

06/19/2013 14:32 FAX 913 221-2900 HILL, WARD S HENDERSON 0001
6/19/13 Division of Corporations

PO8000096826

Florida Department of State
Division of Corporations
Electronic Filing Cover Sheet

Note: Please print this page and use it as a cover sheet. Type the fax audit number (shown below) on the top and bottom of all pages of the document.

((H13000139760 3)))



H130001397603ABC/

Note: DO NOT hit the REFRESH/RELOAD button on your browser from this page. Doing so will generate another cover sheet.

RECEIVED

13 JUN 19 AM 8:07

FLORIDA DEPARTMENT OF STATE
DIVISION OF CORPORATIONS
TALLAHASSEE, FLORIDA

To:

Division of Corporations
Fax Number : (850) 617-6380

From:

Account Name : HILL, WARD HENDERSON
Account Number : 071146000520
Phone : (813) 221-3900
Fax Number : (813) 221-3900

FILED
2013 JUN 19 AM 10:19
SECRETARY OF STATE
TALLAHASSEE, FLORIDA
C/m**13201

Enter the email address for this business entity to be used for future annual report mailings. Enter only one email address please.

Email Address: _____

COR AMND/RESTATE/CORRECT OR O/D RESIGN
SHIELD AVIATION, INC.

Certificate of Status	1
Certified Copy	1
Page Count	15
Estimated Charge	\$52.50

[Handwritten signature]
6/20/13

(((H13000139760 3)))

FILED

2013 JUN 19 AM 10:19

AMENDED AND RESTATED
ARTICLES OF INCORPORATION
OF
SHIELD AVIATION, INC.

SECRETARY OF STATE
TALLAHASSEE, FLORIDA

Pursuant to Sections 607.1006 and 607.1007 of the Florida Business Corporation Act (the "FBCA"), Shield Aviation, Inc., a Florida corporation (the "Company"), hereby certifies that:

FIRST: That the Company is named Shield Aviation, Inc. and was originally incorporated in the State of Florida on October 28, 2008 under the name Aurora Aerospace, Inc., and that these Amended and Restated Articles of Incorporation shall amend, restate and supersede in their entirety any and all prior Articles of Incorporation, as amended, including, without limitation, any Articles of Amendment thereto, filed with the State of Florida from the date of the Company's original incorporation through the date hereof.

SECOND: These Amended and Restated Articles of Incorporation have been approved by the Board of Directors and shareholders of the Company in the manner and by the vote required by the FBCA. These Amended and Restated Articles of Incorporation contain amendments that require shareholder approval. The amendments were approved by the holders of each class of capital stock of the Company pursuant to a written consent of the shareholders effective June 17, 2013, and the votes cast for the amendment by the holders of each such class of capital stock were sufficient for approval.

Article I: The name of the Company is Shield Aviation, Inc.

Article II: The principal place of business address of the Company is 5060 Santa Fe Street, San Diego, California, 92109. The mailing address of the Company is 5060 Santa Fe Street, San Diego, California, 92109.

Article III: The purpose for which this Company is organized is: any and all lawful business, including but not limited to the design, engineering, development, manufacturing, testing, and servicing of aircraft, parts and accessories related to the aeronautical industry, any other business in general.

Article IV:

A. Authorized Capital Stock: The Company is authorized to issue two classes of shares to be designated respectively Preferred Stock ("Preferred Stock") and Common Stock ("Common Stock"). The total number of shares of capital stock that the Company is authorized to issue is one million one hundred thousand (1,100,000). The total number of shares of Preferred Stock that the Company is authorized to issue is one hundred thousand (100,000), of which twenty thousand six hundred eighty-six (20,686) shares are designated as Series A Preferred Stock ("Series A Preferred"). The total number of shares of Common Stock the Company shall have authority to issue is one million (1,000,000). The Preferred Stock shall have a par value of \$0.0001 per share and the Common Stock shall have a par value of \$0.0001 per share. The Board of Directors of the Company (the "Board") is authorized, subject to limitations prescribed by law, and by the provisions of these Amended and Restated Articles of Incorporation (the "Restated Articles"), to provide for the issuance of shares of Preferred Stock in series, to establish from time to time the number of

(((H13000139760 3)))

((H13000139760 3)))

shares to be included in each series and to determine the designations, relative rights, preferences and limitations of the shares of each series. The Board is also authorized to increase, and is authorized to decrease the number of shares of any series after the issue of that series, but not below the number of shares of such series then outstanding. In case the number of shares of any series shall be so decreased, the shares constituting such decrease shall resume the status which they had prior to the adoption of the resolution originally fixing the number of shares of such series.

