ("Corporation").
2. This Certificate is delivered to the Florida Department of State for purposes of filing the attached Amended and Restated Articles of Incorporation of the Corporation pursuant to Florida Statutes Section 607.1007(4) (1997).
3. The Amended and Restated Articles of Incorporation of the Corporation accompanying this Certificate were unanimously approved by all of the shareholders and all of the members of the Board of Directors of the Corporation by Written Consent dated December 28, 1998.

IN WITNESS WHEREOF, the undersigned has executed this Certificate on behalf of Douglas Capital Management, Inc., as of the 28 day of December, 1998.

DOUGLAS CAPITAL MANAGEMENT, INC.,  
a Florida corporation

By: G. Bruce Douglas  
G. Bruce Douglas, Chief Executive Officer

AMENDED AND RESTATED  
ARTICLES OF INCORPORATION  
OF  
DOUGLAS CAPITAL MANAGEMENT, INC.

FILED  
98 DEC 30 PM 1:59  
SECRETARY OF STATE  
TALLAHASSEE, FLORIDA

ARTICLE I.  
NAME

The name of this corporation is Douglas Capital Management, Inc. (the "Corporation").

ARTICLE II.  
PRINCIPAL OFFICE

The principal office and mailing address of the Corporation is 814 Hwy A1A North, Suite 201, Jacksonville, Florida 32082.

ARTICLE III.  
CAPITAL STOCK

3.1 Authorized Capital. The Corporation is authorized to issue an aggregate of Two Hundred Thousand (200,000) shares of capital stock, divided as follows:

(a) One Hundred Thousand (100,000) shares of common stock, par value \$.005 per share (the "Common Stock"); and

(b) One Hundred Thousand (100,000) shares of preferred stock, par value \$.005 per share (the "Preferred Stock"), all of which are hereby designated as Series A Preferred Stock (the "Series A Preferred Stock").

The rights, powers, preferences and privileges of the Common Stock are specified in Section 3.3 below, and the rights, powers, preferences and privileges of the Series A Preferred Stock are specified in Sections 3.4 through 3.11 below.

3.2 Issuance of Capital Stock. Without action by the shareholders, any or all of the authorized shares of capital stock may be issued by the Corporation from time to time for such consideration as may be fixed by Board of Directors of the Corporation.

3.3 Powers and Rights of Shares of Common Stock.

A. Voting Rights with Respect to Common Stock. Each holder of shares of Common Stock shall be entitled to one vote for each share of Common Stock held of record by such holder.

B. Right to Dividends With Respect to Common Stock. When and as dividends are declared thereon, whether payable in cash, property or securities of the Corporation, the holders of Common Stock then outstanding shall be entitled to share equally and ratably, on a share-for-share basis, in dividends.

C. Rights of Holders of Common Stock Upon Liquidation. The holders of Common Stock then outstanding shall be entitled to receive equally and ratably, on a share-for-share basis, all assets of the Corporation to be distributed to holders of Common Stock upon any liquidation, dissolution or winding up of the Corporation.

3.4 Liquidation Preference of Series A Preferred Stock. In the event of any liquidation, dissolution, or winding up of the Corporation, whether voluntary or involuntary, the holders of each share of the Series A Convertible Preferred Stock ("Preferred Share") shall be entitled to receive with respect to each Preferred Share, in preference to holders of all other classes of securities of the Corporation (the "Junior Securities"), an amount equal to the Stated Value (as defined below) plus all accrued but unpaid dividends with respect to each Preferred Share. If, upon any liquidation, dissolution, or winding up of the Corporation, whether

voluntary or involuntary, the assets to be distributed to the holders of the Preferred Shares shall be insufficient to permit the payment to such shareholders of the full preferential amount described herein, then all of the assets of the Corporation available for distribution to its shareholders shall be distributed pro rata to the holders of the Preferred Shares in proportion to the full amounts such shareholders would otherwise be entitled.

3.5 Stated Value of Series A Preferred Stock. The stated value (the "Stated Value") of each Preferred Share shall be \$5.25 per Preferred Share.

