

P01000091358

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DIVISION OF CORPORATIONS

MERGER OR SHARE EXCHANGE
SCIENCEWISE ACQUISITION CORPORATION

Certificate of Status	0
Certified Copy	1
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Estimated Charge	\$78.75

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Corporate Filing

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ARTICLES OF MERGER
Merger Sheet

MERGING:

SCIENCEWISE, INC., a Delaware corporation, not qualified in Florida

INTO

SCIENCEWISE ACQUISITION CORPORATION which changed its name to
SCIENCEWISE, INC., a Florida entity, P01000091358

File date: October 3, 2001

Corporate Specialist: Karen Gibson



FLORIDA DEPARTMENT OF STATE

Katherine Harris
Secretary of State

October 4, 2001

SCIENCEWISE ACQUISITION CORPORATION
1903 S CONGRESS AVE STE 200
BOYNTON BEACH, FL 33426

SUBJECT: SCIENCEWISE ACQUISITION CORPORATION
REF: P01000091358

We received your electronically transmitted document. However, the document has not been filed. Please make the following corrections and refax the complete document, including the electronic filing cover sheet.

The merger submitted was prepared in compliance with section 607.1109 Florida Statutes which provides for mergers between domestic corporations and other business entities as defined in section 607.1108, Florida Statutes. Pursuant to section 607.1108(7), Florida Statutes, any merger consisting solely of the merger of one or more domestic corporations with or into one or more foreign corporations shall be consummated solely in accordance with section 607.1107, Florida Statutes. Section 607.1107, Florida Statutes then refers you to section 607.1105, Florida Statutes. Enclosed is a merger form for your convenience.

For each corporation, the document must contain the date of adoption of the plan of merger or share exchange by the shareholders or by the board of directors when no vote of the shareholders is required.

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) 245-6906.

Darlene Connell
Corporate Specialist

FAX Aud. #: H01000104439
Letter Number: 901A00055679

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STATE OF FLORIDA
ARTICLES AND PLAN OF MERGER
OF
SCIENCEWISE, INC.,
A DELAWARE CORPORATION
INTO
SCIENCEWISE ACQUISITION CORPORATION,
A FLORIDA CORPORATION,
A WHOLLY-OWNED SUBSIDIARY OF
THESCIENTIFICWORLD, INC.,
A FLORIDA CORPORATION

FILED
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SECRETARY OF STATE
TALLAHASSEE, FLORIDA

Pursuant to (i) Sections 607.1105 and 607.1107 of the Florida Business Corporation Act (the "FBCA") and (ii) the Agreement and Plan of Merger, dated as of September 24, 2001, among the parties hereto and others (the "Merger Agreement"), the undersigned entities adopt the following Articles of Merger:

FIRST: The Plan of Merger is as follows:

(1) ScienceWise, Inc., a Delaware corporation ("ScienceWise"), shall be merged with and into ScienceWise Acquisition Corporation, a Florida corporation (the "Surviving Company"), which shall be the surviving company (the "Merger"). The Surviving Company is a wholly-owned subsidiary of TheScientificWorld, Inc., a Florida corporation ("Parent").

(2) On the Effective Date, the capital stock of ScienceWise issued and outstanding immediately prior to the Effective Date (other than any share of capital stock held in ScienceWise's treasury) (the "Outstanding ScienceWise Stock") shall be canceled and extinguished and automatically converted into and represent the right to receive shares of the capital stock of Parent in the manner set forth on Schedule I hereto.

(3) On the Effective Date, each option, warrant, convertible promissory note and other instrument representing the right to acquire shares of the capital stock of ScienceWise that is issued and outstanding immediately prior to the Effective Date shall, upon the surrender of such security to Parent, be canceled, extinguished and converted into and represent the right to

H01000104339

H01000104339

receive shares of the capital stock or rights to acquire shares of the capital stock of Parent in the manner set forth on Schedule I hereto.

(3) The Articles of Incorporation of the Surviving Company as in effect immediately prior to the Effective Date of the Merger shall be the Articles of Incorporation of the Surviving Company until the same shall be amended in accordance with the FBCA and such Articles of Incorporation; provided that Article I of the Articles of Incorporation of the Surviving Company shall, on the Effective Date of the Merger, be amended to read as follows:

"The name of the corporation is ScienceWise, Inc."

SECOND: The plan of merger was approved by all of the shareholders of ScienceWise Acquisition Corporation and Parent in accordance with the applicable provisions of Chapter 607 of the FBCA on September 21, 2001.

THIRD: The plan of merger was approved by all of the shareholders of ScienceWise in accordance with the applicable provisions of the Delaware General Corporation Law (the "DGCL") on October 3, 2001.

FOURTH: The Effective Date of the Merger is the date on which these Articles of Merger are filed with the Department of State of the State of Florida.

