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COATES GOLF HOLDINGS, INC.**

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**ARTICLES OF AMENDMENT OF
ARTICLES OF INCORPORATION
AND CERTIFICATE OF DESIGNATION OF
SERIES A PREFERRED STOCK
OF COATES GOLF HOLDINGS, INC.**

Coates Golf Holdings, Inc., a corporation organized and existing under the laws of the State of Florida (the "Corporation"), hereby certifies that the Board of Directors of the Corporation, (the "Board"), pursuant to authority of the Board as required by applicable corporate law, and in accordance with the provisions of its Articles of Incorporation and Bylaws, has and hereby authorizes a series of the Corporation's previously authorized and un-issued Nine Million (9,000,000) shares of Preferred Stock, par value \$0.001 per share (the "Preferred Stock"), and hereby states the designation and number of shares, and fixes the rights, preferences, privileges, powers and restrictions thereof, as set forth below. The amendment was adopted on November 16, 2015, by the Board without shareholder action and shareholder action was not required.

**SERIES A PREFERRED STOCK
DESIGNATION AND AMOUNT**

Four Million (4,000,000) shares of the authorized and un-issued Preferred Stock of the Corporation are hereby designated "Series A Preferred Stock" with the following rights, preferences, powers, privileges, restrictions, qualifications and limitations:

1. **Series A Original Issue Price.** The original issue price of each issued share of Series A Preferred Stock shall be \$1.00 per share, subject to appropriate adjustment in the event of any stock dividend, stock split, combination or other similar recapitalization with respect to the Series A Preferred Stock (the "Series A Original Issue Price").

2. **Dividends.** The shares of Series A Preferred Stock shall not entitle the holders thereof to any dividends and the Series A Preferred Stock shall not accrue any dividends, except that, in the event that the Corporation shall at any time or from time to time declare or pay any dividend, such dividends shall first be paid to the holders of Series A Preferred Stock until each holder of Series A Preferred Stock shall have received the Series A Original Issue Price for each share of Series A Preferred Stock held by such holder and thereafter the holders of Series A Preferred Stock will participate in any dividend with the holders of Common Stock on an as-converted basis. Solely for purposes of determining the pro rata ratios set forth herein, each share of Series A Preferred Stock shall be deemed to convert into one share of Common Stock.

3. **Voting.** On any matter presented to the shareholders of the Corporation for their action or consideration at any meeting of shareholders of the Corporation (or by written consent of shareholders in lieu of a meeting), each holder of outstanding shares of Series A Preferred Stock shall vote together with the holders of Common Stock on an as-converted basis as of the record date for determining shareholders entitled to vote on such matter. Except as provided by law or by the other provisions of the Articles of Incorporation, holders of Series A Preferred Stock shall vote together with the holders of Common Stock as a single class.

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4. Liquidation, Dissolution, or Winding-Up.

(a) **Preferential Payments to Holders of Series A Preferred Stock.** Upon any liquidation, dissolution or winding-up of the Corporation, whether voluntary or involuntary, the holders of the shares of Series A Preferred Stock shall be paid, before any payment shall be paid to the holders of Common Stock, an amount for each share of Series A Preferred Stock held by such holder equal to the Series A Original Issue Price thereof (such applicable amount payable with respect to a share of Series A Preferred Stock sometimes being referred to as the "Individual Series A Preferred Liquidation Preference Payment" and with respect to all shares of Series A Preferred Stock in the aggregate sometimes being referred to as the "Aggregate Series A Liquidation Preference Payment"). If, upon such liquidation, dissolution or winding-up of the Corporation, whether voluntary or involuntary, the assets to be distributed among the holders of shares of Series A Preferred Stock shall be insufficient to permit payment to the holders of Series A Preferred Stock of an aggregate amount equal to the Aggregate Series A Liquidation Preference Payment, then the entire assets of the Corporation to be so distributed shall be distributed ratably among the holders of Series A Preferred Stock (based on the Individual Series A Preferred Liquidation Preference Payments due to the respective holders of Series A Preferred Stock).

(b) **Distribution of Remaining Assets.** Upon any liquidation, dissolution or winding-up of the Corporation, whether voluntary or involuntary, after the payment of all preferential amounts required to be paid to the holders of shares of Series A Preferred Stock, the remaining assets of the Corporation available for distribution to its shareholders shall be distributed among the holders of the shares of Series A Preferred Stock and Common Stock, pro rata based on the number of shares held by each such holder, treating for this purpose all such securities as if they had been converted to Common Stock immediately prior to such liquidation, dissolution or winding up of the Corporation.

(c) **Merger, Consolidation, or Share Exchange.** Any merger, consolidation, or share exchange of the Corporation into or with another corporation in which the Corporation is not the surviving entity (other than one in which shareholders of the Corporation own a majority by voting power of the outstanding shares of the surviving or acquiring corporation), or sale, lease, transfer, exclusive license or other disposition of all or substantially all of the assets of the Corporation (excluding any sale or other disposition of all or substantially all of the Corporation's assets where the proceeds of such sale are reinvested in assets of the general type used in the business of the Corporation) shall be deemed to be a liquidation, dissolution, or winding-up of the Corporation as provided in Section 4(a) and (b), thereby triggering payment of the liquidation preferences described in Section 4(a) and (b).

(d) **Initial Public Offering.** As of the closing of an underwritten initial public offering by the Corporation (an "IPO") all outstanding shares of Series A Preferred Stock shall be automatically converted to shares of Common Stock on a one for one basis without any further action by the relevant holder of such shares or the Corporation. As promptly as practicable following such IPO (but in any event within five (5) days thereafter), the Corporation shall send each holder of shares of Series A Preferred Stock written notice of such event. Upon receipt of such notice, each holder shall surrender to the Corporation the certificate or certificates representing the shares being converted, duly assigned or endorsed for transfer to the Corporation (or accompanied by duly executed stock powers relating thereto) or, in the event the certificate or certificates are lost, stolen or missing, accompanied by an affidavit of loss executed by the holder. Upon the surrender of such certificate(s) and accompanying materials, the Corporation shall as promptly as practicable (but in any event within ten (10) days thereafter) deliver to the relevant holder a certificate in such holder's name (or the name of such holder's designee as stated in the written election) for the number of shares of Common Stock (including any fractional share) to which such holder shall be entitled upon conversion of the applicable Shares. All shares of Common Stock issued hereunder by the Corporation shall be duly and validly issued, fully paid and non-assessable, free and clear of all taxes, liens, charges and encumbrances with respect to the issuance thereof. All Shares of

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Series A Preferred Stock converted as provided in this Section 4(d) shall no longer be deemed outstanding as of the effective time of the applicable conversion and all rights with respect to such Shares shall immediately cease and terminate as of such time, other than the right of the holder to receive shares of Common Stock in exchange therefor.

5. **Rights to Future Stock Issuances.** Subject to the terms and conditions of this Section 5 and applicable securities laws, if the Corporation proposes to offer or sell any New Securities, the Corporation shall first offer such New Securities to each holder of Series A Preferred Stock.

(a) **Special Definitions.** For purposes of this Section 5, the following definitions shall apply:

(i) **"Derivative Securities"** means any securities or rights convertible into, or exercisable or exchangeable for (in each case, directly or indirectly), Common Stock, including options and warrants.

(ii) **"IPO"** means the Corporation's first underwritten public offering of its Common Stock under the Securities Act.

(iii) **"Exempted Securities"** means (1) securities of the Corporation issued to its employees, consultants, officers or directors of the Corporation, or which have been reserved for issuance, pursuant to any employee stock option, stock purchase, stock bonus plan, or other similar stock agreement or arrangement approved by the Board; (2) securities of the Corporation issued in connection with any stock split, stock dividend or recapitalization of the Corporation; (3) any right, option or warrant to acquire any security convertible into or exchangeable or exercisable for the securities deemed Exempted Securities pursuant to sub-clause (1) above if issued pursuant to any employee stock option, stock purchase, stock bonus plan or other similar stock agreement or arrangement approved by the Board; (4) securities of the Corporation issued to persons in connection with a joint venture, strategic alliance or other commercial relationship with such person (including persons that are customers, suppliers and strategic partners of the Corporation) relating to the operation of the Corporation's business and not for the primary purpose of raising equity capital; (5) securities of the Corporation issued to persons in connection with a transaction in which the Corporation, directly or indirectly, acquires another business or its tangible or intangible assets; (6) securities of the Corporation issued to lenders as equity kickers in connection with debt financings of the Corporation, in each case where such transactions have been approved by the Board; (7) shares of Common Stock in an offering for cash for the account of the Corporation that is underwritten on a firm commitment basis and is registered with the Securities and Exchange Commission under the Securities Act; or (8) securities of the Corporation issued to persons issued to the lessor or vendor in any office lease or equipment lease or similar equipment financing transaction in which the Corporation obtains the use of such office space or equipment for its business.

