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**COR AMND/RESTATE/CORRECT OR O/D RESIGN****SUNCEPTS, INC.**

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ARTICLES OF AMENDMENT  
TO THE  
ARTICLES OF INCORPORATION  
OF  
SUNCEPTS, INC.

Pursuant to Sections 607.0602 and 607.1003 of the Florida Business Corporation Act ("FBCA"), Suncepts Inc., does, by its President, John Samarsiero, hereby certify that:

(I) The name of the corporation is Suncepts, Inc., a Florida corporation (hereinafter called the "Corporation").

(II) The Articles of Incorporation, as amended by the Articles of Amendment of the Articles of Incorporation (collectively, the "Articles of Incorporation") together with the by-laws (the "By-Laws") of the Corporation, expressly vest in the board of directors of the Corporation (the "Board of Directors") the authority to issue any or all shares of preferred stock ("Preferred Stock") and common stock ("Common Stock") in one (1) or more series and by resolution or resolutions to establish the designation and number and to fix the relative rights, preferences and limitations of each series to be issued.

(III) On January 19, 2004, the Board of Directors of the Corporation, through unanimous written consent, duly adopted a resolution to amend the Articles of Incorporation by designating three million five hundred thousand (3,500,000) shares of the authorized Preferred Stock of the Corporation to be Series C Convertible Preferred Stock (as defined herein) possessing the rights and preferences as set forth below.

(IV) On January 18, 2008, pursuant to Section 607.1003 of the FBCA, by written consents of the directors and shareholders entitled to vote thereon, a resolution to amend the Articles of Incorporation was duly adopted increasing the total number of authorized shares of Common Stock and Preferred Stock as set forth below and amending certain of the rights, preferences and limitations of the shares of Series A Convertible Preferred Stock and Series B Convertible Preferred Stock, and such amendments were approved by each voting group of shareholders entitled to vote separately on the amendment, with the number of votes cast for each amendment being sufficient for approval.

**RESOLVED**, that three million five hundred thousand (3,500,000) shares of the authorized preferred stock of the Corporation shall be designated Series C Convertible Preferred Stock (as defined herein) and shall possess the rights and preferences set forth below;

**FURTHER RESOLVED**, that the total number of shares of Common Stock authorized by the Articles of Incorporation is hereby increased to sixty-five million (65,000,000) shares and the total number of preferred shares authorized by the Articles of Incorporation is hereby increased to thirty-five million five hundred thousand (35,500,000) shares;

**FURTHER RESOLVED**, that the total number of shares designated as Series A Convertible Preferred Stock shall be increased to twenty-five million (25,000,000) shares;

**FURTHER RESOLVED**, that the total number of shares designated as Series B Convertible Preferred Stock shall be increased to seven million (7,000,000) shares; and

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FURTHER RESOLVED, that Article III of the Articles of Incorporation is hereby amended by restating in its entirety to read as follows:

### ARTICLE III

#### CAPITAL STOCK

The Corporation is authorized to issue two classes of shares to be designated respectively "Preferred" and "Common." The total number of Preferred shares authorized is thirty-five million five hundred thousand (35,500,000) shares and the total number of Common shares authorized is sixty-five million (65,000,000) shares.

#### A. Preferred Stock.

Subject to the requirements of the laws of the State of Florida, the Preferred shares authorized by these Articles of Incorporation may be issued from time to time in one or more series. The Board of Directors is authorized to determine, alter or eliminate any or all of the rights, preferences, privileges and restrictions granted to or imposed upon any wholly unissued series of Preferred shares, and to fix or alter the number of shares comprising any such series, and the designation thereof, or any of them, and to provide for the rights and terms of redemption or conversion of the shares of any such series.

1. Series A Convertible Preferred Stock. The first series of Preferred Stock shall be comprised of twenty-five million (25,000,000) shares, designated as "Series A Convertible Preferred Stock." The rights, preferences, privileges and restrictions granted to or imposed upon the Series A Preferred Stock and Common Stock are as set forth herein including:

- (a) a Dividend (as further defined herein) of 8% per annum, or \$.024 per share;
- (b) a Preference on Liquidation (as further defined herein) of \$0.30 per share; and
- (c) a Conversion Price (as further defined) of \$0.30 per share (the "Series A Initial Conversion Price"), which may be adjusted as set forth herein.