[SIGNATURES APPEAR ON FOLLOWING PAGE]

H01000104339

H01000104439

Signed this 2nd day of October, 2001

THESCIENTIFICWORLD, INC., a Florida
corporation

By Elie Tomlinson
Name: Elie TOMLINSON
Title: CEO

SCIENCEWISE ACQUISITION CORPORATION,
a Florida corporation

By Elie Tomlinson
Name: Elie TOMLINSON
Title: CEO

SCIENCEWISE, INC., a Delaware corporation

By _____
Name: _____
Title: _____

H01000104439

Signed this 2nd day of October, 2001

THESCIENTIFICWORLD, INC., a Florida
corporation

By _____
Name:
Title:

SCIENCEWISE ACQUISITION CORPORATION,
a Florida corporation

By _____
Name:
Title:

SCIENCEWISE, INC., a Delaware corporation

By John Rodman
Name: John Rodman
Title: PRESIDENT & CEO

H01000104439

H01000104439

Schedule I

Capitalized terms used and not defined in this Schedule I or elsewhere in these Articles of Merger shall have the respective meanings set forth on Schedule II to these Articles of Merger.

1. Each issued and outstanding share of ScienceWise Common Stock (the "ScienceWise Common Shares") (excluding any treasury shares of ScienceWise), shall be converted into and become the right to receive .7571 shares of Parent common stock, \$.001 par value (the "Parent Common Shares") (the "Exchange Ratio").
2. Each outstanding share of ScienceWise Series A Preferred Stock (the "ScienceWise Preferred Shares" and collectively with the ScienceWise Common Shares, the "ScienceWise Shares") shall be converted into the right to receive .7571 shares of Parent's Series C Preferred Stock, \$.001 par value (the "Parent Series C Preferred Shares").
3. The principal and accrued interest of each outstanding Bridge Note shall be converted into the right to receive shares of Parent's Series D Preferred Stock, par value \$.001 per share, (the "Parent Series D Preferred Shares" and, collectively with the Parent Series C Preferred Shares, the "Parent Preferred Shares") at the rate of \$.4102 per Parent Series D Preferred Share.
4. Each treasury share of capital stock of ScienceWise, if any, shall be cancelled, and no payment or issuance of capital stock shall be made in respect thereof.
5. Each Option, whether or not then vested or exercisable, shall no longer be exercisable for the purchase of shares of ScienceWise Common Stock but shall entitle each holder thereof, in exchange, cancellation and settlement therefor, to a replacement option in Parent's usual and customary form relating to acquisition of that number of shares of Parent's common stock (a "Parent Option") equal to the product of (x) the Exchange Ratio multiplied by (y) the number of shares of common stock then issuable pursuant to such original Option. The exercise price for any share of Parent's common stock issuable pursuant to a Parent Option shall be equal to (x) the exercise price of the Option so exchanged multiplied by (y) the inverse of the Exchange Ratio. The vesting schedule for any Parent Options so exchanged shall be the same as the vesting schedule applicable to the Option so surrendered and cancelled.
6. Each ScienceWise Warrant shall no longer be exercisable for the purchase of ScienceWise Preferred Shares but shall entitle each holder thereof, in cancellation and settlement therefor, to a warrant relating to acquisition of that number of shares of Parent Series C Preferred Shares (except that the Bridge Warrants shall be exchanged for Parent Series D Preferred Stock) (a "Parent Warrant") equal to the product of (x) the Exchange Ratio multiplied by (y) the number of ScienceWise Shares then issuable pursuant to such original Warrant. The exercise price for any Parent Preferred Shares issuable pursuant to a Parent Warrant shall be equal to (x) the exercise price of the Warrant so exchanged multiplied by (y) the inverse of the Exchange Ratio.
7. In addition, in the event that the combined revenue (net of returns, credits and the like) derived directly and actually received from the collection of Alerting Fees and Proposal Central Fees (the "Fee Revenue") exceeds, during the relevant Measuring Period specified below, the amount specified opposite such Period (the "Applicable Minimum Revenue"), the holders of common stock or Common Stock Equivalents of ScienceWise immediately prior to the Effective Time (or their successors) will receive additional equity capital of Parent such that they would have collectively owned, as of the Effective Time of the Merger (but not necessarily as of the date of the issuance of such additional equity capital) the additional percentage of the equity capital of Parent outstanding as of the Effective Time (on a fully diluted basis, exclusive of any Warrants issued to Imperial Bank in connection with the Imperial Bank Financing and Warrants to acquire 21,500 shares of Parent's common stock issued to Christian & Timbers, Inc.) specified below (the "Earn-Out Securities"):

H01000104439

<u>Measuring Period</u>	<u>Applicable Minimum Revenue</u>	<u>Additional percentage ownership as of the Effective Date</u>
12 full months following the Effective Time ¹ :	\$2,500,000	2%
Next 12 months:	\$3,500,000	1%

Notwithstanding the foregoing, if (i) Parent undergoes a Change in Control prior to the second anniversary of the first day of the month immediately following the Effective Time and (ii) the Applicable Minimum Revenue figures set forth above have been achieved for all Measuring Periods which have elapsed and on a pro rata basis for any portion of a Measuring Period which has not fully elapsed, the Earn Out Securities will be deemed earned and will be promptly issued thereafter.

