

PO7000065313

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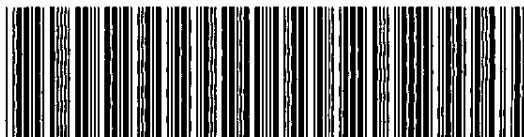
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FILED

08 MAR 25 AM 10:04

SECRETARY OF STATE
TALLAHASSEE, FLORIDA

Amend

S. Couffette MAR 27 2008

COVER LETTER

TO: Amendment Section
Division of Corporations

NAME OF CORPORATION: LAW VIDEOS, INC.

DOCUMENT NUMBER: P07000065313

The enclosed *Articles of Amendment* and fee are submitted for filing.

Please return all correspondence concerning this matter to the following:

LAWRENCE DIODATO

(Name of Contact Person)

LAW VIDEOS, INC.

(Firm/ Company)

902 CLINT MOORE ROAD, SUITE 202

(Address)

BOCA RATON, FL 33487

(City/ State and Zip Code)

For further information concerning this matter, please call:

LOU FISCHLER

(Name of Contact Person)

at (561) 251-2225

(Area Code & Daytime Telephone Number)

Enclosed is a check for the following amount:

☐ \$35 Filing Fee

☐ \$43.75 Filing Fee &
Certificate of Status

☒ \$43.75 Filing Fee &
Certified Copy
(Additional copy is
enclosed)

☐ \$52.50 Filing Fee
Certificate of Status
Certified Copy
(Additional Copy
is enclosed)

Mailing Address

Amendment Section
Division of Corporations
P.O. Box 6327
Tallahassee, FL 32314

Street Address

Amendment Section
Division of Corporations
Clifton Building
2661 Executive Center Circle
Tallahassee, FL 32301

Articles of Amendment
to
Articles of Incorporation
of

LAW VIDEOS, INC.

(Name of corporation as currently filed with the Florida Dept. of State)

P07000065313

(Document number of corporation (if known))

FILED
08 MAR 25 AM 10:04
SECRETARY OF STATE
TALLAHASSEE, FLORIDA

Pursuant to the provisions of section 607.1006, Florida Statutes, this **Florida Profit Corporation** adopts the following amendment(s) to its Articles of Incorporation:

NEW CORPORATE NAME (if changing):

(Must contain the word "corporation," "company," or "incorporated" or the abbreviation "Corp.," "Inc.," or "Co.")
(A professional corporation must contain the word "chartered," "professional association," or the abbreviation "P.A.")

AMENDMENTS ADOPTED- (OTHER THAN NAME CHANGE) Indicate Article Number(s) and/or Article Title(s) being amended, added or deleted: **(BE SPECIFIC)**

ARTICLE IV - SEE CERTIFICATE ATTACHED HERETO

(Attach additional pages if necessary)

If an amendment provides for exchange, reclassification, or cancellation of issued shares, provisions for implementing the amendment if not contained in the amendment itself: (if not applicable, indicate N/A)

(continued)

The date of each amendment(s) adoption: JANUARY 25, 2008

Effective date if applicable: _____
(no more than 90 days after amendment file date)

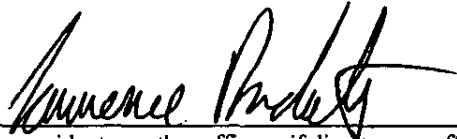
Adoption of Amendment(s) **(CHECK ONE)**

- ☐ The amendment(s) was/were approved by the shareholders. The number of votes cast for the amendment(s) by the shareholders was/were sufficient for approval.
- ☐ The amendment(s) was/were approved by the shareholders through voting groups. *The following statement must be separately provided for each voting group entitled to vote separately on the amendment(s):*

"The number of votes cast for the amendment(s) was/were sufficient for approval by _____."
(voting group)

- ☒ The amendment(s) was/were adopted by the board of directors without shareholder action and shareholder action was not required.
- ☐ The amendment(s) was/were adopted by the incorporators without shareholder action and shareholder action was not required.

