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FLORIDA DIVISION OF CORPORATIONS

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**ARTICLES OF AMENDMENT  
TO  
THE ARTICLES OF INCORPORATION  
OF  
HP AMERICA, INC.**

Pursuant to the provisions of the Florida Business Corporation Act, the undersigned, Chairman of the Board of Directors of HP AMERICA, INC. (the "Corporation"), hereby executes, for and on behalf of the Corporation, the following Articles of Amendment to its Articles of Incorporation:

FIRST: The name of the Corporation is HP America, Inc.

SECOND: Pursuant to the provisions set forth in Article III of the Articles of Incorporation of the Corporation, as amended (the "Articles"), the attached Exhibit to the Articles, entitled "Statement of Designations, Powers, Preferences and Rights of Series B Convertible Preferred Stock", was duly adopted by unanimous written consent of the Board of Directors on May 22, 1997, in the manner prescribed by the Florida Business Corporation Act, and did not require Shareholder action.

IN WITNESS WHEREOF, the Corporation has caused these Articles of Amendment to the Articles of Incorporation to be executed this 22 day of May, 1997.

HP AMERICA, INC.,  
a Florida corporation

By: 

Jeffrey A. Binder,

Chairman of the Board of Directors

Prepared by:  
RICHARD M. SPECTOR, ESQ.  
(Florida Bar NO. 394815)  
Adorno & Zeder, P.A.  
2601 S. Bayshore Drive, Suite 1600  
Miami, Florida 33133

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**HP AMERICA, INC.**  
**STATEMENT OF DESIGNATIONS,**  
**POWERS, PREFERENCES AND RIGHTS OF SERIES B**  
**CONVERTIBLE PREFERRED STOCK**

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There is hereby established a series of 1,000,000 shares of Preferred Stock, par value \$0.01 per share, designated as Series B Convertible Preferred Stock (the "Series B Preferred Stock") with the following properties:

- A. **Rank.** The Series B Preferred Stock shall rank senior to the Company's Common Stock, par value \$.001 per share (the "Common Stock"), and junior and subordinate to (a) any class or series of capital stock of the Company hereafter created and (b) the Company's existing Series A Convertible Preferred Stock.
- B. **Dividends.** The holders of Series B Preferred Stock shall be entitled to receive cash dividends per share in an amount on each payment date equal to (i) the amount paid per share on the Company's Series A Convertible Preferred Stock less (ii) such amount that would make the payment on the Series B Preferred Stock 2% per annum less than the rate paid on the Series A Convertible Preferred Stock calculated on a Series A Convertible Preferred Stock share price of \$3.75 per share. Payment shall be made on the first day of every July, October, January and April but shall be prorated for the number of days the Series B Preferred Stock is outstanding during the first partial quarter that the Series B Preferred Stock is outstanding. If the Company fails to pay a dividend on a dividend payment date set forth above, 50% of such unpaid amount shall accrue and be payable on the next dividend date. No dividends on the Series B Preferred Stock shall be declared or paid until all accrued and unpaid dividends on the Series A Convertible Preferred Stock have been paid in full.
- C. **Voting Rights.** The holders of Series B Preferred Stock shall not be entitled to vote upon any matter relating to the business or affairs of the Company or for any other purposes except as otherwise required by law.
- D. **Conversion Adjustment.** (i) If the Company shall at any time pay a dividend on its Common Stock in Common Stock, subdivide its outstanding shares of Common Stock into a larger number of shares or combine its outstanding shares of Common Stock into a smaller number of shares by reclassification or otherwise, the conversion rate in effect immediately prior thereto shall be adjusted so that each share of Series B Preferred Stock shall thereafter be convertible into the number of shares of Common Stock that the holder of a share of Series B Preferred Stock would have been

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entitled to receive after the happening of any of the events described above had such share of Series B Preferred Stock been converted immediately prior to the happening of such event. An adjustment made pursuant to this paragraph shall become effective retroactively to the record date in the case of a dividend and shall become effective on the effective date in the case of a subdivision or combination.

If the Company shall distribute to all holders of shares of Common Stock any assets (other than any dividend payable solely in cash out of retained earnings), any rights to subscribe or any evidence of indebtedness or other securities of the Company (other than Common Stock), then in each case the conversion rate of the Series B Preferred Stock shall be adjusted to take into account the fair market value (as determined in a resolution adopted by the Board of Directors of the Company, which shall be conclusive evidence of such fair market value) of the portion of the assets or evidence of indebtedness or securities so distributed or of such subscription rights applicable to one share of Common Stock. Such adjustment shall become effective retroactively immediately after the record date with respect to such distribution.

In case of any capital reorganization or any reclassification of the capital stock of the Company or in case of the consolidation or merger of the Company with another corporation (other than a merger not involving any reclassification, conversion, or exchange of Common Stock to which the Company is the surviving corporation), or in case of any sale or conveyance of all or substantially all of the assets of the Company, each share of Series B Preferred Stock shall thereafter be convertible into the number of shares of stock (of any class or classes) or other securities or assets receivable upon such capital reorganization, reclassification, consolidation, merger, sale or conveyance, as the case may be, as a holder of the number of shares of Common Stock into which such share of Series B Preferred Stock was convertible immediately prior to such capital reorganization, reclassification, consolidation, merger, sale or conveyance is entitled; and, in any case, appropriate adjustment (as determined by the Board of Directors of the Company) shall be made in the application of the provisions herein set forth with respect to rights and interests thereafter of the holder of the Series B Preferred Stock, to the end that the provisions set forth herein (including the specified changes in and other adjustments of the conversion rate) shall thereafter be applicable, as near as reasonably practical, in relation to any share of stock or other securities or other property thereafter deliverable upon the conversion of the Series B Preferred Stock.