(iv) **"New Securities"** means, collectively, equity securities of the Corporation, whether or not currently authorized, as well as rights, options, or warrants to purchase such equity securities, or securities of any type whatsoever that are, or may become, convertible or exchangeable into or exercisable for such equity securities.

(v) **"Person"** means any individual, corporation, partnership, trust, limited liability corporation, association or other entity.

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(vi) "Securities Act" means the Securities Act of 1933, as amended, and the rules and regulations promulgated thereunder.

(b) **Offer Notice.** The Corporation shall give notice (the "Offer Notice") to each holder of Series A Preferred Stock, stating (i) its bona fide intention to offer such New Securities, (ii) the number of such New Securities to be offered, and (iii) the price and terms, if any, upon which it proposes to offer such New Securities.

(c) **Pro Rata Right to Purchase New Securities.** By notification to the Corporation within five (5) business days after the Offer Notice is given, each holder of Series A Preferred Stock may elect to purchase or otherwise acquire, at the price and on the terms specified in the Offer Notice, up to that portion of such New Securities which equals the proportion that the shares of stock of the Corporation then held by such holder of Series A Preferred Stock (including all shares of Common Stock that would be issuable (directly or indirectly) upon conversion of the Series A Preferred Stock and any other Derivative Securities then held by such holder of Series A Preferred Stock) bears to the total Common Stock of the Corporation then outstanding (assuming full conversion of all Series A Preferred Stock and other Derivative Securities). At the expiration of such twenty (20) day period, the Corporation shall promptly notify each holder of Series A Preferred Stock that elects to purchase or acquire all the shares available to it (each, a "Fully Exercising Investor") of any other Series A Preferred Stock holder's failure to do likewise. During the ten (10) day period commencing after the Corporation has given such notice, each Fully Exercising Investor may, by giving notice to the Corporation, elect to purchase or acquire, in addition to the number of shares specified above, up to that portion of the New Securities for which holders of Series A Preferred Stock were entitled to subscribe but that were not subscribed for by the holders of Series A Preferred Stock which is equal to the proportion that the shares of stock of the Corporation held, or that would be issuable (directly or indirectly) upon conversion of Series A Preferred Stock and any other Derivative Securities then held, by such Fully Exercising Investor bears to the Common Stock issued and held, or that would be issuable (directly or indirectly) upon conversion of the Series A Preferred Stock and any other Derivative Securities then held, by all Fully Exercising Investors who wish to purchase such unsubscribed shares. The closing of any sale pursuant to this Section 5(c) shall occur within the later of ninety (90) days of the date that the Offer Notice is given and the date of initial sale of New Securities pursuant to Section 5(d).

(d) **Sale of Remaining New Securities.** If all New Securities referred to in the Offer Notice are not elected to be purchased or acquired as provided in Section 5(c), the Corporation may, during the one hundred eighty (180) day period following the expiration of the periods provided in Section 5(c), offer and sell the remaining unsubscribed portion of such New Securities to any Person or Persons at a price not less than, and upon terms no more favorable to the offeree than, those specified in the Offer Notice. If the Corporation does not enter into an agreement for the sale of the New Securities within such period, or if such agreement is not consummated within thirty (30) days of the execution thereof, the right provided hereunder shall be deemed to be revived and such New Securities shall not be offered unless first reoffered to the holders of Series A Preferred Stock in accordance with this Section 5.

(e) **Securities Excluded from Right of First Offer.** The right of first offer in this Section 5 shall not be applicable to (i) Exempted Securities and (ii) shares of Common Stock issued in the IPO.


6. **Waiver.** Any of the rights, powers, or preferences of the holders of Series A Preferred Stock set forth herein may be waived by the affirmative consent or vote of the holders of at least a majority of the shares of Series A Preferred Stock then outstanding.

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IN WITNESS WHEREOF, this Amendment of Articles of Incorporation and Certificate of Designation has been executed by a duly authorized officer of the Corporation on this 16th day of November, 2015.

COATES GOLF HOLDINGS, INC.

By: 
Name: Randall Coates
Title: Chief Operating Officer