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FLORIDA PROFIT CORPORATION OR P.A.

CORBIN MOTORS DAYTONA BEACH, INC.

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ARTICLES OF INCORPORATION
OF
CORBIN MOTORS DAYTONA BEACH, INC.

The undersigned, for the purpose of forming a corporation for profit under the laws of Florida, adopts the following Articles of Incorporation.

ARTICLE I

NAME AND ADDRESS

Section 1.1. Name. The name of the corporation is Corbin Motors Daytona Beach, Inc.

Section 1.2. Address of Principal Office. The address of the principal office of the corporation is 777 Main Street, Daytona Beach, Florida 32118.

ARTICLE II

DURATION

Section 2.1. Duration. This corporation shall exist perpetually. Corporate existence shall commence on the date these Articles are executed, except that if they are not filed by the Department of State of Florida within five business days after they are executed, corporate existence shall commence upon filing by the Department of State.

ARTICLE III

PURPOSES

Section 3.1. Purposes. This corporation is organized for the purposes of transacting any or all lawful business permitted under the laws of the United States and of the State of Florida.

ARTICLE IV

CAPITAL

Section 4.1. Authorized Capital. The total number of shares of capital stock which this corporation is authorized to issue is twenty million (20,000,000) shares (the "Capital Stock") divided into classes as follows:

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(a) Fifteen million (15,000,000) shares of common stock having a par value of \$0.001 per share (the "Common Stock"); and

(b) Five million (5,000,000) shares of preferred stock having a par value of \$0.001 per share (the "Preferred Stock"), and which may be issued in one or more classes or series as further described in Section 4.3.

All such shares shall be issued fully paid and nonassessable.

Section 4.2. Common Stock. Holders of Common Stock are entitled to one vote per share on all matters required by Florida law to be approved by the shareholders. Subject to the rights of any outstanding classes or series of Preferred Stock having preferential dividend rights, holders of Common Stock are entitled to such dividends as may be declared by the Board of Directors out of funds lawfully available therefor. Upon the dissolution of the corporation, holders of Common Stock are entitled to receive, pro rata in accordance with the number of shares owned by each, the net assets of the corporation remaining after the holders of any outstanding classes or series of Preferred Stock having preferential rights to such assets have received the distributions to which they are entitled."

Section 4.3. Preferred Stock. The Board of Directors is authorized to provide for the issuance of the Preferred Stock in one or more classes and in one or more series within a class and, by filing the appropriate Articles of Amendment with the Secretary of State of Florida which shall be effective without shareholder action, is authorized to establish the number of shares to be included in each class and each series and the preferences, limitations and relative rights of each class and each series. Such preferences must include the preferential right to receive distributions of dividends or the preferential right to receive distributions of assets upon the dissolution of the corporation before shares of Common Stock are entitled to receive such distributions.

Section 4.4. Designation of Series A Preferred Stock. Two million (2,000,000) of the shares of Preferred Stock shall be designated and known as Series A Preferred Stock ("Series A Preferred Stock"). The Series A Preferred Stock shall have the following rights, preferences and limitations:

(a) Liquidation Rights.

(1) In the event of any liquidation, dissolution or winding up of the corporation, whether voluntary or involuntary, the liquidation rights of the shareholders of the corporation shall be as follows: The holders of Series A Preferred Stock then outstanding shall be entitled to be paid out of the assets of the corporation legally available for distribution to its shareholders, before any payment or setting apart for the payment of any amount shall be made in respect of the Common Stock, an amount equal to the sum of (a) \$3.00 per share of Series A Preferred Stock, and (b) an amount equal to all declared but unpaid dividends thereon, if any, to the date fixed for distribution (the "Series A Preference Amount"). If upon any liquidation, dissolution or winding up of the

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corporation, and after giving effect to the foregoing priority of payment provisions, the assets of the corporation available for distribution to its stockholders shall be insufficient to pay all holders of the Series A Preferred Stock the full Series A Preference Amount, then the holders of that Series shall share ratably in any distribution of assets to that Series in proportion to the respective amounts which would be payable on the shares held by them if the Series A Preference Amount were paid in full. After payment has been made to the holders of the Series A Preferred Stock of the full Series A Preference Amount, any remaining assets or surplus funds of the corporation shall be shared and distributed ratably among the holders of Common Stock.

