

UCCS
103 N. MIAMI AVENUE, SUITE 100, LOWER LEVEL
TALLAHASSEE, FL 32301
222-1171

FILING COVER SHEET
ACCT. #FCA-14

CONTACT: CINDY HICKS

DATE: 2-22-00

REF. #: 0182, 10772

CORP. NAME: Pathtech Software

- () ARTICLES OF INCORPORATION () ARTICLES OF AMENDMENT () ARTICLES OF DISSOLUTION
() ANNUAL REPORT () TRADEMARK/SERVICE MARK () FICTITIOUS NAME
() FOREIGN QUALIFICATION () LIMITED PARTNERSHIP () LIMITED LIABILITY
() REINSTATEMENT () MERGER () WITHDRAWAL
() CERTIFICATE OF CANCELLATION () UCC-1 () UCC-3
() OTHER: _____

Messersmith & Harkness
FILED
FEB 22 PM 1:05
TALLAHASSEE, FLORIDA

STATE FEES PREPAID WITH CHECK# 7094 FOR \$ 78.75

AUTHORIZATION FOR ACCOUNT IF TO BE DEBITED: 800003143638--1
-02/23/00--01001--014
*****78.75 *****78.75

COST LIMIT: \$ _____

PLEASE RETURN:

- (X) CERTIFIED COPY () CERTIFICATE OF GOOD STANDING () PLAIN STAMPED COPY
() CERTIFICATE OF STATUS

AKR

Examiner's Initials
2/23/00

RECEIVED
00 FEB 22 PM 3:09
DEPARTMENT OF STATE
DIVISION OF CORPORATIONS
STATE OF FLORIDA

*00789, 00524 00672

ARTICLES OF MERGER
Merger Sheet

MERGING:

PATHTECH SOFTWARE SOLUTIONS, INC., a Florida corporation H28081

INTO

**PATHTECH ACQUISITION SUB, INC. which changed its name to
PATHTECH SOFTWARE SOLUTIONS, INC., a North Carolina entity,
F00000000867**

File date: February 22, 2000

Corporate Specialist: Annette Ramsey

PLEASE GIVE ORIGINAL SUBMISSION
DATE AS FILE DATE.



FLORIDA DEPARTMENT OF STATE
Katherine Harris
Secretary of State

PLEASE GIVE ORIGINAL SUBMISSION
DATE AS FILE DATE.

February 22, 2000

CCRS
103 N. Meridian St.
Tallahassee, FL 32301

SUBJECT: PATHTECH ACQUISITION SUB, INC.
Ref. Number: F00000000867

We have received your document for PATHTECH ACQUISITION SUB, INC. and your check(s) totaling \$78.75. However, the enclosed document has not been filed and is being returned for the following correction(s):

Since the surviving corporation is changing its name we will need a certified copy from its home state (North Carolina) evidencing the name change.

Please return your document, along with a copy of this letter, within 60 days or your filing will be considered abandoned.

If you have any questions concerning the filing of your document, please call (850) 487-6907.

Annette Ramsey
Corporate Specialist

Letter Number: 200A00009558

RECEIVED
00 FEB 23 AM 9:54
DIVISION OF CORPORATIONS
TALLAHASSEE, FLORIDA

ARTICLES OF MERGER

Pursuant to § 607.1105 and § 607.1107 of the Florida Business Corporation Act, the undersigned corporation as the surviving corporation in a merger hereby submits the following Articles of Merger.

1. The name of the surviving corporation is PathTech Acquisition Sub, Inc., a North Carolina corporation (the "Surviving Corporation"), and a wholly-owned subsidiary of Strategic Technologies, Inc. ("STI"), a North Carolina corporation. The name of the merged corporation is PathTech Software Solutions, Inc., a Florida corporation (the "Merged Corporation").
2. Attached as Exhibit A hereto and made a part hereof is a copy of the Plan of Merger that was duly adopted in the manner prescribed by law by the Boards of Directors of each of the corporations participating in the merger. The Board of Directors of the Surviving Corporation adopted the Plan of Merger on February 22, 2000. The Board of Directors of STI adopted the Plan of Merger on February 22, 2000.
3. Shareholder approval of the Plan of Merger by the Surviving Corporation and STI is not required. The Plan of Merger was duly adopted by the shareholders of the Merged Corporation on February 11, 2000.
4. These Articles of Merger will be effective upon filing.

Dated as of the 22nd of February, 2000.

PATHTECH ACQUISITION SUB, INC.

By: Michael G. Shook
Michael G. Shook, President

PATHTECH SOFTWARE SOLUTIONS,
INC.

By: Cheryle M. Touchton
Cheryle M. Touchton, President

EXHIBIT A

PLAN OF MERGER

THIS PLAN OF MERGER (the "Plan"), dated as of February 22, 2000, is by, and between and among Strategic Technologies, Inc., a North Carolina corporation ("STI"), PathTech Acquisition Sub, Inc., a North Carolina corporation and wholly-owned subsidiary of STI ("Subsidiary"), PathTech Software Solutions, Inc., a Florida corporation ("PathTech"), and Robert A. Touchton, Alan Dale Gunter, Cheryle M. Touchton and Kenneth Wilson (collectively, the "Class A Shareholders").

1. **The Merger.** Upon filing of the Articles of Merger as required by law (the "Effective Time"), PathTech shall be merged with and into Subsidiary (the "Merger"). The separate corporate existence of PathTech shall thereupon cease, and Subsidiary shall be the surviving corporation in the merger (the "Surviving Corporation"). The name of the Surviving Corporation shall be PathTech Software Solutions, Inc. The Merger shall be effected pursuant to the provisions of and shall have the effect provided by the Florida Business Corporation Act (the "FBCA").

2. **Effect of the Merger.** At the Effective Time (a) the separate corporate existence of PathTech shall cease and PathTech shall be merged with and into Subsidiary, (b) the articles of incorporation of Subsidiary shall be the articles of incorporation of the Surviving Corporation, except that such articles will be amended to change the name of the Surviving Corporation to PathTech Software Solutions, Inc., (c) the bylaws of Subsidiary shall be the bylaws of the Surviving Corporation, (d) the directors of Subsidiary shall be the directors of the Surviving Corporation and the officers of the Surviving Corporation shall be appointed by the directors of the Surviving Corporation, (e) all the property, rights, privileges, powers and franchises of PathTech and Subsidiary shall vest in the Surviving Corporation and all debts, liabilities and duties of PathTech and Subsidiary shall become the debts, liabilities and duties of the Surviving Corporation subject to PathTech's obligations to satisfy certain indebtedness, encumbrances and other liabilities, and (f) the Merger shall have all the effects provided by applicable law.

3. **The Shareholders and Optionholders.** The Class A Shareholders constitute all of the Class A Shareholders currently employed by PathTech. The shares of Common Stock of PathTech, of all classes (the "Shares"), are owned by the shareholders of PathTech, including the Class A Shareholders (the "Shareholders"). Certain option rights to acquire PathTech shares are held by optionholders of PathTech (the "Optionholders").

4. **Conversion and Exchange of Shares, Option Rights and Consideration.** The manner and basis of converting and exchanging shares and option rights of PathTech and STI and the consideration to be paid for the Merger shall be as follows:

(a) At the Effective Time, Subsidiary shall pay jointly to the Shareholders and Optionholders \$14.0469 per share or option based on their respective ownership interests and/or option rights in PathTech (the "Cash Consideration") and \$2.8094 per share shall be held back by Subsidiary for a period of one (1) year and applied as necessary to compensate STI and

Subsidiary for any required adjustments to the Merger consideration and for certain losses, expenses, liabilities, or other damages as agreed by the parties ("Post-Closing Adjustments");

(b) At the Effective Time, Subsidiary shall pay to PathTech (or PathTech's creditors) in cash by wire transfer or check the total sum of One Million Two Hundred Thousand Dollars (\$1,200,000) for satisfaction of all of PathTech's then outstanding indebtedness (the "Debt Satisfaction Cash Consideration"); provided, however, if PathTech's outstanding indebtedness immediately prior to the Effective Time is less than One Million Two Hundred Thousand Dollars (\$1,200,000), the Debt Satisfaction Cash Consideration shall be correspondingly reduced to equal the amount of such existing indebtedness;

(c) At the Effective Time, Subsidiary shall pay to each of the four (4) Class A Shareholders of PathTech a portion of a total payment of Eight Hundred Thousand Dollars (\$800,000) as consideration for the execution and delivery of noncompetition agreements by the Class A Shareholders (the "Noncompete Consideration");

(d) At the Effective Time, STI shall issue to the Shareholders 23.7337 shares of its common stock for each share of PathTech stock. At the same time, STI shall issue to the Optionholders options to purchase 23.7337 shares of its common stock for each share of PathTech stock the Optionholders are entitled to purchase from PathTech, subject to Post-Closing Adjustments. An additional number of shares and/or options, equal in value to any reduction in the Debt Satisfaction Cash Consideration made pursuant to subparagraph (a) above may also be issued by STI (the "Equity Consideration");

(e) At the Effective Time, Five Hundred Thousand Dollars (\$500,000) shall be paid by Subsidiary to, and allocated among, designated employees of PathTech, a portion of which may be as consideration for the execution and delivery of noncompetition agreements by certain of those employees;

(f) Within thirty (30) days following the first and second anniversaries of the Effective Time, additional shares of common stock of STI, the specific number of which shall be based on the then current fair market valuation of STI, and the earnings performance of the Surviving Corporation during the preceding year, may be issued to the Shareholders and Optionholders, (the "Earn Out Consideration"). To secure payment of the Earn Out Consideration, 375,467 shares of Common Stock of STI shall be held in escrow. The Earn Out Consideration is subject to Post-Closing Adjustments;

(g) At the Effective Time, STI shall issue 93,867 shares of common stock of STI which shall be allocated to a stock incentive program to be established for employees of PathTech who will be employed by the Surviving Corporation.

(h) All of the issued and outstanding shares of all classes of PathTech's common stock shall be cancelled and all of the options to purchase PathTech stock shall be exchanged for options to purchase common stock of STI at the Effective Time.

5. **Capital Stock of Subsidiary.** The Merger shall effect no change in any of the shares of capital stock of Subsidiary which shall continue to be issued and outstanding and shall not be converted as a result of the Merger. Each stock certificate of Subsidiary evidencing ownership of such certificates shall continue to evidence ownership of such shares of capital stock of the Surviving Corporation.

6. **Termination.** This Plan of Merger may be terminated for any reason at any time before the filing of Articles of Merger with the North Carolina Secretary of State (whether before or after approval of the Plan of Merger by the shareholders of PathTech) by resolution of the Board of Directors of STI, Subsidiary and PathTech.

7. **Amendment.** This Plan of Merger may, to the extent permitted by law, be amended, supplemented or interpreted at any time by action taken by the Board of Directors of STI, Subsidiary and PathTech; provided, however, that Section 4 of this Plan of Merger may not be amended or supplemented after having been approved by the Shareholders of PathTech except by a vote or consent of the Shareholders of PathTech in accordance with applicable law.

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STATE OF NORTH CAROLINA



Department of The
Secretary of State

To all whom these presents shall come, Greetings:

I, **ELAINE F. MARSHALL**, Secretary of State of the State of North Carolina, do hereby certify the following and hereto attached to be a true

ARTICLES OF MERGER OF

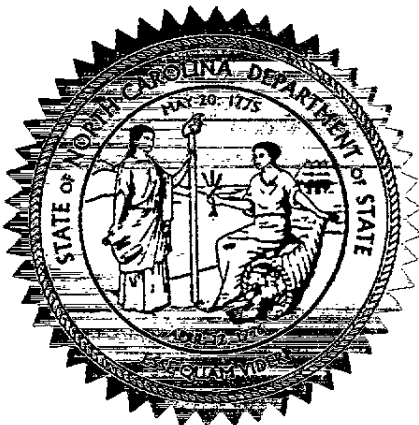
PATHTECH SOFTWARE SOLUTIONS, INC.

INTO

PATHTECH ACQUISITION SUB, INC.

the original of which was filed in this office on the 22nd day of February, 2000.

IN WITNESS WHEREOF, I have hereunto
set my hand and affixed my official seal at the
City of Raleigh, this 22nd day of February, 2000.



Elaine F. Marshall

Secretary of State

200539063

ID # 0518560 c
FILED
12:04pm
FEB 22 2000

ARTICLES OF MERGER

Pursuant to § 55-11-05 and § 55-11-07 of the North Carolina Business Corporation Act and § 607.1105 and § 607.1107 of the Florida Business Corporation Act, the undersigned corporation as the surviving corporation in a merger hereby submits the following Articles of Merger.

Effective
FLAINE E. MARSHALL
SECRETARY OF STATE
NORTH CAROLINA

1. The name of the surviving corporation is PathTech Acquisition Sub, Inc., a North Carolina corporation (the "Surviving Corporation"), and a wholly-owned subsidiary of Strategic Technologies, Inc. ("STI"), a North Carolina corporation. The name of the merged corporation is PathTech Software Solutions, Inc., a Florida corporation (the "Merged Corporation").
2. Attached as Exhibit A hereto and made a part hereof is a copy of the Plan of Merger that was duly adopted in the manner prescribed by law by the Boards of Directors of each of the corporations participating in the merger. The Board of Directors of the Surviving Corporation adopted the Plan of Merger on February 22, 2000. The Board of Directors of STI adopted the Plan of Merger on February 22, 2000.
3. Shareholder approval of the Plan of Merger by the Surviving Corporation and STI is not required in accordance with § 55-11-03 of the North Carolina Business Corporation Act.
4. The Plan of Merger was duly adopted by the shareholders of the Merged Corporation on February 11, 2000.
5. These Articles of Merger will be effective upon filing.

This the 22nd day of February, 2000.

PATHTECH ACQUISITION SUB, INC.

By: Michael G. Shook
Michael G. Shook, President

EXHIBIT A

PLAN OF MERGER

THIS PLAN OF MERGER (the "Plan"), dated as of February 22, 2000, is by, and between and among Strategic Technologies, Inc., a North Carolina corporation ("STI"), PathTech Acquisition Sub, Inc., a North Carolina corporation and wholly-owned subsidiary of STI ("Subsidiary"), PathTech Software Solutions, Inc., a Florida corporation ("PathTech"), and Robert A. Touchton, Alan Dale Gunter, Cheryle M. Touchton and Kenneth Wilson (collectively, the "Class A Shareholders").

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2. **Effect of the Merger.** At the Effective Time (a) the separate corporate existence of PathTech shall cease and PathTech shall be merged with and into Subsidiary, (b) the articles of incorporation of Subsidiary shall be the articles of incorporation of the Surviving Corporation, except that such articles will be amended to change the name of the Surviving Corporation to PathTech Software Solutions, Inc., (c) the bylaws of Subsidiary shall be the bylaws of the Surviving Corporation, (d) the directors of Subsidiary shall be the directors of the Surviving Corporation and the officers of the Surviving Corporation shall be appointed by the directors of the Surviving Corporation, (e) all the property, rights, privileges, powers and franchises of PathTech and Subsidiary shall vest in the Surviving Corporation and all debts, liabilities and duties of PathTech and Subsidiary shall become the debts, liabilities and duties of the Surviving Corporation subject to PathTech's obligations to satisfy certain indebtedness, encumbrances and other liabilities, and (f) the Merger shall have all the effects provided by applicable law.