The Earn-Out Securities shall be issued in the same manner and ratio as provided above with respect to the Parent Common Shares, Parent Series C Preferred Shares, the Parent Series D Preferred Shares, the Parent Options and the Parent Warrants. The Applicable Minimum Revenue figures for each Measuring Period are independent and are not cumulative of earlier Measuring Periods. In the event the Applicable Minimum Revenue is not satisfied in the first or second Measuring Period, then the Earn-Out Securities applicable to such Period may nonetheless be earned in the next succeeding Measuring Period only (or, with regard to the second Measuring Period, the twelve-month period after the end of such second Measuring Period (the "Carry-Over Measuring Period") if (i) the Applicable Minimum Revenue figures for such succeeding Measuring Period or Carry-Over Measuring Period (for which the Applicable Minimum Revenue shall be \$5,000.00 for this purpose) are satisfied and (ii) there is additional Fee Revenue in excess of the Applicable Minimum Revenue for such succeeding Measuring Period of at least one hundred and ten percent (110%) of the amount of the shortfall in the preceding Measuring Period. In all other cases the failure to meet the Applicable Minimum Revenue for any Measuring Period shall result in the termination of any potential Earn-Out Securities for such Period.

As soon as practicable after each Measuring Period (and, the Carry-Over Measuring Period if the Applicable Minimum Revenue was not satisfied for the second Measuring Period), Parent shall prepare and deliver to the Shareholders' Representative a calculation of the Fee Revenue (together with the Earn-Out Securities to be issued as a result thereof, if any) for such Measuring Period (the "Fee Revenue Statement"), which shall be prepared by Parent in accordance with GAAP. The Shareholders (through the Shareholder Representative) shall have the right to dispute the Fee Revenue Statement (and any items therein) and make any proposed adjustments thereto as provided below. If it is determined there is Fee Revenue in excess of the Applicable Minimum Revenue, then the applicable Earn-Out Securities shall be promptly issued to the Shareholders on the Settlement Date;

The Shareholders' Representative shall have until thirty (30) days after the delivery of each Fee Revenue Statement to review such calculation and propose any adjustments thereto. All adjustments proposed by the Shareholders' Representative shall be set out in detail in a written statement delivered to Parent (the "Adjustment Statement") and shall be incorporated into the calculation of Fee Revenue for such Measuring Period unless Parent shall object in writing to such proposed adjustments (the proposed adjustment or adjustments to which Parent objects are referred to herein as the "Contested Adjustments" and Parent's objection notice is referred to herein as the "Contested Adjustment Notice") within thirty (30) days of delivery by the Shareholders' Representative to Parent of the Adjustment Statement. If Parent delivers a Contested Adjustment Notice to the Shareholders' Representative, Parent and the Shareholders' Representative shall use reasonable efforts to resolve their dispute regarding the Contested Adjustments, but if a final resolution thereof is not obtained within ten (10) days after Parent delivers to

¹ Commencing with the first day of the month immediately following the Effective Time of the Merger.

H01000104439

the Shareholders' Representative said Contested Adjustment Notice, Parent and the Shareholders' Representative shall promptly retain an independent accounting firm acceptable to both the Shareholders' Representative and Parent (the "Independent Accountant") to resolve any remaining disputes concerning the Contested Adjustments. Either the Shareholders' Representative or Parent may retain the Independent Accountant upon the expiration of such 10-day period. If the Independent Accountant is retained, then (i) the Shareholders' Representative and Parent shall each submit to the Independent Accountant in writing not later than fifteen (15) days after the Independent Accountant is retained their respective positions with respect to the Contested Adjustments, together with such supporting documentation as they deem necessary or as the Independent Accountant requests, and (ii) the Independent Accountant shall, within thirty (30) days after receiving the positions of both the Shareholders' Representative and Parent and all supplementary supporting documentation requested by the Independent Accountant, render its decision as to the Contested Adjustments, which decision shall be final and binding on, and nonappealable by, the Shareholders' Representative and Parent. The decision of the Independent Accountant shall also include a certificate of the Independent Accountant setting forth the final Fee Revenue for the Applicable Measuring Period (the "Settlement Amount Certificate"). The Fee Revenue for any particular Measuring Period shall be deemed to include all proposed adjustments not disputed by Parent and those adjustments accepted or made by the decision of the Independent Accountant in resolving the Contested Adjustments.