(2) For purposes of this subsection (a), (i) a merger or consolidation of the corporation into or with another corporation (other than a wholly-owned subsidiary of the corporation), or any other corporate reorganization in which the corporation shall not be the continuing or surviving entity of such merger, consolidation or reorganization, (ii) a sale, transfer or other disposition of all or substantially all of the assets of the corporation, or (iii) the effectuation by the corporation of a transaction or series of related transactions in which more than fifty percent (50%) of the voting power of the corporation is transferred within a three (3) month period, shall be deemed to be a liquidation, dissolution or winding up of the corporation.

(3) In the event the corporation shall propose to take any action regarding the liquidation, dissolution or winding up of the corporation which will involve the distribution of assets other than cash, the value of the assets to be distributed to the holders of shares of the Series A Preferred Stock shall be determined by the good faith consent or vote of the Board of Directors and such determination shall be binding upon the holders of the Preferred Stock and Common Stock, except that any securities distributed shall be valued as follows:

(a) Securities not subject to investment letter or other similar restrictions on free marketability:

(i) if traded on a securities exchange, the value shall be deemed to be the average of the security's closing prices on such exchange over the thirty (30) day period ending three (3) days prior to the closing; and

(ii) if actively traded over-the-counter, the value shall be deemed to be the average of the closing bid prices over the thirty (30) day period ending three (3) days prior to the closing; and

(iii) if there is no active public market, the value shall be the fair market value thereof, as determined in good faith by the consent or vote of the Board of Directors and

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such determination shall be binding upon the holders of the Series A Preferred Stock and Common Stock.

(b) The method of valuation of securities subject to investment letter or other restrictions on free marketability shall be to make an appropriate discount from the market value determined as above in subparagraphs (a)(i), (a)(ii) and (a)(iii) above to reflect the approximate fair market value thereof, as determined by the good faith consent or vote of the Board of Directors and such determination shall be binding upon the holders of the Series A Preferred Stock and the Common Stock.

(b) Dividends. The holders of shares of Series A Preferred Stock shall be entitled to receive dividends out of any assets legally available therefor, prior and in preference to any declaration or payment of any dividend on the Common Stock of the corporation, at the rate of \$0.24 per annum on each outstanding share of Series A Preferred Stock (as adjusted for any stock dividends, combinations, splits, recapitalizations and the like with respect to such shares). Such dividends shall be payable quarterly in cash or in kind when, as and if declared by the board of Directors and shall be non-cumulative. No dividends shall be declared or paid or set apart for payment on the shares of any series of Preferred Stock unless at the same time a dividend for the same percentage of the respective dividend rates shall also be declared or paid or set apart for payment, as the case may be, on the shares of Series A Preferred Stock. The right to such dividends on shares of Series A Preferred Stock shall not be cumulative and no right shall accrue to holders of shares of Series A Preferred Stock by reason of the fact that dividends on said shares are not declared in any prior year, nor shall any undeclared or unpaid dividend bear or accrue interest.

(1) No distributions (as defined below) shall be paid on the Common Stock until the holders of the Series A Preferred Stock then outstanding shall have first received dividends at the respective rate specified above, or, in the case of a distribution which is not a dividend, until the holders of the Series A Preferred Stock then outstanding shall have received the same per share distribution as the holders of Common Stock.

(2) For purposes of this subsection (b), unless the context requires otherwise, "distribution" shall mean the transfer of cash or property without consideration, whether by way of dividend or otherwise, payable other than in Common Stock or other securities of the corporation, or the purchase or redemption of shares of the corporation (other than repurchases of Common Stock held by employees of, or consultants to, the corporation upon termination of their employment or services pursuant to agreements providing for such repurchase and other than redemptions in liquidation or dissolution of the corporation) for cash or property, including any such transfer, purchase, or redemption by a subsidiary of the corporation.

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(c) Conversion. The holders of the Series A Preferred Stock shall have conversion rights as follows (the Conversion Rights):

(1) *Right to Convert*. Each share of Series A Preferred Stock shall be convertible, without payment of any additional consideration by the holder thereof and at the option of such holder, at any time after the date of issuance of such share, at the office of the corporation or any transfer agent for such share, into such number of fully paid and nonassessable shares of Common Stock as is determined by dividing \$3.00 by the Series A Conversion Price, determined as hereinafter provided, in effect at the time of conversion. The conversion price for the Series A Preferred Stock (the "Series A Conversion Price") shall initially be \$3.00. Such Series A Conversion Price shall be subject to adjustment, in order to adjust the number of shares of Common Stock into which the Series A Preferred Stock shall be convertible, as hereinafter provided.