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Whenever the conversion rate is adjusted as herein provided, the Company shall forthwith send a written notice of the new conversion rate to each record holder of the Series B Preferred Stock and shall file with any transfer agent or agents for the Series B Preferred Stock appointed as the Board of Directors may have determined a certificate signed by the Chairman, President or one of the Vice Presidents of the Company and by its Treasurer, Secretary or an Assistant Secretary or Assistant Treasurer, stating the adjusted conversion rate determined as provided above and in reasonable detail the facts requiring such adjustment. Such transfer agent(s) shall be under no duty to make any inquiry or investigation as to the statements contained in any such certificate or as to the manner in which any computation was made, but may accept such certificate as conclusive evidence of the statements therein contained, and each transfer agent shall be fully protected with respect to any and all acts done or action taken or suffered by it in reliance thereon. No transfer agent in its capacity as transfer agent shall be deemed to have any knowledge with respect to any change of capital structure of the Company unless and until it receives a notice thereof pursuant to the provisions of this paragraph and in default of any such notice each transfer agent may conclusively assume that there has been no such change.

The Company will 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 Series B Preferred Stock pursuant hereto. The Company shall not, however, be required to pay any tax which may be due in respect of any transfer involved in the issue and delivery of Common Stock in a name other than that in which the Series B Preferred Stock so converted was registered, and no such issue or delivery shall be made unless and until the person requesting such issue has paid to the Company the amount of any such tax, or has established, to the satisfaction of the Company, that such tax has been paid.

- E. **Conversion Rights.** If the original holder of the Series B Preferred Stock shall transfer its Series B Preferred Stock to another holder in whole or in part, some or all of the shares of Series B Preferred Stock so transferred shall be converted, but only at the sole option of Company, upon ten days' written notice by the Company at any time to the holder or holders of the transferred Series B Preferred Stock at their address or addresses on the records of the Company into fully paid and non-assessable shares of Common Stock at a conversion rate of one share of Common Stock for each share of Series B Preferred Stock tendered by the holder for conversion, except as the conversion rate may have been adjusted pursuant to Section D, above.

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Upon conversion the holder shall surrender the certificate or certificates for such Series B Preferred Stock, at any office hereinabove mentioned, which certificate or certificates shall be duly endorsed to the Company or in blank or accompanied by proper instruments of transfer of the Company or in blank, unless the Company shall waive such requirement, and shall state in writing therein the name or names in which he wishes the certificate or certificates for Common Stock to be issued.

The Company, will, as soon as practicable after such surrender of certificates for Series B Preferred Stock accompanied by the written notice and the statement above prescribed, issue and deliver at the office of any transfer agent appointed as aforesaid, or at such other office or offices, if any, to the person for whose account such Series B Preferred Stock was so surrendered or to his nominee or nominees, certificates for the number of shares of Common Stock to which he shall be entitled. Subject to the following provisions of this paragraph, such conversion shall be deemed to have been made as of the date of such surrender of the Series B Preferred Stock to be converted and the rights of the converting holder of the shares of the Series B Preferred Stock as such holder shall cease and the person or persons in whose name or names the certificates for shares of Common Stock upon conversion of such Series B Preferred Stock are to be issued shall be treated for all purposes as the record holder or holders of such Common Stock at the close of business on such date. The Company shall not be required to convert, and no surrender of Series B Preferred Stock shall be effective for the purpose, while the stock transfer books of the Company are closed for any purpose, but the surrender of Series B Preferred Stock for conversion during any period while such books are so closed shall become effective for conversion immediately upon the reopening of such books, as if the conversion had been made on the date such Series B Preferred Stock was surrendered, and at the conversion rate in effect at the date of such surrender.

- F. **Liquidation Rights.** In the event of any liquidation, dissolution or winding up of the Company, whether voluntary or involuntary, before any distribution or payment shall be made to the holder of any Common Stock in respect to distribution of assets, the holders of the Series B Preferred Stock shall be entitled to receive \$0.01 per share.

In the event the assets of the Company available for distribution to the holders of shares of the Series B Preferred Stock upon dissolution, liquidation or winding up of the Company shall be insufficient to pay in full all amounts to which such holders are entitled pursuant to the immediately

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preceding paragraph, no such distribution shall be made on account of the Common Stock, except that a proportionate distributive amount shall be paid on account of the shares of the Preferred B Stock, ratably, in proportion to the full distribution, liquidation or winding up. No payments shall be made to the holders of the Series B Preferred Stock until all payments have been made to the holders of the Series A Convertible Preferred Stock upon the dissolution, liquidation or winding up of the Company.

- G. **Status of Converted Shares.** Any shares of the Series B Preferred Stock that shall have been converted shall after such conversion have the status of authorized but unissued shares of Preferred Stock, without designation as to series until such shares are once more designated as part of a particular series by the Board of Directors.

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