B. Preferred Stock. The powers, preferences, rights, restrictions, and other matters relating to the Series A Preferred are as follows:

1. Dividends.

a. No dividends shall be declared or set aside for the Company's Common Stock, unless at the same time or prior thereto all accrued and unpaid dividends on the Series A Preferred shall be declared, set aside and paid on all the then outstanding shares of Series A Preferred as provided herein.

b. The holders of the Series A Preferred shall be entitled, before any dividend shall be paid or declared and set apart on any share of Common Stock, and in preference thereto, to receive cumulative dividends in cash at the annual rate of six percent (6.0%) of the original issue price of the Series A Preferred per share (as adjusted for any stock dividends, combinations or splits with respect to such shares), payable out of funds legally available therefor. Such dividends shall be payable whenever funds are legally available and when and as declared by the Board.

c. In the event that the Company shall declare a distribution payable in securities of other persons, evidences of indebtedness issued by the Company or other persons, assets (excluding cash dividends) or options or rights to purchase any such securities or evidences of indebtedness, then, in each such case the holders of the Series A Preferred to the extent otherwise entitled shall be entitled to a proportionate share of any such distribution as though the holders of the Series A Preferred were the holders of the number of shares of Common Stock of the Company into which their shares of Series A Preferred are convertible as of the record date fixed for the determination of the holders of Common Stock of the Company entitled to receive such distribution.

2. Liquidation Preference. In the event of any Liquidation Event (as defined below):

a. Before any payment or distribution of the assets of the Company (whether capital or surplus) shall be made to or set apart for the holders of Common Stock, the holders of each share of Series A Preferred shall be entitled to receive one hundred sixty-nine dollars and twenty cents (\$169.20) per share of Series A Preferred (as adjusted for any stock dividends, combinations or splits with respect to such shares) (the "Series A Liquidation Preference"). If upon the occurrence of a Liquidation Event the assets and funds distributed among the holders of the Series A Preferred shall be insufficient to permit the payment to such holders of the full Series A Liquidation Preference, then the entire assets and funds of the Company legally available for distribution shall be distributed among the holders of the Series A Preferred in proportion to the preferential amount that each such holder is otherwise entitled to receive.

((H13000139760 3)))

((H13000139760 3)))

b. After payment in full shall have been made to the holders of the Series A Preferred of the Series A Liquidation Preference described in subsection 2(a) above, the holders of Common Stock, together with the holders of Series A Preferred, participating with the holders of Common Stock on a proportionate basis as though the holders of the Series A Preferred were the holders of the number of shares of Common Stock of the Company into which their shares of Series A Preferred are convertible as of the record date fixed for the determination of the holders of Common Stock of the Company entitled to receive such distribution, shall be entitled to receive any and all assets remaining to be paid or distributed to holders of capital stock of the Company.

c. The following events shall be considered a "Liquidation Event" under this Section 2:

(i) a voluntary or involuntary liquidation, winding up or dissolution of the Company; or

(ii) unless such Liquidation Event is waived in writing by the holders of a majority of the issued and outstanding shares of Series A Preferred;

(1) the sale, transfer, conveyance, other disposal, exclusive lease or exclusive license of all or substantially all of the Company's assets, property or business or merger of the Company into or consolidation with any other corporation or entity ("Asset Transfer"); provided, however, that an exclusive license that is terminable by the Company within two (2) years after being entered into, whether upon the occurrence of contingent events or otherwise, shall not be deemed to be an Asset Transfer until and unless it shall have continued in effect for a period of two (2) years; or

(2) a merger, consolidation, stock issuance (other than a bona fide capital raising transaction unless persons who were members of the Board prior to such transaction do not constitute a majority of directors following such transaction), stock sale, or other transaction or series of related transactions which results in any person or group of persons, other than the holders of Common Stock and Preferred Stock immediately prior to such transaction or transactions, owning immediately after such transaction or transactions stock of the Company representing over fifty percent (50%) of the voting power of the outstanding voting stock of the Company or the ability to elect a majority of directors ("Acquisition").

d. Whenever the distribution provided for in this Section 2 shall be payable in securities or property other than cash, the value of such distribution shall be as follows:

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

(1) If traded on a securities exchange, the value shall be deemed to be the average of the closing prices of the securities on such exchange over the 30-day period ending three (3) days prior to the closing;

((H13000139760 3)))

((H13000139760 3)))

(2) If actively traded over-the-counter, the value shall be deemed to be the average of the closing bid or sale prices (whichever are applicable) over the 30-day period ending three (3) days prior to the closing; and

(3) If there is no active public market, the value shall be the fair market value thereof, as determined in good faith by the Board.

(ii) The method of valuation of securities subject to investment letter or other restrictions on free marketability (other than restrictions arising solely by virtue of a shareholder's status as an affiliate or former affiliate) shall be to make an appropriate discount from the market value determined as above in Sections 2(d)(i)(1)-(3) to reflect the approximate fair market value thereof, as determined in good faith by the Board.