2. Series B Convertible Preferred Stock. The second series of Preferred Stock shall be comprised of seven million (7,000,000) shares, designated as "Series B Convertible Preferred Stock." The rights, preferences, privileges and restrictions granted to or imposed upon the Series B Preferred Stock and Common Stock are as set forth herein including:

- (a) a Dividend (as further defined herein) of 8% per annum, or \$.04 per share;
- (b) a Preference on Liquidation (as further defined herein) of \$0.50 per share; and
- (c) a Conversion Price (as further defined) of \$0.50 per share (the "Series B Initial Conversion Price"), which may be adjusted as set forth herein.

3. Series C Convertible Preferred Stock. The third series of Preferred Stock shall be comprised of 3,500,000 shares designated as "Series C Convertible Preferred Stock." The rights, preferences, privileges and restrictions granted to or imposed upon the Series C Preferred Stock and Common Stock are as set forth herein, including:

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- (a) a Dividend (as further defined herein) of 8% per annum, or \$0.16 per share;
- (b) a Preference on Liquidation (as further defined herein) of \$2.00 per share; and
- (c) a Conversion Price (as further defined) of \$2.00 per share (the "Series C Initial Conversion Price"), which may be adjusted as set forth herein.

4. Other Terms. In addition to those terms set forth above, the Series A Convertible Preferred Stock, Series B Convertible Preferred Stock and Series C Convertible Preferred Stock shall have the following terms:

(a) Dividends. With respect to Dividends,

- (i) The holders of Preferred Stock shall be entitled to receive in any fiscal year, when and as declared by the Board of Directors, out of any assets at the time legally available therefore, distributions (as defined below) in cash at the rate per annum of the applicable Dividend as set forth in (1), (2) or (3) above, as the case may be. Such distributions may be payable quarterly or otherwise as the Board of Directors may from time to time determine. Distributions may be declared and paid upon common shares in any fiscal year of the Corporation only if distributions shall have been paid to or declared and set apart upon all shares of Preferred Stock at the specified annual dividend rate for each quarter of such fiscal year of the Corporation, including the quarter in which such distributions upon common shares are declared. The right to such distributions on Preferred Stock shall not be cumulative and no right shall accrue to holders of Preferred Stock by reason of the fact that distributions on said shares are not declared in any prior year, nor shall any undeclared or unpaid distribution bear or accrue interest. If the amount available for distribution is insufficient to pay dividends in full to all classes of Preferred Stock, then dividends shall be paid to holders of the first issued series in full and then to each succeeding series, and, in the case of each such series, on a pari passu basis.
- (ii) For purposes of this Paragraph 4(a), unless the context otherwise requires, "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 the purchase or redemption of shares of the Corporation (other than repurchases of Common Stock held by employees or consultants of the Corporation upon termination of their employment or services pursuant to agreement providing for such repurchase) for cash or property, including any such transfer, purchase or redemption by a subsidiary of the Corporation.
- (iii) Each holder of shares of Preferred Stock shall be deemed to have consented to distributions made by the Corporation in connection with the repurchase of shares of Common Stock issued to or held by employees or consultants upon termination of their employment or services pursuant to agreements providing for such repurchase.