Signature _____



(By a director, president or other officer - if directors or officers have not been selected, by an incorporator - if in the hands of a receiver, trustee, or other court appointed fiduciary by that fiduciary)

LAWRENCE DIODATO

(Typed or printed name of person signing)

PRESIDENT

(Title of person signing)

FILING FEE: \$35

**CERTIFICATE TO SET FORTH DESIGNATIONS, PREFERENCES AND RIGHTS TO
SERIES B PREFERRED STOCK OF
LAW VIDEOS, INC.**

I, Lawrence Diodato, President of LAW VIDEOS, INC., a corporation organized and existing under the General Corporation Act of Florida (the "Corporation"), in accordance with the provisions of Section 607.0602 under the Florida Statutes thereof, DO HEREBY CERTIFY:

That pursuant to authority conferred upon the Board of Directors by the Articles of Incorporation of said Corporation, said Board of Directors adopts a resolution providing for the issuance of a Series of forty (40) shares of Series B Preferred Stock pursuant to a written consent dated January 25, 2008, which resolution is as follows:

SERIES B CONVERTIBLE PREFERRED STOCK

1. **Designation, Amounts and Par Value.** The designation of this series, which consists of Forty (40) shares of Preferred Stock, is the Series B Preferred Stock (the "Series B Preferred Stock"). The "Stated Value" of the Series B Preferred Stock shall be \$2,500.00 per share and its par value shall be \$.001 per share.

2. **Dividends.** Within thirty (30) days following any fiscal quarter in which the Company's unrestricted cash and cash equivalents, less any change related to financing activities, increases from the end of the prior fiscal quarter ("Quarterly Cash Increase"), the Series B Preferred Investors shall receive a cash dividend equal to five percent (5%) of such Quarterly Cash Increase. This dividend shall be divided among the Series B Preferred Investors based on their percentage ownership of the Series B Preferred. For example, assuming that all 40 shares of Series B Preferred are sold for \$100,000 and the Company had a Quarterly Cash Increase of \$100,000, an Investor owning 10 shares or 25% of the Series B Preferred would receive a cash dividend of \$1,250 = 25% x [\$100,000 x 5%] which equates to a 5% dividend on their \$25,000 investment.

Notwithstanding the foregoing, the cumulative amount of dividends paid at the five percent (5%) rate shall be capped at the aggregate purchase price of the Series B Preferred. Thereafter, the Series B Preferred Investors shall be entitled to receive a dividend equivalent to that paid to the holders of the Corporation's common stock ("Common Shares"), as if the Series B Preferred had been converted into the Common Shares, but in no event less than a 10% dividend per year. For example, if the holders of the Common Shares are paid a \$1 per share dividend, then the holder of 10 Series B Preferred shares would receive a gross dividend of \$500 = [10 Series A Preferred shares x 50 Common Shares per Series A Preferred share (see section 4)] x \$1 dividend per share.

3. **Rank and Liquidation.**

(a) The Series B Preferred Stock shall rank prior to any other class or series of Common Stock of the Corporation hereinafter designated, in each case as to the distribution of assets upon liquidation, dissolution or winding up of the Corporation.

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(b) Upon the dissolution, liquidation or winding up of the Corporation, whether voluntary or involuntary, the Holders of the Series B Preferred Stock shall be entitled to receive before any payment or distribution shall be made on any class of Common Stock ("Junior Stock"), out of the assets of the Corporation available for distribution to stockholders, the Stated Value per share of Series B Preferred Stock. Upon the payment in full of all amounts due to Holders of the Series B Preferred Stock and any class of securities not designated as Junior Stock, the holders of the Common Stock of the Corporation shall receive all remaining assets of the Corporation legally available for distribution. If the assets of the Corporation available for distribution to the Holders of the Series B Preferred Stock, or any class of capital stock parri passu with that of the Series B Preferred Stock, shall be insufficient to permit payment in full of the amounts payable as aforesaid to the Holders of Series B Preferred Stock upon such liquidation, dissolution or winding up, whether voluntary or involuntary, then all such assets of the Corporation shall be distributed to the exclusion of the holders of shares of Junior Stock ratably among the Holders of the Series B Preferred Stock and any class of capital stock parri passu with that of the Series B Preferred Stock.