3.6 Dividends on Series A Preferred Stock. The holders of each Preferred Share shall be entitled to receive, cumulative cash dividends at the annual rate of nine percent (9%) of the Stated Value of each Preferred Share from the time of issuance of each Preferred Share until such time as such Preferred Shares are converted into shares of the voting Common Stock of the Corporation pursuant to Section 3.8 below or are otherwise redeemed by the Corporation pursuant to Sections 3.9 or 3.10 below.

Dividends shall be payable quarterly, in arrears, on the fifteenth day of each April, July, October and January, commencing on the first dividend payment date to occur after the issue of the Preferred Shares and continuing until such time as each the Preferred Shares are converted into shares of the voting Common Stock of the Corporation pursuant to the terms hereof or otherwise redeemed by the Corporation. Dividends on any delinquent payments shall accrue at the rate of twelve percent (12%) per annum. The dividends authorized hereunder shall accrue on each outstanding Preferred Share whether or not declared by the Board of Directors of the Corporation, and must be paid before any dividends may be paid or declared on account of any of the Junior Securities of the Corporation.

3.7 Voting Rights of Series A Preferred Stock.

(a) Election of Directors. So long as there are any issued and outstanding Preferred Shares, then the holders of the Preferred Shares, acting separately as a class, shall be entitled to designate (i) one (1) member of the Board of Directors of the Corporation (the "Designated Director"), and (ii) in the event of any vacancy of the directorship occupied by the Designated Director (including any vacancy created by a "for cause" removal of such Designated Director), any successor to such Designated Director. The holders of the Preferred Shares, acting separately as a class, shall have the sole right to elect and remove the Designated Director; provided, however, that the holders of a majority of the issued and outstanding shares of Common Stock, acting reasonably and in good faith, shall have the right to remove the Designated Director for cause. For purposes of this Section 3.7(a), the term "for cause" shall mean (i) the conviction of the Designated Director for the commission of a felony under the laws of the United States of America or any state, (ii) a breach of the Designated Director's duty of loyalty to the Corporation under Florida law, or (iii) a material act of dishonesty or breach of trust on the part of the Designated Director resulting (or intending to result) in personal gain to the Designated Director at the expense of the Corporation.

(b) Additional Voting Rights. The affirmative vote of the holders of a majority of the issued and outstanding Preferred Shares, voting separately as a class, shall be required in each instance to authorize the Corporations to:

- (i) Incur, create, permit to exist, assume, guarantee, or in any manner become or be liable in respect to any indebtedness except for

indebtedness incurred in the ordinary course of business or lease obligations; or

(ii) Merge or consolidate with any other corporation or entity or dissolve; or

(iii) Sell, transfer, or otherwise dispose of all or any substantial portion of the assets of the Corporation; or

(iv) Alter, amend, or repeal any of the provisions of the Articles of Incorporation of the Corporation (or take any other corporate action) which would alter, change, or otherwise adversely affect the powers, preferences, or rights of the Corporation's Series A Convertible Preferred Stock.

(c) No other Voting Rights. Except as specified in this Section 3.7, the holders of the Preferred Shares shall have no voting rights, privileges or powers whatsoever.

### 3.8 Optional Conversion.

(a) Certain Definitions. As used herein, the following terms shall have the following meanings:

(i) "Conversion Shares" shall mean that number of shares of Common Stock that would constitute twenty percent (20%) of the Fully Diluted Common Stock.

(ii) "Fully Diluted Common Stock" shall mean the number of shares of Common Stock issued and outstanding at the time of conversion, plus the number of shares of Common Stock which would at such time be issued or

outstanding assuming the conversion, exchange or exercise, as the case may be, of all Common Stock Equivalents issued and outstanding at the time of the conversion.

(iii) “Common Stock Equivalents” shall mean all securities convertible into or exchangeable for, and all warrants, options and other rights exercisable for, shares of Common Stock.

(b) Conversion. At any time prior to the Redemption Date (as defined in this Article III), the holders of all of the Preferred Shares, at their option, may elect to convert all (but not less than all) of the Preferred Shares into that number of shares of Common Stock equal to the Conversion Shares. The holders of the Preferred Shares may exercise this conversion right at any time prior to the Redemption Date by written notice to the Corporation (the “Conversion Notice”). Upon receipt of the Conversion Notice, the Corporation shall issue and deliver to such holders a certificate representing that number of shares of the Common Stock of the Corporation equal to the Conversion Shares against surrender by the holders of the Preferred Shares of the certificates representing the Preferred Shares. The Corporation shall at all times reserve and keep available out of its authorization but unissued Common Stock the full number of shares of its Common Stock which would be issuable upon conversion of the Preferred Shares.