(2) *Automatic Conversion*. Each share of Series A Preferred Stock shall automatically be converted into shares of Common Stock at the then effective Series A Conversion Price, as the case may be, upon the closing of the corporation's sale of Common Stock pursuant to a registration statement under the Securities Act of 1933, as amended, pursuant to an underwritten firm commitment public offering, provided that such offering results in aggregate proceeds to the corporation of Ten Million Dollars (\$10,000,000) or more (net of underwriting discounts and commissions) and that the public offering price is not less than Seven Dollars Fifty Cents (\$7.50) per share.

(3) *Mechanics of Conversion*. Before any holder of Series A Preferred Stock shall be entitled to convert the same into full shares of Common Stock pursuant to paragraph (1) of this subsection (c), and before the corporation shall be obligated to issue certificates for shares of Common Stock upon the automatic conversion of the Series A Preferred Stock as set forth in paragraph (2) of this subsection (c), such holder shall surrender the certificate or certificates therefor, duly endorsed, at the office of the corporation or of any transfer agent for the Series A Preferred Stock and shall give written notice to the corporation at such office that such holder elects to convert the same and shall state therein the name or names of the nominees in which such holder wishes the certificate or certificates for shares of Common Stock to be issued (except that no such written notice of intent to convert shall be necessary in the event of an automatic conversion pursuant to paragraph (2) of this subsection (c)). The corporation shall, as soon as practicable thereafter, issue and deliver at such office to such holder of Series A Preferred Stock or to its nominee or nominees, a certificate or certificates for the number of shares of Common Stock to which such holder or nominee shall be entitled as aforesaid, together with cash in lieu of any fraction of a share. Such conversion shall be deemed to have been made immediately prior to the close of business on the date of such surrender of the shares of Series A Preferred Stock to be converted (except that

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in the case of an automatic conversion pursuant to paragraph (2) of this subsection (c), such conversion shall be deemed to have been made immediately prior to the closing of the public offering), and the person or persons entitled to receive the shares of Common Stock issuable upon conversion shall be treated for all purposes as the record holder or holders of such shares of Common Stock on such date. Each person who holds of record Series A Preferred Stock immediately prior to conversion pursuant to paragraphs (1) and (2) of this subsection (c) shall be entitled to all declared but unpaid dividends to the time of such conversion. Such dividends shall be paid at the election of the holder either in cash or Common Stock at the then fair market value of the Common Stock, as determined by the Board of Directors, within thirty (30) days of the conversion. No fractional shares of Common Stock shall be issued upon conversion of the Series A Preferred Stock. In lieu of any fractional shares to which the holder would otherwise be entitled, the corporation shall pay cash equal to such fraction multiplied by the then effective Series A Conversion Price.

(4) *Adjustment for Stock Splits, Dividends and Combinations.* If the corporation shall at any time or from time to time effect a subdivision of the outstanding Common Stock, or shall issue a dividend of Common Stock on its outstanding Common Stock, the Series A Conversion Price then in effect immediately before that subdivision or dividend shall be proportionately decreased, and conversely, if the corporation shall combine the outstanding shares of Common Stock, the Series A Conversion Price then in effect immediately before the combination shall be proportionately increased. Any adjustment under this paragraph (4) shall become effective at the close of business on the date the subdivision or combination becomes effective or on the date on which the dividend is declared.

(5) *Adjustments for Other Dividends and Distributions.* In the event the corporation at any time or from time to time shall make or issue, or fix a record date for the determination of holders of Common Stock entitled to receive a dividend or other distribution payable in securities of the corporation other than shares of Common Stock, then and in each such event provision shall be made so that the holders of Series A Preferred Stock shall receive upon conversion thereof, in addition to the number of shares of Common Stock receivable thereupon, the amount of securities of the corporation that they would have received had their Series A Preferred Stock been converted into Common Stock on the date of such event, giving effect to all adjustments called for with respect to such securities during the period from the date of such event to and including the conversion date.

(6) *Adjustment for Reclassification, Exchange and Substitution.* If the Common Stock issuable upon the conversion of the Series A Preferred Stock shall be changed into the same or different number of shares of any class

(10) *Common Stock Reserved.* The corporation shall at all times reserve and keep available out of its authorized but unissued shares of Common Stock, solely for the purpose of effecting the conversion of the shares of Series A Preferred Stock, such number of shares of Common Stock as shall from time to time be sufficient to effect the conversion of all outstanding shares of the Series A Preferred Stock, and if at any time the number of authorized but unissued shares of Common Stock shall not be sufficient to effect the conversion of all then outstanding shares of the Series A Preferred Stock, the corporation shall take such corporate action as may, in the opinion of its counsel, be necessary to increase its authorized but unissued shares of Common Stock to such number of shares as shall be sufficient for such purpose.

(d) Voting Rights.

(1) Each holder of shares of Series A Preferred Stock shall be entitled to the number of votes equal to the number of shares of Common Stock into which such shares of Series A Preferred Stock could be converted on the record date for the vote or the date of the solicitation of any written consent of shareholders and shall have voting rights and powers equal to the voting rights and powers of the Common Stock. The holder of each share of Series A Preferred Stock shall be entitled to notice of any shareholders' meeting in accordance with the Bylaws of the corporation and, except those matters required by law to be submitted to a class vote, shall vote with holders of the Common Stock upon all matters submitted to a vote of shareholders (including the election of directors). Fractional votes by the holders of Series A Preferred Stock shall not, however, be permitted and any fractional voting rights resulting from the above formula (after aggregating all shares into which shares of Series A Preferred Stock held by each holder could be converted) shall be rounded to the nearest whole number.

(2) So long as any of the shares of Series A Preferred Stock are outstanding, the corporation shall not, without first obtaining the approval (by vote or written consent, as provided by law) of the holders of at least a majority of the then outstanding shares of Series A Preferred Stock, voting together as a single class, except where otherwise required by law:

(a) create any new class of shares having preference over the Series A Preferred Stock; or

(b) alter or change the rights, preferences or privileges of the shares of the Series A Preferred Stock, so as to affect adversely the shares or their conversion or redemption or other rights, as the case may be.

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ARTICLE V

INITIAL REGISTERED OFFICE AND AGENT

Section 5.1. Name and Address. The street address of the initial registered office of this corporation is 200 Laura Street, Jacksonville, Florida 32202, and the name of the initial registered agent of this corporation at that address is F & L Corp.

ARTICLE VI

DIRECTORS

Section 6.1. Number. This corporation shall have five (5) director(s) initially. The number of directors may be increased or diminished from time to time by the bylaws, but shall never be less than one.

Section 6.2. Initial Directors. The name and address of the members of the first board of directors of the corporation are:

<u>Name</u>	<u>Address</u>
Ron Huch	2360 Technology Pkwy. Hollister, CA 95023
Frank Dohn	777 Main Street Daytona Beach, Florida 32118
Thomas Hanagan	2360 Technology Pkwy. Hollister, CA 95023
Julie Chaiken	580 Broadway, Suite 400 New York, New York 10012
Fritz Redeker	777 Main Street Daytona Beach, Florida 32118

ARTICLE VII

BYLAWS

Section 7.1. Bylaws. The initial bylaws of this corporation shall be adopted by the board of directors. Bylaws may be amended or repealed from time to time by either the board of directors or the shareholders, but the board of directors shall not alter, amend or

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repeal any bylaw adopted by the shareholders if the shareholders specifically provide that such bylaw is not subject to amendment or repeal by the board of directors.

ARTICLE VIII

INCORPORATOR

Section 8.1. Name and Address. The name and street address of the incorporator of this corporation are:

<u>Name</u>	<u>Address</u>
Thomas Hanagan	2360 Technology Pkwy. Hollister, CA 95023

ARTICLE IX

INDEMNIFICATION

Section 9.1. Indemnification. The board of directors is hereby specifically authorized to make provision for indemnification of directors, officers, employees and agents to the full extent permitted by law.

ARTICLE X

AMENDMENT

Section 10.1. Amendment. This corporation reserves the right to amend or repeal any provision contained in these Articles of Incorporation, and any right conferred upon the shareholders is subject to this reservation.

18th IN WITNESS WHEREOF, the incorporator has executed these Articles the day of December, 2000.


Thomas Hanagan, Incorporator

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ACCEPTANCE BY REGISTERED AGENT

Having been named to accept service of process for the above stated corporation, at the place designated in the above Articles of Incorporation, the undersigned agrees to act in this capacity, and further agrees to comply with the provisions of all statutes relative to the proper and complete performance of its duties. The undersigned is familiar with and accepts the obligations of a registered agent.

F & L CORP.

By: Charles V. Hedrick
Charles V. Hedrick, Authorized
Signatory

Date: December 19, 2000

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