There shall be a "Settlement Date" after the calculation of the Fee Revenues for any particular Measuring Period which shall mean the following, as applicable:

If the Shareholders' Representative has not timely delivered an Adjustment Statement to Parent, thirty-five (35) days after the date the Shareholders' Representative receives the Fee Revenue Statement;

If the Shareholders' Representative has timely delivered an Adjustment Statement and Parent has not timely delivered a Contested Adjustment Notice, thirty-five (35) days after the date Parent receives the Adjustment Statement;

If the Shareholders' Representative and Parent have any disputes regarding Contested Adjustments and they resolve those disputes, five business days after such resolution;

Five business days after the Independent Accountant delivers the Settlement Amount Certificate, if applicable; or

Such other date as shall be agreed between the Shareholders' Representative and Parent.

H01000104439

Schedule II

"Affiliate" means, with regard to any Person, (a) any Person, directly or indirectly, controlled by, under common control of, or controlling such Person, (b) any Person, directly or indirectly, in which such Person holds, of record or beneficially, five percent or more of the equity or voting securities, (c) any Person that holds, of record or beneficially, five percent or more of the equity or voting securities of such Person, (d) any Person that, through contract, relationship or otherwise, exerts a substantial influence on the management of such Person's affairs, (e) any Person that, through contract, relationship or otherwise, is influenced substantially in the management of their affairs by such Person, or (f) any director, officer, partner or individual holding a similar position in respect of such Person.

"Alerting Fees" means all revenues received through purchase or sponsorship of alerting services, which services consist of (i) notice of funding opportunities, including program announcements, RFP's and grant programs, (ii) searchable databases of public/private grant opportunities and research project awards; and (iii) an e-mail alert service for notification of news, articles and upcoming events in pre-selected areas of interest pursuant to Parent's pupalertSM service).

"Bridge Notes" means those certain convertible promissory notes up to an aggregate of \$1,500,000 issued by ScienceWise pursuant to the Bridge Note Purchase Agreement dated July 2, 2001.

"Bridge Warrants" means Warrants issued to the purchasers of Bridge Notes in consideration of such purchase.

"Change in Control" shall be deemed to have taken place if: (i) any Person, including a "group" (as defined in Section 13(d)(3) of the Securities Exchange Act of 1934, as amended), other than any Party who was an Affiliate of Parent, ScienceWise or any of their respective shareholders immediately prior to the Closing, becomes the "beneficial owner" (as defined in Rule 13d.3 of such Exchange Act) of Parent securities, after the date of the Merger Agreement, having 50% or more of the combined voting power of the then outstanding securities of Parent that may be cast for the election of directors of Parent (other than as a result of an issuance of securities initiated by the Parent, or open market purchases approved by Parent's Board, as long as (A) the majority of the Board approving the issuance or purchases is the majority at the time the purchases are made and (B) any members on the Board of Directors elected as such by the Shareholders pursuant to the terms of the Amended and Restated Shareholders' Agreement also vote in favor of such issuance or purchases) or (ii) Parent (on a consolidated basis with all of its subsidiaries) shall sell all or substantially all of its assets.

"Closing" means the closing of the transactions contemplated by the Merger Agreement.

"Common Stock Equivalents" means shares of common stock issuable upon (i) the exercise of outstanding options, warrants or rights to subscribe for the common stock, including shares issuable in payment of deferred compensation, or (ii) the conversion of outstanding shares of any series of preferred stock, debt or other convertible instruments, in either case, whether or not then currently exercisable or convertible.

"Effective Time" means the time that the filing of a counterpart of the Articles of Merger with the Secretary of State of the State of Florida and a counterpart of the Certificate of Merger with the Secretary of State of the State of Delaware occurs.

"Imperial Bank Financing" means that certain proposed credit facility between Parent and Imperial Bank in an amount of up to One Million Five Hundred Thousand Dollars (\$1,500,000).

"Option" means any subscription, option, right, security, contract, commitment, understanding, outstanding or stock appreciation, phantom stock option, profit participation or arrangement (other than a Warrant) by which ScienceWise is bound to issue any additional shares of its capital stock or rights pursuant to which any Person has a right to purchase shares of ScienceWise's capital stock.

H01000104439

"Proposal Central Fees" means all fees paid by funding organizations for services that permit electronic submission, review and management of research funds/grants as well as professional services (consulting and programming). In addition, such term shall include funds received from grantees to electronically submit and administer funds/grants to funding organizations.

"Shareholder" means any holder of ScienceWise Common Stock or Common Stock Equivalents, including the holders of Bridge Notes.

"Shareholders' Representative" means David Guthrie (or such other person as shall be determined in accordance with the Merger Agreement).

"Warrant" means any warrant or similar right (other than an Option) to acquire any class of securities of the issuer of such warrant or similar right.