3. Optional Redemption of Series A Preferred.

a. If the holders of at least a majority of the issued and outstanding Series A Preferred trigger a request for registration pursuant to Section 1.2 of the Company's Investor Rights Agreement prior to the Company's Qualified IPO (as defined below), then the Company at its sole and absolute discretion, may redeem the holders of the Series A Preferred electing to participate in accordance with the terms and conditions set forth in these Restated Articles. For purposes of these Restated Articles "Qualified IPO" means an underwritten public offering of shares of the Common Stock of the Company with an aggregate offering size of \$25,000,000 at a public offering price per share that is more than five hundred seven dollars and sixty cents (\$507.60) (subject to appropriate adjustment due to stock splits, stock dividends, recapitalizations and similar events (as set forth in these Restated Articles).

b. The redemption price for the Series A Preferred shall be paid by the Company in cash and shall be in an amount with respect to each share of Series A Preferred equal to eight hundred forty-six dollars (\$846) per share (the "Series A Redemption Price").

c. The Company shall provide each holder of Series A Preferred with a written notice of redemption (addressed to the holder at its address as it appears on the stock transfer books of the Company), not earlier than sixty (60) nor later than twenty (20) days before the date fixed for redemption. The notice of redemption shall specify (i) the number of shares to be redeemed; (ii) the redemption date; (iii) the total Series A Redemption Price; and (iii) the place the holders of Series A Preferred may obtain payment of the Series A Redemption Price upon surrender of their certificates. If funds are available on the date fixed for redemption, then whether or not shares redeemed on the redemption date are surrendered for payment of the Series A Redemption Price, such shares shall no longer be outstanding and the holders thereof shall cease to be shareholders of the Company with respect to the shares redeemed on and after the date fixed for redemption and shall be entitled to receive the Series A Redemption Price, without interest upon the surrender of the share certificate. If less than all of the shares represented by a share certificate are to be redeemed, the Company shall issue a new certificate for the shares not redeemed. If sufficient funds are not legally available to redeem all outstanding shares of Series A Preferred, then redemption shall be carried out pro rata according to the number of shares of Series A Preferred held by each holder subject to the redemption (a "Partial Redemption") and the Company shall make

((H13000139760 3)))

((H13000139760 3)))

additional Partial Redemptions beginning thirty (30) days after the date such funds are available until all outstanding shares of Series A Preferred have been redeemed.

4. Voting Rights. Each holder of shares of Series A Preferred (i) shall be entitled to vote on or give or withhold consent with respect to all matters submitted to the shareholders of the Company for a vote or action by written consent and shall be entitled to that number of votes equal to the number of shares of Common Stock into which such shares of Series A Preferred could be converted on the record date for the determination of shareholders entitled to vote on such matter or, if no record date is established, on the date such vote is taken or any written consent of shareholders is solicited, (ii) shall have voting rights and powers equal to the voting rights and powers of the Common Stock (except as otherwise expressly provided herein or as required by law, voting together with the Common Stock as a single class), and (iii) shall be entitled to notice of any shareholders' meeting in accordance with the bylaws of the Company. Fractional votes shall not be permitted and any fractional voting rights resulting from the foregoing formula (after aggregating all shares into which shares of Series A Preferred held by each holder could be converted) shall be rounded to the nearest whole number (with one-half being rounded upward). Each holder of Common Stock shall be entitled to one (1) vote for each share of Common Stock held with respect to all matters submitted to the shareholders of the Company for a vote or action by written consent.

5. Board of Directors.

a. The Board shall consist of seven (7) directors elected and removed as follows:

(1) Two (2) directors shall be nominated and elected by the holders of a majority of the issued and outstanding shares of Series A Preferred voting as a separate class (the "Series A Directors");

(2) Three (3) directors shall be elected by the holders of a majority of the issued and outstanding shares of Common Stock voting as a separate class (the "Common Directors"); provided that the initial Common Directors shall be William Bruhmuller, Don Corum and Iain Townsley;

(3) One (1) director shall be the individual currently serving as the CEO of the Company, who shall initially be Myles Newlove; and

(4) One (1) director shall be an independent director elected by a majority of other directors, who shall initially be Jean-Michel De Robillard.

b. Each director shall be subject to removal by the vote of a majority of the issued and outstanding shares entitled to vote on his or her election at the time of such removal.

c. At such time as there are no shares of Series A Preferred outstanding, the two (2) Series A Directors shall be deemed to be Common Directors and Section 5(a)(2) shall then provide for five (5) directors who shall be elected by the holders of a majority of the issued and outstanding shares of Common Stock voting as a separate class.