(b) Preference on Liquidation. With respect to Preference on Liquidation,

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- (i) In the event of any voluntary or involuntary liquidation, dissolution or winding up of the Corporation the holders of shares of Preferred Stock then outstanding shall be entitled to be paid, out of the assets of the Corporation available for distribution to its shareholders, whether from capital, surplus or earnings, before any payment shall be made with respect to the Corporation's Common Stock, an amount equal to (A) the respective Preference on Liquidation specified in (1), (2) and (3) above for such class of Preferred for each share of Preferred Stock then held by them and (B) an amount equal to all declared and unpaid dividends with respect to each such series to the date fixed for distribution. After setting apart or paying in full the preferential amount due the holders of the Preferred Stock, all remaining assets and funds of the Corporation available for distribution to its shareholders shall be distributed ratably on a per share basis among the holders of Common Stock and the holders of Preferred Stock as if fully converted to Common Stock. If upon liquidation, dissolution or winding up of the Corporation, the assets of the Corporation available for distribution to its shareholders shall be insufficient to pay the holders of the Preferred Stock the full amounts to which each class shall be entitled pursuant to this Paragraph, the holders of the Preferred Stock shall share pro rata and on a pari passu basis in any distribution of assets. The merger or consolidation of the Corporation into or with another corporation in which the shareholders of the Corporation shall own less than 50% of the voting securities of the surviving corporation or the sale, transfer or lease (but not including a transfer or lease by pledge or mortgage to a bona fide lender) of all or substantially all of the assets of the Corporation shall be deemed to be a liquidation, dissolution or winding up of the Corporation as those terms are used in this Paragraph (b). Notwithstanding the foregoing, however, if the amount available for distribution is insufficient to pay in full all liquidation preferences owed to holders of all classes of Preferred Stock, then liquidation shall preferences shall be paid to holders of all classes of Preferred Stock on a pro rata, pari passu basis.
- (ii) In the event of any voluntary or involuntary liquidation, dissolution or winding up of the Corporation, the Corporation shall, within ten (10) days after the date the Board of Directors approves such action, or twenty (20) days prior to any shareholders' meeting called to approve such action, or twenty (20) days after the commencement of any involuntary proceeding, whichever is earlier, give each holder of shares of Preferred Stock initial written notice of the proposed action. Such initial written notice shall describe the material terms and conditions of such proposed action, including a description of the stock, cash and property to be received by the holders of shares of Preferred Stock upon consummation of the proposed action and the date of delivery thereof. If any material change in the facts set forth in the initial notice shall occur, the Corporation shall promptly give written notice to each holder of shares of Preferred Stock of such material change.
- (iii) The Corporation shall not consummate any voluntary or involuntary liquidation, dissolution or winding up of the Corporation before the expiration of thirty (30) days after the mailing of the initial notice or ten

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(10) days after the mailing of any subsequent written notice, whichever is later; provided that any such 30-day or 10-day period may be shortened upon the written consent of the holders of all of the outstanding shares of Preferred Stock, each series consenting as a class.

- (iv) In the event of any voluntary or involuntary liquidation, dissolution or winding up of the Corporation which will involve the distribution of assets other than cash, the Corporation shall promptly engage competent independent appraisers to determine the value of the assets to be distributed to the holders of shares of all Preferred Stock and the holders of shares of Common Stock. The Corporation shall, upon receipt of such appraiser's valuation, give prompt written notice to each holder of shares of Preferred Stock of the appraiser's valuation.

- (c) Voting. Except as otherwise required by law, the shares of Preferred Stock shall be voted as a single class with the shares of the Corporation's Common Stock at any annual or special meeting of shareholders of the Corporation, or may act by written consent in the same manner as the Corporation's Common Stock, upon the following basis: each holder of shares of Preferred Stock shall be entitled to such number of votes for the Preferred Stock held by him on the record date fixed for such meeting, or on the effective date of such written consent, as shall be equal to the largest number of whole shares of the Corporation's Common Stock into which all of his shares of Preferred Stock are convertible immediately after the close of business on the record date fixed for such meeting or the effective date of such written consent.

- (d) Conversion Rights. With respect to conversion rights,

- (i) (1) Each share of Preferred Stock shall be convertible, at the option of the holder thereof, at any time after the issuance of such share (the "Initial Issuance Date"), without payment of further consideration, into fully paid and non-assessable shares of Common Stock of the Corporation.

(2) Each share of Preferred Stock of all series shall automatically be converted into fully paid and non-assessable shares of Common Stock of the Corporation at any time after the Initial Issuance Date immediately upon the closing of a sale of the Corporation's securities in a firm commitment underwritten public offering registered with the Securities & Exchange Commission, with proceeds to the Corporation of at least Ten Million Dollars (\$10,000,000);

(3) Each share of Preferred Stock of any series shall automatically be converted into fully paid and non-assessable shares of Common Stock of the Corporation upon the affirmative vote (at a shareholders meeting or by written consent) of fifty-one (51%) percent or more of the outstanding shares of that series, which vote approves the mandatory conversion of that series of Preferred Stock into Common Stock.

- (ii) The number of shares of Common Stock into which each share of Preferred Stock may be converted shall be determined by dividing (a) the Initial Conversion Price specified for each series of Preferred Stock in

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(1), (2) and (3) above, by (b) the "Preferred Conversion Price" for the series (as defined below) in effect at the time of conversion. The "Preferred Conversion Price" per share for any series shall be initially be equal to the applicable Initial Conversion Price set forth in (1), (2) and (3) above, and thereafter shall be subject to adjustment as provided in Paragraph 4(e) hereof.

- (iii) The holder of any shares of Preferred Stock may exercise the conversion rights after the Initial Issuance Date as to such shares or any part thereof by delivering to the Corporation during regular business hours, at the office of any transfer agent of the Corporation for the Preferred Stock, or at the principal office of the Corporation or at such other place as may be designated by the Corporation, the certificate or the certificates for the shares to be converted, duly endorsed for transfer to the Corporation (if required by it), accompanied by written notice stating that the holder elects to convert such shares. Conversion shall be deemed to have been effected on the date when such delivery is made, and such date is referred to herein as the "Conversion Date." As promptly as practicable thereafter, the Corporation shall issue and deliver to or upon the written order of such holder, at such office or other place designated by the Corporation, a certificate or certificates for the number of full shares of Common Stock to which such holder is entitled and a check for cash with respect to any fractional interest in a share of Common Stock as provided in Subparagraph (iv) of this Paragraph (d). The holder shall be deemed to have become a shareholder of record on the next succeeding date on which the transfer books are open. Upon conversion of only a portion of the number of shares of Preferred Stock represented by a certificate surrendered for conversion, the Corporation shall issue and deliver to or upon the written order of the holder of the certificate so surrendered for conversion, at the expense of the Corporation, a new certificate covering the number of shares of Preferred Stock representing the unconverted portion of the certificate so surrendered.
- (iv) No fractional shares of Common Stock or script shall be issued upon conversion of shares of Preferred Stock. If more than one share of Preferred Stock shall be surrendered for conversion at any one time by the same holder, the number of full shares of Common Stock issuable upon conversion thereof shall be computed on the basis of the aggregate number of shares of Preferred Shares so surrendered. Instead of any fractional shares of Common Stock that would otherwise be issuable upon conversion of any shares of Preferred Stock, the Corporation shall pay a cash adjustment in respect of such fractional interest equal to the fair market value of such fractional interest as determined by the Corporation's Board of Directors.
- (v) The Corporation shall pay any and all issue and other taxes that may be payable with respect to any issue or delivery of shares of Common Stock on conversion of Preferred Stock pursuant hereto. The Corporation shall not, however, be required to pay any tax that may be payable with respect to any transfer involved in the issue and delivery of shares of Common Stock in a name other than that in which the Preferred Stock so converted were registered, and no such issue or delivery shall be made

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unless and until the person requesting such issue has paid to the Corporation the amount of any such tax, or has established, to the satisfaction of the Corporation, that such tax has been paid.

- (vi) The Corporation shall at all times reserve and keep available, out of its authorized but unissued Common Stock, solely for the purpose of effecting the conversion of the Preferred Stock, the full number of shares of Common Stock deliverable upon the conversion of all series of Preferred Stock from time to time outstanding. The Corporation shall from time to time (subject to obtaining necessary director and shareholder action), in accordance with the laws of the State of Florida, increase the authorized amount of its Common Stock if at any time the authorized number of shares of its Common Stock remaining unissued shall not be sufficient to permit the conversion of all of the shares of Preferred Stock at the time outstanding.
- (vii) All shares of Common Stock that may be issued upon conversion of the shares of Preferred Stock will be upon issuance by the Corporation, without payment of further consideration, validly issued, fully paid and non-assessable and free from all taxes, liens and charges with respect to the issuance thereof.
- (viii) In case any shares of Preferred Stock shall be converted pursuant to Paragraph (d) hereof, the shares so converted shall resume the status of authorized but unissued shares of the applicable class of Preferred Stock.
- (e) Adjustment of Preferred Conversion Price. The Preferred Conversion Price as to all authorized shares of each series of Preferred Stock, whether or not then outstanding, from time to time in effect shall be subject to adjustment from time to time as follows:
  - (i) Stock Splits, Dividends and Combinations. In case the Corporation shall at any time subdivide the outstanding shares of Common Stock into a greater number of shares, or shall issue a stock dividend on its outstanding Common Stock, the Preferred Conversion Price in effect immediately prior to such subdivision or the issuance of such dividend shall be proportionately decreased, and in case the Corporation shall at any time combine the outstanding shares of Common Stock into a fewer number of shares, the Preferred Conversion Price in effect immediately prior to such combination shall be proportionately increased, effective at the close of business on the date of such subdivision, dividend or combination, as the case may be.
  - (ii) Notice of Adjustment. Upon the occurrence of each adjustment or readjustment of the Preferred Conversion Price pursuant to this Subparagraph (e), the Corporation at its expense shall promptly compute such adjustment or readjustment in accordance with the terms hereof, and prepare and furnish to each holder of Preferred Stock affected thereby a certificate showing in detail the facts upon which such adjustment or readjustment is based. The Corporation shall, upon the written request at any time of any holder of Preferred Stock, furnish or cause to be furnished to such holder a like certificate setting forth (x)