(c) Adjustments for Reclassification, Exchange or Substitution, or Merger or Reorganization. If the Common Stock issuable upon the conversion of the Preferred Shares shall be changed into the same or different number of shares of any class or classes of stock, whether by capital reorganization, reclassification or otherwise (other than a reorganization,



merger, consolidation or sale of assets provided for below), then and in each of such events the holders of the Preferred Shares shall have the right thereafter to convert the Preferred Shares into the kind and amount of shares of stock and other securities and property receivable upon such reorganization, reclassification, or other change, by holders of the number of shares of Common Stock into which the Preferred Shares might have been converted immediately prior to such reorganization, reclassification or change. In case of any consolidation or merger of the Corporation with and into any other corporation or other entity or the sale of all or substantially all of the assets of the Corporation to another corporation or entity, the Preferred Shares shall thereafter be convertible (or shall be converted into a security which shall be convertible) into the kind and amount of shares or stock or other security or property to which a holder of the number of shares of Common Stock of the Corporation deliverable upon conversion of the Preferred Shares would have been entitled upon such consolidation, merger or sale. The Corporation will not, by amendment of its Articles of Incorporation or through any reorganization, transfer of assets, consolidation, merger, dissolution, issue or sale of securities or any other voluntary action, avoid or seek to avoid the observance or performance of any of the terms to be observed or performed hereunder by the Corporation, but will at all times in good faith assist in the carrying out of all of the provisions hereof, and in the taking of all such action as may be necessary or appropriate in order to protect the conversion rights of the holders of Preferred Shares.

3.9 Optional Redemption of Series A Convertible Preferred Stock. The Corporation may elect at any time to redeem all (but not less than all) of its Series A Convertible Preferred Stock in accordance with the terms of this Section 3.9 by written notice

to each of the holders of the Corporation's Series A Convertible Preferred Stock at least sixty (60) days prior to the date fixed for redemption (the "Redemption Notice"). The Redemption Notice shall (i) specify the date fixed for redemption (the "Optional Redemption Date") at the principal offices of the Corporation, (ii) provide sufficient information to permit calculation of the Redemption Price (as defined in Section 3.11 below), and (iii) specify that all (but not less than all) of the holders of all of the Preferred Shares have the right, as a group, to convert all of the Preferred Shares into Common Stock of the Corporation in accordance with the terms of Section 3.8. The holders of the Preferred Shares shall not be entitled to receive payment of the Redemption Price until each has surrendered to the Corporation a certificate or certificates representing all of the outstanding Preferred Shares. Upon tender of the Redemption Price to the holders of the Preferred Shares, all of the right, title, and interest of the holders of the Preferred Shares in and to the Preferred Shares shall terminate. No dividend shall accrue or otherwise be declared on the Preferred Shares after tender by the Corporation of the Redemption Price to the holders of the Preferred Shares.

3.10 Mandatory Redemption of Series A Convertible Preferred Stock. The Corporation shall be required to redeem all (but not less than all) of the Preferred Shares on the earlier of (i) June 15, 2003, or (ii) the date on which any of the following events first occurs (the "Mandatory Redemption Date," and together with the Optional Redemption Date, the "Redemption Date"):

(a) The Corporation shall fail to pay to any holder of the Preferred Shares any of the dividends described in Section 3.6 above and this failure shall continue for fifteen (15) days;

(b) The Corporation shall fail to observe or perform any other obligation to be observed or performed under the terms of this Article III or in any other written agreement between the Corporation and the holders of its Preferred Shares, and this failure shall continue for fifteen (15) days after written notice of default is given to the Corporation;

(c) The death of G. Bruce Douglas;

(d) The sale or transfer by the Corporation of all or any substantial portion of its assets without the approval of the holders of a majority of the issued and outstanding Preferred Shares;

(e) If the Corporation ceases doing business as a going concern;