(c) The purchase or the redemption by the Corporation of shares of any class of stock, the merger or consolidation of the Corporation with or into any other corporation or entity in which the Corporation is the survivor, or the sale or transfer by the Corporation of substantially all of its assets shall be deemed to be a liquidation, dissolution or winding-up of the Corporation for the purposes of this paragraph 3.

4. Conversion into Common Stock. The Series B Preferred Stock shall have the following conversion rights and obligations:

(a) Subject to the further provisions of this paragraph 4, each Holder of shares of Series B Preferred Stock shall have the right, at any time commencing after the issuance to the Holder of Series B Preferred Stock, to convert all of their shares of Series B Preferred Stock, into fully paid and non-assessable shares of Common Stock of the Corporation determined in accordance with the Conversion Price provided in paragraph 4(b) below (the "Conversion Price").

(b) The number of Common Shares issuable upon conversion of the Series B Preferred Stock shall equal the Stated Value per share (\$2,500) being converted divided by Fifty Dollars (\$50.00) or Fifty (50) shares of Common Stock per share of Series B Preferred Stock.

(c) A Holder will give notice of its decision to exercise its right to convert the Series B Preferred Stock by sending an executed and completed Notice of Conversion (a form of which is annexed as Exhibit A to the Articles of Amendment) to the Corporation via confirmed telecopier transmission, email or mail. The Holder will be required to surrender the Series B Preferred Stock certificate when the Series B Preferred Stock has been converted. The date on which a Notice of Conversion is received by the Corporation in accordance with the provisions hereof shall be deemed the Conversion Date. The Corporation will itself, or will cause the Corporation's transfer agent, if any, to transmit the Corporation's Common Stock certificate representing the Common Stock issuable upon conversion of the Series B Preferred Stock to the Holder via express courier for receipt by such Holder within five (5) business days after receipt by the Corporation of the Notice of Conversion (the "Delivery Date").

In the case of the exercise of the conversion rights set forth in paragraph 4(a), the conversion privilege shall be deemed to have been exercised and the shares of Common Stock issuable upon such conversion shall be deemed to have been issued upon the date of receipt by the Corporation of the Notice of Conversion. The person or entity entitled to receive Common Stock issuable upon such conversion shall, on the date such conversion privilege is deemed to have been exercised and thereafter,

be treated for all purposes as the record holder of such Common Stock and shall on the same date cease to be treated for any purpose as the record holder of such shares of Series B Preferred Stock so converted.

Upon the conversion of any shares of Series B Preferred Stock, no adjustment or payment shall be made with respect to such converted shares on account of any dividend on the Common Stock.

The Corporation shall not be required, in connection with any conversion of Series B Preferred Stock to issue a fraction of a share of its Common Stock and shall instead deliver a stock certificate representing the nearest whole number.

(d) The Conversion Price determined pursuant to Paragraph 4(b) shall be subject to adjustment from time to time as follows:

(i) In case the Corporation shall at any time (A) declare any dividend or distribution on its Common Stock or other securities of the Corporation other than the Series B Preferred Stock, (B) split or subdivide the outstanding Common Stock, (C) combine the outstanding Common Stock into a smaller number of shares, or (D) issue by reclassification of its Common Stock any shares or other securities of the Corporation, then in each such event the Conversion Price shall be adjusted proportionately so that the Holders of Series B Preferred Stock shall be entitled to receive the kind and number of shares or other securities of the Corporation which such Holders would have owned or have been entitled to receive after the happening of any of the events described above had such shares of Series B Preferred Stock been converted immediately prior to the happening of such event (or any record date with respect thereto). Such adjustment shall be made whenever any of the events listed above shall occur. An adjustment made to the Conversion Price pursuant to this paragraph 4(d) (i) shall become effective immediately after the effective date of the event.