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such adjustment or readjustment, (y) the Preferred Conversion Price at the time in effect for the Preferred Stock, and (z) the number of shares of Common Stock and the amount, if any, of other property which at the time would be received upon the conversion of his shares.

(f) Noncash Dividends, Stock Purchase Rights, Capital Reorganization and Dissolutions.

In case any of the following should occur:

- (A) (Noncash Dividends) the Corporation shall take a record of the holders of its Common Stock for the purpose of entitling them to receive a dividend, or any other distribution, payable otherwise than in cash; or
- (B) (Stock Purchase Rights) the Corporation shall take a record of the holders of its Common Stock for the purpose of entitling them to subscribe for or purchase any shares of stock of any class or to receive any other rights; or
- (C) (Capital Reorganization) a record date is set for any capital reorganization of the Corporation, reclassification of the capital stock of the Corporation (other than a subdivision or combination of its outstanding shares of Common Stock), consolidation or merger of the Corporation with or into another corporation or conveyance of all or substantially all of the assets of the Corporation to another corporation; or
- (D) (Dissolutions) a record date is set for the voluntary or involuntary dissolution, liquidation or winding up of the Corporation.

then, and in any such case, the Corporation shall cause to be mailed to the transfer agent for the Preferred Stock, and to the holders of record of the outstanding Preferred Stock, at least ten (10) days prior to the date hereinafter specified, a notice stating the date on which (x) a record is to be taken for the purpose of such dividend, distribution or rights, or (y) such reclassification, reorganization, consolidation, merger, conveyance, dissolution, liquidation or winding up is to take place and the date, if any is to be fixed, as of which holders of Common Stock of record shall be entitled to exchange their shares of Common Stock for securities or other property deliverable upon such reclassification, reorganization, consolidation, merger, conveyance, dissolution, liquidation or winding up.

(g) Nonimpairment. The Corporation will not, by amendment to 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 the provisions of this Subparagraph (iii) 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 Stock against impairment.

(h) Definitions. For purposes of determining the allocation of amounts available to pay Dividends and Preference on Liquidation, the term "pro rata" means the ratio of funds raised

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through the sale of (or exercise of warrants or options to acquire) Series A Convertible Preferred, Series B Convertible Preferred or Series C Convertible Preferred, as the case may be, as compared to the aggregate total of the funds raised through the sale of (or exercise of warrants or options to acquire) Series A Convertible Preferred, Series B Convertible Preferred and Series C Convertible Preferred; and the term "pari passu" means as to the share of distributions allocable to any particular class or series, an amount determined by dividing the amount available by the number of shares then outstanding of that class or series.

**B. Common Stock**

Each share of Common Stock shall be identical with each other share of Common Stock, except as the holders thereof shall otherwise expressly agree in writing. Subject to the prior rights of the Preferred Stock from time to time issued and outstanding, as hereinbefore set forth, the holders of Common Stock shall be entitled to receive such sums as the Board of Directors may from time to time declare as dividends thereon, or authorize as distributions thereon, out of any sums available to be distributed as dividends and to receive any balance remaining in case of the dissolution, liquidation or winding up of the Corporation after satisfying the prior rights of the Preferred Stock, if any be then outstanding. Each share of Common Stock shall have one vote for all corporate purposes.

**IN WITNESS WHEREOF**, the undersigned officer of the Corporation has executed this Certificate this 18<sup>th</sup> day of January, 2008.

SUNCEPTS, INC.

By: 

Name: John Santarsiero

Title: President / Director