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Subsidiary for any required adjustments to the Merger consideration and for certain losses, expenses, liabilities, or other damages as agreed by the parties ("Post-Closing Adjustments");

(b) At the Effective Time, Subsidiary shall pay to PathTech (or PathTech's creditors) in cash by wire transfer or check the total sum of One Million Two Hundred Thousand Dollars (\$1,200,000) for satisfaction of all of PathTech's then outstanding indebtedness (the "Debt Satisfaction Cash Consideration"); provided, however, if PathTech's outstanding indebtedness immediately prior to the Effective Time is less than One Million Two Hundred Thousand Dollars (\$1,200,000), the Debt Satisfaction Cash Consideration shall be correspondingly reduced to equal the amount of such existing indebtedness;

(c) At the Effective Time, Subsidiary shall pay to each of the four (4) Class A Shareholders of PathTech a portion of a total payment of Eight Hundred Thousand Dollars (\$800,000) as consideration for the execution and delivery of noncompetition agreements by the Class A Shareholders (the "Noncompete Consideration");

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(e) At the Effective Time, Five Hundred Thousand Dollars (\$500,000) shall be paid by Subsidiary to, and allocated among, designated employees of PathTech, a portion of which may be as consideration for the execution and delivery of noncompetition agreements by certain of those employees;

(f) Within thirty (30) days following the first and second anniversaries of the Effective Time, additional shares of common stock of STI, the specific number of which shall be based on the then current fair market valuation of STI, and the earnings performance of the Surviving Corporation during the preceding year, may be issued to the Shareholders and Optionholders (the "Earn Out Consideration"). To secure payment of the Earn Out Consideration, 375,467 shares of Common Stock of STI shall be held in escrow. The Earn Out Consideration is subject to Post-Closing Adjustments;

(g) At the Effective Time, STI shall issue 93,867 shares of common stock of STI which shall be allocated to a stock incentive program to be established for employees of PathTech who will be employed by the Surviving Corporation.

(h) All of the issued and outstanding shares of all classes of PathTech's common stock shall be cancelled and all of the options to purchase PathTech stock shall be exchanged for options to purchase common stock of STI at the Effective Time.

5. **Capital Stock of Subsidiary.** The Merger shall effect no change in any of the shares of capital stock of Subsidiary which shall continue to be issued and outstanding and shall not be converted as a result of the Merger. Each stock certificate of Subsidiary evidencing ownership of such certificates shall continue to evidence ownership of such shares of capital stock of the Surviving Corporation.

6. **Termination.** This Plan of Merger may be terminated for any reason at any time before the filing of Articles of Merger with the North Carolina Secretary of State (whether before or after approval of the Plan of Merger by the shareholders of PathTech) by resolution of the Board of Directors of STI, Subsidiary and PathTech.

7. **Amendment.** This Plan of Merger may, to the extent permitted by law, be amended, supplemented or interpreted at any time by action taken by the Board of Directors of STI, Subsidiary and PathTech; provided, however, that Section 4 of this Plan of Merger may not be amended or supplemented after having been approved by the Shareholders of PathTech except by a vote or consent of the Shareholders of PathTech in accordance with applicable law.

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[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, the parties hereto have duly executed and delivered this PLAN OF MERGER as of the date first set forth above.

STRATEGIC TECHNOLOGIES, INC.

By: Michael G. Shook
Michael G. Shook
Title: President

PATHTECH ACQUISITION SUB, INC.

By: Michael G. Shook
Michael G. Shook
Title: President

PATHTECH SOFTWARE SOLUTIONS, INC.

By: _____
Cheryle Touchton
Title: President

IN WITNESS WHEREOF, the parties hereto have duly executed and delivered this PLAN OF MERGER as of the date first set forth above.

STRATEGIC TECHNOLOGIES, INC.

By: _____
Michael G. Shook
Title: President

PATHTECH ACQUISITION SUB, INC.

By: _____
Michael G. Shook
Title: President

PATHTECH SOFTWARE SOLUTIONS, INC.

By: Cheryl M. Touchton
Cheryl Touchton
Title: President