(ii) For so long as Series B Preferred Stock is outstanding, the Holder is granted the anti-dilution and price protection rights set forth herein.

(e) In case of any merger of the Corporation with or into any other corporation or entity (other than a merger in which the Corporation is the surviving or continuing corporation and which does not result in any reclassification, conversion, or change of the outstanding shares of Common Stock) then unless the right to convert shares of Series B Preferred Stock shall have terminated as part of such merger, lawful provision shall be made so that Holders of Series B Preferred Stock shall thereafter have the right to convert each share of Series B Preferred Stock into the kind and amount of shares of stock and/or other securities or property receivable upon such merger by a Holder of the number of shares of Common Stock into which such shares of Series B Preferred Stock might have been converted immediately prior to such consolidation or merger. Such provision shall also provide for adjustments which shall be as nearly equivalent as may be practicable to the adjustments provided for in subparagraph (d) of this paragraph 4. The foregoing provisions of this paragraph 4(e) shall similarly apply to successive mergers.

(f) In case of any sale or conveyance to another person or entity of the property of the Corporation as an entirety, or substantially as an entirety, in connection with which shares or other securities or cash or other property shall be issuable, distributable, payable, or deliverable for outstanding shares of Common Stock, then, unless the right to convert such shares shall have terminated, lawful provision shall be made so that the Holders of Series B Preferred Stock shall thereafter have the right to convert each share of the Series B Preferred Stock into the kind and amount of shares of stock or other securities or property that shall be issuable, distributable, payable, or deliverable upon such sale or conveyance with respect to each share of Common Stock immediately prior to such conveyance.

(g) Whenever the number of shares to be issued upon conversion of the Series B Preferred Stock is required to be adjusted as provided in this paragraph 4, the Corporation shall forthwith compute the adjusted number of shares to be so issued and prepare a certificate setting forth such adjusted conversion amount and the facts upon which such adjustment is based, and such certificate shall forthwith be filed with the Transfer Agent for the Series B Preferred Stock and the Common Stock; and the Corporation shall mail to each Holder of record of Series B Preferred Stock notice of such adjusted conversion price.

(h) In case at any time the Corporation shall propose:

(i) to pay any dividend or distribution payable in shares upon its Common Stock or make any distribution (other than cash dividends) to the holders of its Common Stock; or

(ii) to offer for subscription to the holders of its Common Stock any additional shares of any class or any other rights; or

(iii) any capital reorganization or reclassification of its shares or the merger of the Corporation with another corporation or entity (other than a merger in which the Corporation is the surviving or continuing corporation and which does not result in any reclassification, conversion, or change of the outstanding shares of Common Stock); or

(iv) the voluntary dissolution, liquidation or winding-up of the Corporation; then, and in any one or more of said cases, the Corporation shall cause at least fifteen (15) days prior notice of the date on which (A) the books of the Corporation shall close or a record be taken for such stock dividend, distribution, or subscription rights, or (B) such capital reorganization, reclassification, merger, dissolution, liquidation or winding-up shall take place, as the case may be, to be mailed to the Transfer Agent for the Series B Preferred Stock and for the Common Stock and to the Holders of record of the Series B Preferred Stock.

(i) So long as any shares of Series B Preferred Stock or any obligation amount shall remain outstanding and the Holders thereof shall have the right to convert the same in accordance with provisions of this paragraph 4, the Corporation shall use its best efforts to reserve sufficient shares of its authorized and unissued Common Stock that would be necessary to allow conversion of the Series B Preferred Stock, and if it determines that its authorized and unissued shares of Common Stock are not sufficient to allow such conversion, it will amend its Articles of Incorporation and make appropriate filings with the Securities and Exchange Commission in order to increase its authorized capitalization.

(j) The term "Common Stock" as used in this Articles of Amendment shall mean the \$.001 par value Common Stock of the Corporation as such stock is constituted at the date of issuance thereof or as it may from time to time be changed, or shares of stock of any class or other securities and/or property into which the shares of Series B Preferred Stock shall at any time become convertible pursuant to the provisions of this paragraph 4.