((H13000139760 3)))

((H13000139760 3)))

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

a. Right to Convert. Each share of Series A Preferred shall be convertible, at the option of the holder thereof, at any time and from time to time, into such number of fully paid and nonassessable shares of Common Stock as is determined by dividing (i) the Conversion Value (as defined below) of such share determined as of such time by (ii) the Conversion Price (as defined below) determined as of such time. In the event of a Liquidation Event, the Conversion Rights shall terminate at the close of business on the last full day preceding the date fixed for the payment of any amounts distributable in connection with such Liquidation Event to the holders of Series A Preferred.

b. Conversion Value. The "Conversion Value" measured per share of the Series A Preferred shall be the sum of (i) one hundred sixty-nine dollars and twenty cents (\$169.20) (as adjusted for any stock dividends, combinations or splits with respect to such shares) plus (ii) an amount equal to all dividends accrued or declared and unpaid on such share of Series A Preferred.

c. Conversion Price. The "Conversion Price" at which shares of Common Stock shall be deliverable upon conversion of the Series A Preferred without the payment of additional consideration by the holder thereof as of the Original Issue Date (defined below) shall be one hundred sixty-nine dollars and twenty cents (\$169.20), subject to adjustment from time to time as provided in this Section 6.

d. Automatic Conversion. Each share of Series A Preferred shall automatically be converted into shares of Common Stock at the then applicable conversion rate of the Series A Preferred immediately upon (i) the closing of the sale of the Company's Common Stock in an underwritten public offering registered under the Securities Act of 1933, as amended (the "Securities Act") (other than a registration relating solely to (x) a transaction under Rule 145 under such Act (or any successor thereto) or (y) an employee benefit plan of the Company), at a public offering price per share of at least five hundred seven dollars and sixty cents (\$507.60) (subject to appropriate adjustment due to stock splits, stock dividends, recapitalizations and similar events (as set forth in these Restated Articles), and an aggregate public offering price that equals or exceeds twenty-five million dollars (\$25,000,000), in each case prior to underwriters' discounts and expenses ("Conversion Threshold"); or (ii) the vote or written consent of the holders of a majority of the issued and outstanding shares of Series A Preferred voting together as a single class to approve the conversion of all shares of Series A Preferred. If the issued and outstanding shares of Series A Preferred are converted into shares of Common Stock pursuant to this Section 6(d), the Company shall give written notice of such conversion to each holder of shares of Series A Preferred specifying the date of such conversion and the number of shares of Common Stock issuable upon conversion of such shares pursuant to this Section 6.

e. Mechanics of Conversion.

(i) Before any holder of Series A Preferred shall be entitled to convert the same into shares of Common Stock pursuant to Section 6(a), he shall surrender the certificate or certificates therefor, duly endorsed, at the office of the Company or of any transfer agent for such stock, and shall give written notice to the Company at such office that he elects to

((H13000139760 3)))

((H13000139760 3)))

convert the same and shall state therein the name or names in which he wishes the certificate or certificates for shares of Common Stock to be issued. The Company shall, as soon as practicable thereafter, issue and deliver at such office to such holder of Series A Preferred, a certificate or certificates for the number of shares of Common Stock to which he shall then be entitled. Such conversion shall be deemed to have been made immediately prior to the close of business on the date of surrender of the shares of Series A Preferred to be converted, and the person or persons entitled to receive the shares of Common Stock issuable upon such conversion shall be treated for all purposes as the record holder or holders of such shares of Common Stock on such date.

(ii) If the conversion is in connection with an automatic conversion pursuant to Section 6(d), the conversion shall be deemed to have been made as of the date of such automatic conversion as provided in Section 6(d), and each holder of Series A Preferred shall surrender the certificate or certificates therefor, duly endorsed, at the office of the Company or of any transfer agent for such stock, and shall state therein the name or names in which he wishes the certificate or certificates for shares of Common Stock to be issued. The Company shall, as soon as practicable thereafter, issue and deliver at such office to such holder of Series A Preferred, a certificate or certificates for the number of shares of Common Stock to which he shall then be entitled.

(iii) If the conversion is in connection with an underwritten offering of securities pursuant to the Securities Act, the conversion may, at the option of any holder tendering shares of Series A Preferred for conversion, be conditioned upon the closing with the underwriters of the sale of securities pursuant to such offering, in which event the person(s) entitled to receive the Common Stock upon conversion of the Series A Preferred shall not be deemed to have converted such Series A Preferred until immediately prior to the closing of such sale of securities.

I. Adjustments to Conversion Price for Diluting Issues.

(i) Special Definitions. For purposes of this Section 6(f), the following definitions apply:

"Options" shall mean rights, options, or warrants to subscribe for, purchase or otherwise acquire Common Stock, Series A Preferred or Convertible Securities (defined below).

"Original Issue Date" shall mean the applicable date on which a share of Series A Preferred was first issued.

"Convertible Securities" shall mean any evidences of indebtedness, shares (other than Common Stock or Series A Preferred) or other securities convertible into or exchangeable for Common Stock.

"Additional shares of Common Stock" shall mean all shares of Common Stock issued (or, pursuant to Section 6(f)(iii), deemed to be issued) by the Company after the Original Issue Date, other than issuances of (1) shares issued in the Company's initial public offering, (2) up to 3,500,000 shares of stock or options to purchase shares of Common Stock to be issued pursuant to the Company's existing

((H13000139760 3)))

((H13000139760 3)))

employee stock option plan and other issuances of stock or options approved by a majority of the Board, (3) Common Stock upon conversion of the Series A Preferred or other already outstanding convertible securities, (4) shares of stock as dividends or distributions on Preferred Stock, (5) warrants or other securities to banks or equipment lessors approved by a majority of the Board (including all Series A Directors), (6) warrants, shares of stock or other securities in connection with business combinations or corporate partnering agreements approved by a majority of the Board (including all Series A Directors); or (7) for which adjustment of the Conversion Price is made pursuant to Sections 6(g) - (i).

(ii) No Adjustment of Conversion Price. Any provision herein to the contrary notwithstanding, no adjustment in the Conversion Price for the Series A Preferred shall be made in respect of the issuance of Additional Shares of Common Stock unless the consideration per share (determined pursuant to Section 6(f)(v) hereof) for an Additional Share of Common Stock issued or deemed to be issued by the Company is less than the Conversion Price for such Series A Preferred (the "Series A Conversion Price") in effect on the date of, and immediately prior to such issue.

(iii) Deemed Issue of Additional Shares of Common Stock. In the event the Company at any time or from time to time after the Original Issue Date shall issue any Options or Convertible Securities or shall fix a record date for the determination of holders of any class of securities then entitled to receive any such Options or Convertible Securities, then the maximum number of shares (as set forth in the instrument relating thereto without regard to any provisions contained therein designed to protect against dilution) of Common Stock issuable upon the exercise of such Options or, in the case of Convertible Securities and Options therefor, the conversion or exchange of such Convertible Securities, shall be deemed to be Additional Shares of Common Stock issued as of the time of such issue or, in case such a record date shall have been fixed, as of the close of business on such record date, *provided further* that in any such case in which Additional Shares of Common Stock are deemed to be issued:

(1) no further adjustments in the Series A Conversion Price shall be made upon the subsequent issue of Convertible Securities or shares of Common Stock upon the exercise of such Options or conversion or exchange of such Convertible Securities;

(2) if such Options or Convertible Securities by their terms provide, with the passage of time or otherwise, for any increase or decrease in the consideration payable to the Company, or decrease or increase in the number of shares of Common Stock issuable, upon the exercise, conversion or exchange thereof, the Series A Conversion Price computed upon the original issue thereof (or upon the occurrence of a record date with respect thereto), and any subsequent adjustments based thereon, shall, upon any such increase or decrease becoming effective, be recomputed to reflect such increase or decrease insofar as it affects such Options or the rights of conversion or exchange under such Convertible Securities (provided, however, that no such adjustment of the Series A Conversion Price shall effect Common Stock previously issued upon conversion of the Series A Preferred);

(3) upon the expiration of any such Options or any rights of conversion or exchange under such Convertible Securities which shall not have been exercised, the

((H13000139760 3)))

((H13000139760 3)))

Series A Conversion Price computed upon the original issue thereof, and any subsequent adjustments based thereon, shall, upon such expiration, be recomputed as if:

(A) in the case of Convertible Securities or Options for Common Stock the only Additional Shares of Common Stock issued were the shares of Common Stock, if any, actually issued upon the exercise of such Options or the conversion or exchange of such Convertible Securities and the consideration received therefor was the consideration actually received by the Company for the issue of all such Options, whether or not exercised, plus the consideration actually received by the Company upon such exercise, or for the issue of all such Convertible Securities which were actually converted or exchanged, plus the additional consideration, if any, actually received by the Company upon such conversion or exchange; and

(B) in the case of Options for Convertible Securities or Series A Preferred only the Convertible Securities or Series A Preferred, if any, actually issued upon the exercise thereof were issued at the time of issue of Options, and the consideration received by the Company for the Additional Shares of Common Stock deemed to have been then issued was the consideration actually received by the Company for the issue of all such Options, whether or not exercised, plus the consideration deemed to have been received by the Company determined pursuant to Section 6(f)(v) upon the issue of the Convertible Securities or Series A Preferred with respect to which such Options were actually exercised;

(4) no readjustment pursuant to clause (2) or (3) above shall have the effect of increasing the Series A Conversion Price to an amount which exceeds the lower of (a) the applicable Conversion Price on the original adjustment date, or (b) the applicable Conversion Price that would have resulted from any issuance of Additional Shares of Common Stock between the original adjustment date and such readjustment date; and

(5) in the case of any Options which expire by their terms not more than thirty (30) days after the date of issue thereof, no adjustment of the Conversion Price shall be made until the expiration or exercise of all such Options, whereupon such adjustment shall be made in the same manner provided in clause (3) above.

(iv) Adjustment of Series A Conversion Price Upon Issuance of Additional Shares of Common Stock. In the event the Company, at any time after the Original Issue Date shall issue Additional Shares of Common Stock (including Additional Shares of Common Stock deemed to be issued pursuant to Section 6(f)(iii)) without consideration or for a consideration per share less than the Series A Conversion Price in effect on the date of and immediately prior to such issue, then and in such event, the Series A Conversion Price shall be reduced, concurrently with such issue, to a price (calculated to the nearest cent) determined by multiplying such Conversion Price by a fraction, the numerator of which shall be the number of shares of Common Stock outstanding immediately prior to such issue plus the number of shares of Common Stock which the aggregate consideration received by the Company for the total number of Additional Shares of Common Stock so issued would purchase at such Series A Conversion Price in effect immediately prior to such issuance, and the denominator of which shall be the number of shares of Common Stock outstanding immediately prior to such issue plus the number of such Additional Shares of Common Stock so issued. For the purpose of the above calculation, the number of shares

((H13000139760 3)))

((H13000139760 3)))

of Common Stock outstanding immediately prior to such issue shall be calculated as if all shares of Series A Preferred and all Convertible Securities had been fully converted into shares of Common Stock and any outstanding warrants, options or other rights for the purchase of shares of stock or convertible securities had been fully exercised (and the resulting securities fully converted into shares of Common Stock, if so convertible) as of such date.

(v) Determination of Consideration. For purposes of this Section 6(f), the consideration received by the Company for the issue of any Additional Shares of Common Stock shall be computed as follows:

(1) Cash and Property. Such consideration shall (A) insofar as it consists of cash, be computed at the aggregate amount of cash received by the Company excluding amounts paid or payable for accrued interest or accrued dividends; (B) insofar as it consists of property other than cash, be computed at the fair value thereof at the time of such issue, as determined in good faith by the Board; and (C) in the event Additional Shares of Common Stock are issued together with other shares or securities or other assets of the Company for consideration which covers both, be the proportion of such consideration so received, computed as provided in clauses (A) and (B) above, as determined in good faith by the Board.

(2) Options and Convertible Securities. The consideration per share received by the Company for Additional Shares of Common Stock deemed to have been issued pursuant to Section 6(f)(iii), relating to Options and Convertible Securities shall be determined by dividing (A) the total amount, if any, received or receivable by the Company as consideration for the issue of such Options or Convertible Securities, plus the minimum aggregate amount of additional consideration (as set forth in the instruments relating thereto, without regard to any provision contained therein designed to protect against dilution) payable to the Company upon the exercise of such Options or the conversion or exchange of such Convertible Securities, or in the case of Options for convertible Securities, the exercise of such Options for Convertible Securities and the conversion or exchange of such Convertible Securities by (B) the maximum number of shares of Common Stock (as set forth in the instruments relating thereto, without regard to any provision contained therein designed to protect against the dilution) issuable upon the exercise of such Options or conversion or exchange of such Convertible Securities.

g. Adjustments to Conversion Price for Stock Dividends and for Combinations or Subdivisions of Common Stock. In the event that the Company at any time or from time to time after the Original Issue Date shall declare or pay, without consideration, any dividend on the Common Stock payable in Common Stock or in any right to acquire Common Stock for no consideration, or shall effect a subdivision of the outstanding shares of Common Stock into a greater number of shares of Common Stock (by stock split, reclassification or otherwise than by payment of a dividend in Common Stock or in any right to acquire Common Stock), or in the event the outstanding shares of Common Stock shall be combined or consolidated, by reclassification or otherwise, into a lesser number of shares of Common Stock, then the Series A Conversion Price immediately prior to such event shall, concurrently with the effectiveness of such event, be proportionately decreased or increased, as appropriate. In the event that the Company shall declare or pay, without consideration, any dividend on the Common Stock payable in any right to acquire Common Stock for no consideration then the Company shall be deemed to have

((H13000139760 3)))

((H13000139760 3)))

made a dividend payable in Common Stock in an amount of shares equal to the maximum number of shares issuable upon exercise of such rights to acquire Common Stock.

h. Adjustments for Reclassification, Exchange and Substitution. If the Common Stock issuable upon conversion of the Series A Preferred shall be changed into the same or a different number of shares of any other class or classes of stock, whether by capital recapitalization, reclassification or otherwise (other than an Acquisition (as defined below) or Asset Transfer (as defined below), or a subdivision or combination of shares or a stock dividend provided for elsewhere in this Section 6), the Series A Conversion Price then in effect shall, concurrently with the effectiveness of such reorganization or reclassification, be proportionately adjusted so that the Series A Preferred shall be convertible into, in lieu of the number of shares of Common Stock which the holders would otherwise have been entitled to receive, a number of shares of such other class or classes of stock equivalent to the number of shares of Common Stock that would have been subject to receipt by the holders upon conversion of the Series A Preferred immediately before that change.

i. Reorganizations, Mergers or Consolidations. If at any time or from time to time after the Original Issue Date, there is a capital reorganization of the Common Stock or the merger or consolidation of the Company with or into another corporation or another entity or person (other than an Acquisition or Asset Transfer or a subdivision, combination, recapitalization, reclassification, exchange or substitution of shares provided for elsewhere in this Section 6), as a part of such capital reorganization, provision shall be made so that the holders of the Series A Preferred shall thereafter be entitled to receive upon conversion of the Series A Preferred the number of shares of stock or other securities or property of the Company to which a holder of the number of shares of Common Stock deliverable upon conversion would have been entitled on such capital reorganization, subject to adjustment in respect of such stock or securities by the terms thereof. In any such case, appropriate adjustment shall be made in the application of the provisions of this Section 6 with respect to the rights of the holders of Series A Preferred after the capital reorganization to the end that the provisions of this Section 6 (including adjustment of the Series A Conversion Price then in effect and the number of shares issuable upon conversion of the Series A Preferred) shall be applicable after the event and be as nearly equivalent as practicable.

j. No Impairment. The Company will not, by amendment of 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 Company, but will at all times in good faith assist in the carrying out of all the provisions of this Section 6 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 the Series A Preferred against impairment.

k. Certificates as to Adjustments. Upon the occurrence of each adjustment or readjustment of any Series A Conversion Price pursuant to this Section 6, the Company at its expense shall promptly compute such adjustment or readjustment in accordance with the terms hereof and prepare and furnish to each holder of Series A Preferred a certificate executed by the Company's President or Chief Financial Officer setting forth such adjustment or readjustment and showing in detail the facts upon which such adjustment or readjustment is based. The Company shall, upon the written request at any time of any holder of Series A Preferred furnish or cause to be furnished to such holder a like certificate setting forth (i) such adjustments and readjustments, (ii) the Series A Conversion Price at the time in effect, and (iii) the number of shares

((H13000139760 3)))

((H13000139760 3)))

of Common Stock and the amount, if any, of other property which at the time would be received upon the conversion of the Series A Preferred.

l. Notices of Record Date. In the event that the Company shall propose at any time: (i) to declare any dividend or distribution upon its Common Stock, whether in cash, property, stock or other securities, whether or not a regular cash dividend and whether or not out of earnings or earned surplus; (ii) to offer for subscription pro rata to the holders of any class or series of its stock any additional shares of stock of any class or series or other rights; (iii) to effect any reclassification or recapitalization of its Common Stock outstanding involving a change in the Common Stock; or (iv) to merge or consolidate with or into any other corporation, or sell, lease or convey all or substantially all of its assets, or to liquidate, dissolve or wind up; then, in connection with each such event, the Company shall send to the holders of Series A Preferred: (1) at least twenty (20) days prior written notice of the date on which a record shall be taken for such dividend, distribution or subscription rights (and specifying the date on which the holders of Common Stock shall be entitled thereto) or for determining rights to vote, if any, in respect of the matters referred to in (iii) and (iv) above; and (2) in the case of the matters referred to in (iii) and (iv) above, at least twenty (20) days prior written notice of the date when the same shall take place (and specifying the date on which the holders of Common Stock shall be entitled to exchange their Common Stock for securities or other property deliverable upon the occurrence of such event).

m. Issue Taxes. The Company shall pay any and all issue and other taxes that may be payable in respect of any issue or delivery of shares of Common Stock on conversion of shares of Series A Preferred pursuant hereto; provided, however, that the Company shall not be obligated to pay any transfer taxes resulting from any transfer requested by any holder in connection with any such conversion.

n. Reservation of Stock Issuable Upon Conversion. The Company 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 the Series A Preferred such number of its 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; 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 the Company will 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, including, without limitation, engaging in best efforts to obtain the requisite shareholder approval of any necessary amendment to these Restated Articles.

o. Fractional Shares. No fractional shares shall be issued upon the conversion of any share or shares of Series A Preferred. All shares of Common Stock (including fractions thereof) issuable upon conversion of more than one share of Series A Preferred by a holder thereof shall be aggregated for purposes of determining whether the conversion would result in the issuance of any fractional share. If, after the aforementioned aggregation, the conversion would result in the issuance of a fraction of a share of Common Stock, the Company shall, in lieu of issuing any fractional share, pay the holder otherwise entitled to such fraction a sum in cash equal to the fair market value of such fraction on the date of conversion (as determined in good faith by the Board).

((H13000139760 3)))

((H13000139760 3)))

p. Notices. Any notice required by the provisions of this Section 6 to be given to the holders of shares of Series A Preferred shall be deemed given if deposited in the United States mail, postage prepaid, and addressed to each holder of record at his address appearing on the books of the Company.

7. Restrictions and Limitations.

a. As long as at least fifty-one percent (51%) of the originally issued shares of Series A Preferred remain outstanding and unconverted, the approval of the holders of a majority of such issued and outstanding shares of Series A Preferred voting as a separate class shall be required to:

(i) amend any provision of the Articles of Incorporation or the bylaws of the Company in a manner that adversely affects the Series A Preferred;

(ii) effect a liquidation, dissolution, or winding up of the Company, or reclassification or recapitalization of the outstanding capital stock of the Company;

(iii) increase or decrease the authorized number of shares of capital stock;

(iv) create or issue any class or series of stock, or reclassify any outstanding shares, if such new class or series of stock or such reclassification would result in the issuance of shares that are senior to or on parity with the Series A Preferred with respect to the payment of dividends or a preference on liquidation;

(v) redeem stock (other than repurchases from employees or other service providers pursuant to rights of the Company and repurchase pursuant to rights of first refusal);

(vi) authorize, declare or pay any dividends on any class of the Company's stock;

(vii) change the nature of the Company's business operations in any material respect;

(viii) sell, transfer, license, pledge or encumber material technology or material intellectual property, other than licenses granted in the ordinary course of business (unless approved by the Board);

(ix) enter into any transaction with officers, directors and affiliates outside the ordinary course of business (unless approved by the Board);

(x) hire, fire, or change the compensation of the executive officers, including approving any option plans (unless approved by the Board); or

(xi) increase or decrease the number of directors.

((H13000139760 3)))

((H13000139760 3)))

b. As long as at least twenty-five percent (25%) of the originally issued shares of Series A Preferred remain outstanding and unconverted, the approval of the holders of a majority of such issued and outstanding shares of Series A Preferred voting as a separate class shall be required to:

(i) effect a merger, reorganization, or sell, exclusively license or lease, or otherwise dispose of any assets of the Company with a value in excess of \$500,000 other than in the ordinary course of business;

(ii) borrow, guaranty or otherwise incur indebtedness in excess of \$500,000;

(iii) acquire all or substantially all of the properties, assets or stock of any other corporation or entity or assets with a value greater than \$500,000; or

(iv) form, contribute capital or assets to, or make a loan or advance in excess of \$100,000 to (1) any partially-owned subsidiary, (2) a joint venture or (3) a similar business entity.

Article V: In furtherance and not in limitation of the powers conferred by statute, the Board shall have the power, subject to the provisions of Section 7 of Part (B) of Article IV, both before and after receipt of any payment for any of the Company's capital stock, to adopt, amend, repeal or otherwise alter the bylaws of the Company without any action on the part of the shareholders; provided, however, that the grant of such power to the Board shall not divest the shareholders of nor limit their power, subject to the provisions of Section 7 of Part (B) of Article IV, to adopt, amend, repeal or otherwise alter the bylaws.

Article VI: The name and Florida street address of the registered agent is: William N. Bruhmuller, 2159 Briawood Circle, Panama City, Florida 32405.

Article VII: The name and address of the incorporator is: Myles C. Newlove, 2159 Briawood Circle, Panama City, Florida, US 32405.

Article VIII: Elections of directors need not be by written ballot unless the bylaws of the Company shall so provide.

Article VIII: The Company reserves the right to adopt, repeal, rescind or amend in any respect any provisions contained in these Restated Articles in the manner now or hereafter prescribed by applicable law, and all rights conferred on shareholders herein are granted subject to this reservation.

Article IX:

A. Exculpation. To the fullest extent permitted by law, a director of the Company shall not be personally liable to the Company or its shareholders for monetary damages for breach of fiduciary duty as a director. If the Act or any other law of the State of Florida is amended after approval by the shareholders of this Article IX to authorize corporate action further eliminating or limiting the personal liability of directors, then the liability of a director of the Company shall be eliminated or limited to the fullest extent permitted by the Act as so amended.

((H13000139760 3)))

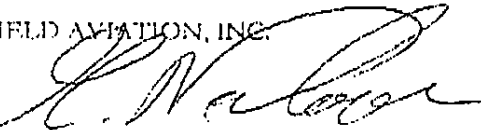
((H13000139760 3)))

Any repeal or modification of the foregoing provisions of this Article IX.A. by the shareholders of the Company shall not adversely affect any right or protection of a director of the Company existing at the time of, or increase the liability of any director of the Company with respect to any acts or omissions of such director occurring prior to, such repeal or modification.

B. Indemnification. To the fullest extent permitted by applicable law, the Company is authorized to provide indemnification of (and advancement of expenses to) directors, officers, employees and agents of the Company (and any other persons to which the Act permits the Company to provide indemnification) through bylaw provisions, agreements with such agents or other persons, vote of shareholders or disinterested directors or otherwise. Any amendment, repeal or modification of the foregoing provisions of this Article IX.B. shall not adversely affect any right or protection of any director, officer, employee or other agent of the Company existing at the time of such amendment, repeal or modification.

IN WITNESS WHEREOF, the Company has caused these Amended and Restated Articles of Incorporation to be executed as of June 16, 2013.

SHIELD AVIATION, INC.

By: 
Myles Newlove, President

((H13000139760 3)))