(f) Filing by the Corporation of a petition in voluntary bankruptcy or seeking relief under any provision of any bankruptcy, reorganization, insolvency, readjustment of debt, dissolution or liquidation law of any jurisdiction, whether now or hereafter in effect, or consenting to the filing of any petition against it under any such law, or taking any corporate action to authorize such action;

(g) Filing of a petition against the Corporation under any bankruptcy, reorganization, insolvency, readjustment of debt, dissolution or liquidation law of any jurisdiction, whether now or hereafter in effect, which petition is not dismissed within 60 days after such filing; or

(h) making a general assignment by the Corporation for the benefit of creditors or admitting in writing an inability to pay debts generally as they become due or taking any corporate action to authorize such action; or

(i) If G. Douglas, C. Douglas and J. Douglas, individually or collectively, shall cease to own a majority of the issued and outstanding Common Stock of the Corporation.

The holders of the issued and outstanding Preferred Shares shall be not be entitled to receive payment of the Redemption Price until surrender to the Corporation of all outstanding certificates evidencing all of the issued and outstanding Preferred Shares. No dividend shall accrue or otherwise be declared on the Preferred Shares after tender by the Corporation of the Redemption Price to the holders of the Preferred Shares.

3.11 Calculation and Payment of Redemption Price. The per share Redemption Price (the "Redemption Price") payable by the Corporation to the holders of the Corporation's Series A Convertible Preferred Stock upon any redemption authorized under Section 3.9 or 3.10 shall be the sum of:

- (a) an amount equal to the greater of
  - (i) the Stated Value; or
  - (ii) the product of
    - (A) 0.0002% of the fees received by the Corporation during the twelve calendar months immediately preceding the month in which the redemption occurs, multiplied by
    - (B) 2.5, plus
- (b) all accrued but unpaid dividends with respect to each such Preferred Share through the date of payment in full.

The Redemption Price shall be paid as follows: (i) the Corporation shall pay the Stated Value, plus all accrued but unpaid dividends, within thirty (30) days after the Redemption Date; and (ii) the balance of the Redemption Price, if any, shall be paid in twenty-four (24) consecutive equal monthly installments, plus accrued interest at the rate of nine percent (9%) per annum, commencing on the first day of the month following the Optional Redemption Date or the Mandatory Redemption Date (as the case may be) and continuing on the same day of the next consecutive twenty-three months.

3.12 Redemption Fund. Commencing on July 1, 1999, and continuing on the same day of each month thereafter until the Redemption Date, the Corporation shall deposit the sum of Eight Thousand Five Hundred Dollars (\$8,500.00) per month in a segregated account (the "Account") as a fund for payment of the Redemption Price (the "Redemption Fund"). Prior to July 1, 1999, the Corporation shall execute and deliver to the holders of Series A Preferred Stock a Pledge and Security Agreement, and shall cause the custodian of the Account to execute and deliver to the holders of the Series A Preferred Stock a Control Agreement and Acknowledgment of Pledge, both in form reasonably acceptable to the holders of the Series A Preferred Stock.

#### ARTICLE IV. REGISTERED OFFICE AND AGENT

The registered office of this corporation in the state of Florida is 814 Hwy A1A North, Suite 201, Jacksonville, Florida 32082. The name of the registered agent of this corporation at that address is G. Bruce Douglas. The Board of Directors may, from time to time, change the registered agent or move the registered office to any other address in Florida.

ARTICLE V.  
AMENDMENTS

These Amended and Restated Articles of Incorporation may be amended in the manner provided by law. Both the shareholders and Board of Directors may repeal, amend or adopt Bylaws for the corporation, pursuant to these Amended and Restated Articles, except that the shareholders may prescribe in any Bylaw made by them that such Bylaw shall not be altered, repealed or amended by the Board of Directors.

ARTICLE VI.  
INDEMNIFICATION

This corporation shall indemnify the directors and officers of this corporation to the full extent permitted by applicable law.

IN WITNESS WHEREOF, the undersigned Chief Executive Officer of Douglas Capital Management, Inc., has hereunto set his hand and affixed his seal this 28<sup>th</sup> day of December, 1998.

  
\_\_\_\_\_  
G. Bruce Douglas, Chief Executive Officer