

P93000060291



BBJ Chemical Compounds, Inc.
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Tampa, Florida 33619
(813) 622-8550 • Fax (813) 623-4032
<http://www.bbjchem.com>

FILED
99 MAR 26 AM 9:40
SECRETARY OF STATE
TALLAHASSEE, FLORIDA

March 23, 1999

Secretary of State
Division of Corporations
P.O. Box 6327
Tallahassee, FL 32314

500002818515-9
-03/26/99-01028-003
****43.75 ****43.75

Re: BBJ Chemical Compounds, Inc. - Document # P93000060291

Dear Sir or Madam:

Enclosed for filing with your office is an originally executed and copy of our Certificate of Designation of Series A 10% Convertible Preferred Stock, dated February 26, 1999, for the above referenced corporation. The original Certificate of Designation, dated April 15, 1998, that was filed along with the Company's Amendment of Articles of Incorporation on May 18, 1998 was filed in error. Also enclosed is a check in the amount of \$43.75 in payment of the following fees:

1.	Filing Fee	\$35.00
2.	Certificate of Status	\$ 8.75
Total		\$43.75

Please forward stamped copy of the Certificate of Designation to our company office in the enclosed self-addressed envelope.

Thank you for your attention to this request.

Sincerely yours,

Jerry V. Schinella
President

JVS/mjg
Enclosures

*Filed pursuant to #607.0602
Fl. Statute
Shareholder approval not required.*

Amend

VS MAR 30 1999

ARTICLES OF AMENDMENT
CERTIFICATE OF DESIGNATION
OF
SERIES A 10% CONVERTIBLE PREFERRED STOCK
OF
BBJ CHEMICAL COMPOUNDS, INC.

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SECRETARY OF STATE
TALLAHASSEE, FLORIDA

MICHAEL J. GORODN, Vice President of BBJ Chemical Compounds, Inc., hereafter called the "Corporation or the "Company", a corporation organized and existing under the General Corporation Law of the State of Florida, does hereby certify that the following resolution was duly adopted by the Board of Directors of the Corporation at a meeting thereof, effective February 26, 1999, and that such resolution is in full force and effect on the date of this Certificate.

RESOLVED, that the Board of Directors hereby creates, from the authorized but unissued shares of preferred stock of the Corporation, \$2.00 par value (the "Preferred Stock"), a series of Preferred Stock to consist of 1,000,000 shares which shall be designated Series A 10% Convertible Preferred Stock (the "10% Convertible Preferred Stock") and hereby fixes the designations, powers, preferences and relative participating, optional or other special rights, and the qualifications, limitations and restrictions of the shares of such series, in addition to those set forth in the Certificate of Incorporation, as follows:

1. Voting Provisions. The Holders of the 10% Convertible Preferred Stock (each a "Holder" and collectively, the "Holders") are not entitled to any voting rights, and the consent of the Holders thereof shall not be required for the taking of any corporate action, except as set forth below and as provided by applicable law. On matters subject to a vote by Holders of the 10% Convertible Preferred Stock voting as a separate class, the Holders are entitled to one vote per share.

The affirmative vote, in person or by proxy, of the Holders of a majority of the outstanding shares of the 10% Convertible Preferred Stock, voting as a single class, shall be necessary for the Company to: (a) amend, repeal or modify any provision of, or add any provision to, the Company's Restated Certificate of Incorporation if such action would alter or change the rights, preferences, privileges or powers of, or the restrictions provided for the benefit of, the 10% Convertible Preferred Stock adversely; (b) authorize, create or issue any additional shares of any class or series of Senior Stock or Parity Stock, or authorize, create or issue shares of any class or series of stock or any bonds, debentures, notes or other obligations convertible into or exchangeable for, or having optional rights to purchase, any shares of Senior Stock or Parity Stock; (c) reclassify the shares of Common Stock or any other shares of any class or series of Junior Stock into shares of Senior Stock or Parity Stock; (d) merge with or consolidate into any corporation, firm or entity unless the Company is the surviving entity; or (e) sell, lease or otherwise dispose of all or substantially all of its assets; provided, however, that no such vote shall be required pursuant to clause (d) if under the terms of such merger or consolidation, each holder of Preferred Stock shall receive, in exchange for such 10% Convertible Preferred Stock, securities of the surviving, resulting or acquiring corporation, firm or entity which shall in the aggregate possess relative rights, preferences and limitations, which are at least as favorable as those possessed by the 10% Convertible Preferred Stock immediately prior to the effective date of such merger or consolidation, and adequate provision shall be made whereby such securities

received in exchange for the 10% Convertible Preferred Stock shall thereafter be convertible into the number of shares of Common Stock (or into such shares of stock, securities or assets as may be issuable or payable with respect to, or in exchange for, the number of shares of Common Stock) into which the 10% Convertible Preferred Stock would have been convertible immediately prior to such merger or consolidation.

2 Dividend Provisions. So long as any Series A 10% Convertible Preferred Stock shall be outstanding, the Holders thereof shall be entitled to receive dividends at the annual rate of \$.20 per share (or 10% per annum). Subject to change by the Board of Directors, dividends will be payable annually on the 31st day of January to Holders of record as they appear on the record books of the Company on the last day of the month preceding the month in which the dividend is payable. Dividends accumulate from the first day of the year in which such dividend may be payable, except with respect to the first annual dividend which shall accumulate from the day of issuance of the 10% Convertible Preferred Stock. If all dividends on the 10% Convertible Preferred Stock have not been paid or set apart for payment, (i) no dividends or other distributions may be declared and paid or set apart for payment upon any equity securities of the Company, other than securities having a dividend payment or other distribution preference superior to the 10% Convertible Preferred Stock ("Senior Stock") and (ii) the Company is prohibited from repurchasing, redeeming or otherwise acquiring Common Stock or any other class of capital stock ranking on parity with ("Parity Stock") or junior to ("Junior Stock") the 10% Convertible Preferred Stock as to dividends and other distributions. Holders of 10% Convertible Preferred Stock are not entitled to participate in any other dividends or other distributions (cash, stock or otherwise) declared or paid with respect to the Common Stock or any other class of stock of the Company.

3. Automatic Conversion. Each share of Series A Convertible Preferred Stock shall be automatically converted into Common Stock (at the Conversion Price as defined herein under Section 5) if the Company is trading publicly and the closing sales price of the Common Stock is trading above \$3.75 per share for twenty consecutive trading days.

4. Liquidation Provisions. In the event of any liquidation or winding up of the affairs of the Company, whether voluntary or otherwise, after payment or provision of payment of the debts and other liabilities of the Company, the Holders of the 10% Convertible Preferred Stock shall be entitled to receive, out of the assets of the Company legally available for distribution to its shareholders, the amount of \$2.00 in cash for each share of 10% Convertible Preferred Stock, plus an amount equal to all dividends accumulated and unpaid on each such share up to the date fixed for distribution, before any distribution may be made to the holders of the Company's Common Stock or any Junior Stock. If, after payment or provision for payment of the debts and other liabilities of the Company, the remaining net assets of the Company are not sufficient to pay the Holders of the 10% Convertible Preferred Stock and Parity Stock the full amounts of their respective preferences, the Holders of 10% Convertible Preferred Stock and Parity Stock would share ratably in any distribution of assets.

Neither the consolidation or merger of the Company with any corporation, not the sale of all or part of the Company's assets nor the purchase or redemption by the Company of any class of stock permitted by the Company's Restated Certificate of Incorporation or any amendment thereof, will be deemed a liquidation or winding up of the Company. The Holders of the 10%

Convertible Preferred Stock will not be entitled, upon liquidation or winding up of the Company, to receive any amounts other than the amount specified above.

5. Conversion Provisions. The Holders of Series A 10% Convertible Preferred Stock shall have conversion rights as follows:

Each share of 10% Convertible Preferred Stock is convertible by the holder thereof at any time into Common Stock ("Conversion Price") at a ratio of one (1) share of 10% Convertible Preferred Stock into one and sixth-tenths (1.6) shares of Common Stock.

Such conversion shall be effected by surrendering the certificate or certificates representing the shares of Series A 10% Convertible Preferred Stock to be converted to the principal corporate office of the Company (located at 6802 Citicorp Blvd., Suite 500, Tampa, Florida 813-622-8550, Attention: Corporate Secretary), with a form of conversion notice, executed by the Holder evidencing such Holder's intention to convert those Series A 10% Convertible Preferred Stock. The date on which a conversion is effected (the "Conversion Date") shall be the date on which the Corporation has received the certificate or certificates representing the Series A 10% Convertible Preferred Stock so to be converted, together with a conversion notice duly executed, and the Company shall complete the issuance of the shares of Common Stock as promptly as reasonably practical and in no event later than seven (7) trading days after the Conversion Date. Each conversion notice delivered by a Holder shall be irrevocable.

No fractional shares of Series A 10% Convertible Preferred Stock may be converted. No fractional shares of Common Stock shall be issued upon conversion of the Series A 10% Convertible Preferred Stock.

The Company shall pay in cash all cumulative and unpaid dividends to the Conversion Date on all shares of Series A 10% Convertible Preferred Stock that are to be converted, such cash payments shall be due on the date that the certificates or certificates representing the shares of Common Stock to be issued in connection with such conversion are due to be issued.

The Company shall have no responsibility to pay any taxes with respect to the Series A 10% Convertible Preferred Stock or the conversion thereof.

The Conversion Rate is subject to adjustment from time to time in the event of (i) the issuance of Common Stock as a dividend or distribution on the Common Stock; or (ii) the combination, subdivision or reclassification of the Common Stock. No fractional shares will be issued upon conversion, but any fractions will be paid in cash on the basis of the purchase price of the 10% Convertible Preferred Stock. Payment of accumulated and unpaid dividends will be made upon conversion to the extent of legally available funds as prescribed by statute.

In the event of the establishment by the Corporation of a record of the holders of Common Stock for the purpose of determining the holders thereof who are entitled to receive any dividend or other distribution, the Corporation shall mail to each Holder of Series A 10% Convertible Preferred Stock at least twenty (20) days prior to the date specified therein, a notice specifying the date on which any such record is to be taken for the purposes of such dividend or distribution and the amount and character of such dividend or distribution.

Any notices required by the provisions of this Section 5 to be given to the Holders of shares of Series A 10% Convertible Preferred Stock shall be deemed given if hand delivered, sent by recognized overnight courier, or sent by facsimile to each Holder at such Holder's address appearing on the books of the Corporation.

The Corporation 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 Series A 10% Convertible Preferred Stock such number of its shares of Common Stock as shall from time to time be sufficient to effect the conversion of all then outstanding shares of the Series A 10% Convertible Preferred Stock; 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 the then outstanding shares of Series A 10% Convertible Preferred Stock, the Corporation 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.

Any shares of Series A 10% Convertible Preferred Stock converted, purchased or otherwise acquired by the Company in any manner whatsoever shall be retired and cancelled promptly after the acquisition thereof, and, if necessary, to provide for the lawful purchase of such shares, the capital represented by such shares shall be reduced in accordance with the Florida General Corporation Law. All such shares upon their cancellation shall become authorized but unissued shares of Preferred Stock of the Company and may be reissued as part of another series of Preferred Stock of the Company.

This Certificate of Designation may only be amended by the Company with the prior written consent of Holders of at least 66-2/3% of the issued and outstanding shares of Series A 10% Convertible Preferred Stock.

6. Other. The Holders of 10% Convertible Preferred Stock are not entitled to any preemptive rights. Shares of 10% Convertible Preferred Stock offered hereby and the shares of the Common Stock issuable upon conversion will, when issued, be validly issued, fully paid and non-assessable.

IN WITNESS WHEREOF, said BBJ Chemical Compounds, Inc. has caused this Certificate to be signed by Jerry V. Schinella, its President, and attested by Michael J. Gordon, its Secretary, this 26th day of February, 1999.

BBJ Chemical Compounds, Inc.

By: 

Jerry V. Schinella, President & COO

ATTEST:



Michael J. Gordon, VP & Secretary