(k) The Corporation shall pay the amount of any and all issue taxes (but not income taxes) which may be imposed in respect of any issue or delivery of stock upon the conversion of any shares of Series B Preferred Stock, but all transfer taxes and income taxes that may be payable in respect of any change of ownership of Series B Preferred Stock or any rights represented thereby or of stock receivable upon conversion thereof, shall be paid by the person or persons surrendering such stock for conversion.

(l) In the event a Holder shall elect to convert any shares of Series B Preferred Stock as provided herein, the Corporation may not refuse conversion based on any claim that such Holder or any one associated or affiliated with such Holder has been engaged in any violation of law, or for any other reason unless, an injunction from a court, on notice, restraining and or enjoining conversion of all or part of said shares of Series B Preferred Stock shall have been issued and the Corporation posts a surety bond for the benefit of such Holder in the obligation amount sought to be converted, which is subject to the injunction, which bond shall remain in effect until the completion of arbitration/litigation of the dispute and the proceeds of which shall be payable to such Holder in the event it obtains judgment.

5. Voting Rights. The Holder of shares of Series B Preferred Stock shall not have voting rights except as described in Section 6 hereof.

6. Restrictions and Limitations.

(a) Amendments to Charter. The Corporation shall not amend its Articles of Incorporation without the approval by the holders of at least 70% of the then outstanding shares of Series B Preferred Stock if such amendment would:

(i) reduce the amount payable to the Holders of Series B Preferred Stock upon the voluntary or involuntary liquidation, dissolution or winding up of the Corporation;

(ii) cancel or modify the conversion rights of the Holders of Series B Preferred Stock provided for in Section 4 herein; or

(iii) cancel or modify the rights of the Holders of the Series B Preferred Stock provided for in this Section 6.

7. Redemption. Holders of the Series B Preferred Stock shall have no right to have the Corporation redeem the Series B Preferred Stock. The Corporation shall have no right to redeem the Series B Preferred Stock.

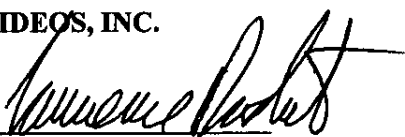
8. Status of Converted or Redeemed Stock. In case any shares of Series B Preferred Stock shall be redeemed or otherwise repurchased or reacquired, the shares so redeemed, converted, or reacquired shall resume the status of authorized but unissued shares of Preferred Stock and shall no longer be designated as Series B Preferred Stock.

9. Authority to Amend. This Article of Amendment was adopted by the Corporation's Board of Directors on January 25, 2008, and no stockholder consent was required for the adoption thereof pursuant to the authority conferred upon the Board of Directors by the Articles of Incorporation of said Corporation.

IN WITNESS WHEREOF, such Corporation has caused its corporate seal to be hereunto affixed and this Certificate to be signed by its President this 20th day of March 2008.

LAW VIDEOS, INC.

By:



Lawrence Diodato, President

EXHIBIT A

NOTICE OF CONVERSION

(To Be Executed By the Registered Holder in Order to Convert the Series B Convertible Preferred Stock of Law Videos, Inc.)

The undersigned hereby irrevocably elects to convert \$_____ of the Stated Value of the above Series B Convertible Preferred Stock into shares of Common Stock of Law Videos, Inc. according to the conditions hereof, as of the date written below.

Date of Conversion:_____

Applicable Conversion Price Per Share:_____

Number of Common Shares Issuable Upon This Conversion:_____

Select one:

☐ A Series B Convertible Preferred Stock certificate is being delivered herewith. The unconverted portion of such certificate should be reissued and delivered to the undersigned.

☐ A Series B Convertible Preferred Stock certificate is not being delivered to Law Videos, Inc.

Signature: X_____

Printed Name: _____

Address: _____

Deliveries Pursuant to this Notice of Conversion Should Be Made to:

