

CCRS
103 N. MERIDIAN STREET, LOWER LEVEL
TALLAHASSEE, FL 32301
222-1173

P96000004840

FILING COVER SHEET
ACCT. #FCA-14

CONTACT: CINDY HICKS

DATE: 7-5-00

REF. #: 0563

CORP. NAME: Fusive.com, Inc

900003314019--6

-07/06/00--01002--001
*****43.75 *****43.75

Amend

☐ ARTICLES OF INCORPORATION

☐ ANNUAL REPORT

☐ FOREIGN QUALIFICATION

☐ REINSTATEMENT

☐ CERTIFICATE OF CANCELLATION ☐ UCC-1

☐ OTHER:

☒ ARTICLES OF AMENDMENT

☐ TRADEMARK/SERVICE MARK

☐ LIMITED PARTNERSHIP

☐ MERGER

☐ ARTICLES OF DISSOLUTION

☐ FICTITIOUS NAME

☐ LIMITED LIABILITY

☐ WITHDRAWAL

☐ UCC-3

FILED
00 JUL -5 PM 3:57
RECEIVED
00 JUL -5 PM 3:06
SECRETARY OF STATE
TALLAHASSEE, FLORIDA
DEPARTMENT OF STATE
DIVISION OF CORPORATIONS
TALLAHASSEE, FLORIDA

STATE FEES PREPAID WITH CHECK# 2313 FOR \$ 43.75

AUTHORIZATION FOR ACCOUNT IF TO BE DEBITED:

COST LIMIT: \$

PLEASE RETURN:

☒ CERTIFIED COPY ☐ CERTIFICATE OF GOOD STANDING

☐ PLAIN STAMPED COPY

☐ CERTIFICATE OF STATUS

OR

Examiner's Initials

7/5/00

**ARTICLES OF AMENDMENT
TO ARTICLES OF INCORPORATION
OF
FUSIVE.COM, CORP.
FOR
DESIGNATION OF PREFERENCES, RIGHTS AND LIMITATIONS
OF SERIES A PREFERENCE STOCK**

00 JUL -5 PM 3:57
FILED
SECRETARY OF STATE
TALLAHASSEE, FLORIDA

Pursuant to the provisions of Sections 607.0602 and 607.1006 of the Florida Business Corporation Act, **FUSIVE.COM, CORP.** (the "Company" or "Corporation"), a corporation organized and existing under the Florida Business Corporation Act, hereby adopts the following Articles of Amendment to its Articles of Incorporation.

ARTICLE I. Designation and Description of Series A Preference Stock

1. Designation. A total of 4,000,000 shares of the Corporation's Preferred Stock shall be designated as "Series A Preference Stock." As used herein, the term "Preferred Stock" used without reference to the Series A Preference Stock means the shares of Series A Preference Stock and all other shares of any series of authorized Preferred Stock of the Corporation designated and issued from time to time by a resolution or resolutions of the Board of Directors, share for share alike and without distinction as to class or series, except as otherwise expressly provided for in this Article I of these Articles of Amendment to Articles of Incorporation or as the context otherwise requires.

2. Dividends. Initially, there shall be no dividends paid or payable on the shares of Series A Preference Stock. Subject to applicable provisions of law, the holders of record of shares of the Series A Preference Stock shall be entitled to receive cash dividends, which shall be payable when, as and if declared by the Board of Directors, out of assets which are legally available for the payment of such dividends, solely on a *pro rata* basis with the shares of Common Stock (based upon the number of whole shares of Common Stock into which such holder's shares of Series A Preference Stock could then be converted, pursuant to the provisions of Section 5 hereof). Upon the conversion of shares of the Series A Preference Stock into Common Stock of the Corporation, any and all accrued and unpaid dividends (if any) with respect to such converted shares shall be paid in cash unless the Corporation's Board of Directors approves the conversion of such dividends into shares of Common Stock, in which case the accrued and unpaid dividends shall be converted into the number of shares of Common Stock calculated by dividing the amount of such accrued and unpaid dividends by the Series A Applicable Conversion Value then in effect.

3. Liquidation, Dissolution or Winding Up.

(a) Treatment at Sale, Liquidation, Dissolution or Winding Up. In the event of any liquidation, dissolution or winding up of the Corporation, whether voluntary or involuntary, before any distribution or payment is made to any holders of any shares of

Common Stock or any other class or series of capital stock of the Corporation, the holders of shares of Series A Preference Stock shall be entitled to be paid first (hereinafter, "priority payment") out of the assets of the Corporation available for distribution to holders of the Corporation's capital stock whether such assets are capital, surplus or earnings, an amount equal to \$2.75 per share of Series A Preference Stock (which amount shall be subject to equitable adjustment whenever there shall occur a stock dividend, stock split, combination, reorganization, recapitalization, reclassification or other similar event, together with all accrued and unpaid dividends thereon (such amount, as so determined, is referred to herein as the "Series A Liquidation Value" with respect to such shares). After payment has been made to the holders of the Series A Preference Stock of the full liquidation preference to which such holders shall be entitled as aforesaid, the remaining assets shall first be distributed in such amounts necessary to satisfy any liquidation rights and preferences of any other class or series of capital stock of the Corporation having rights on liquidation that are senior to the Common Stock, and any remaining assets shall then be distributed among the holders of Series A Preference Stock and Common Stock, and all other outstanding classes or series of capital stock of the Corporation with rights on liquidation in parity with the Common Stock, on a *pro rata* basis, with such distribution to the holders of Series A Preference Stock as would have been payable had each such share of such stock been converted to Common Stock immediately prior to such event of liquidation, dissolution or winding up pursuant to the provisions of Section 5 hereof.

(b) Insufficient Funds. If upon such liquidation, dissolution or winding up the assets of the Corporation to be distributed to the holders of shares of Series A Preference Stock shall be insufficient to permit payment to such respective holders of the full Series A Liquidation Value, then the assets available for payment or distribution to such holders shall be allocated among the holders of the Series A Preference Stock *pro rata*, in proportion to the respective amounts of Series A Preference Stock held by such holders.

(c) Certain Transactions Treated as Liquidation. For purposes of this Section 3, (A) any acquisition of the Corporation by means of merger, consolidation or other form of corporate reorganization with or into another corporation in which issued and outstanding shares of this Corporation, including shares of Series A Preference Stock, are exchanged for securities or other consideration issued, or caused to be issued, by the other corporation or its subsidiary and, as a result of which transaction, the shareholders of this Corporation own less than 50.0% of the voting power of the outstanding capital stock of or equity interests in the surviving entity (other than in a transaction effected for the sole or primary purpose of changing the jurisdiction of incorporation of the Corporation and making appropriate revisions to the Corporation's charter or governing document to reflect its new jurisdiction of incorporation), or (B) a sale, transfer or lease (other than a pledge or grant of a security interest to a bona fide lender or creditor) of all or substantially all of the assets of the Corporation (other than to or by a wholly-owned subsidiary or parent of the Corporation), shall be treated as a liquidation, dissolution or winding up of the Corporation and shall entitle the holders of Series A Preference Stock to receive the amount that would be received in a liquidation, dissolution or winding up pursuant to Section 3(a) hereof. The Corporation will provide

the holders of Series A Preference Stock with notice of all transactions which are to be treated as a liquidation, dissolution or winding up pursuant to this Section 3(c) not less than fifteen (15) days prior to the earlier of (i) approval of the transaction by the Board of Directors, (ii) approval of the transaction by the Corporation's shareholders or (iii) the closing of such transaction. Upon payment of amounts payable under this paragraph with respect to any shares of Series A Preference Stock, such shares shall thereupon be null and void and cease to be outstanding and the holders shall deliver their certificates for such shares to the Corporation upon and as a condition to their receipt of final payment thereof.

(d) Distributions of Property. Whenever the distribution provided for in this Section 3 shall be payable in property other than cash, the value of such distribution shall be the fair market value of such property as determined in good faith by the Board of Directors.

4. Voting Power.

(a) General. Except as otherwise expressly provided in Section 8 hereof or as otherwise required by law, the holders of shares of Preferred Stock and Common Stock shall vote together as a single class on all matters. Except as otherwise expressly provided in Section 8 hereof or as otherwise required by law, each holder of Series A Preference Stock shall be entitled to vote on all matters, and shall be entitled to that number of votes equal to the number of whole shares of Common Stock into which such holder's shares of Series A Preference Stock could then be converted, pursuant to the provisions of Section 5 hereof, at the record date for the determination of shareholders entitled to vote on such matter or, if no such record date is established, at the date such vote is taken or any written consent of shareholders is solicited or effected.

5. Conversion Rights. The holders of shares of the Series A Preference Stock shall have the following rights and obligations with respect to the conversion of such shares into shares of Common Stock:

(a) General. Subject to and in compliance with the provisions of this Section 5, any or all shares of the Series A Preference Stock may, at the option of the holder thereof, be converted at any time into fully-paid and non-assessable shares of Common Stock. The number of shares of Common Stock to which a holder of Series A Preference Stock shall be entitled to receive upon conversion shall be the product obtained by multiplying the Series A Applicable Conversion Rate (determined as provided in Section 5(b)) by the number of shares of Series A Preference Stock properly converted at the time.

(b) Applicable Conversion Rate. The conversion rate for the Series A Preference Stock (the "Series A Applicable Conversion Rate") shall be (i) initially, one (1), with each share of Series A Preference Stock initially convertible into one (1) share of Common Stock, and (ii) at any time and all relevant times thereafter (as provided herein), the quotient obtained by dividing \$2.75 by the Series A Applicable Conversion Value, as defined in Section 5(c).

(c) Applicable Conversion Value. The Series A Applicable Conversion Value in effect from time to time, except as adjusted in accordance with Section 5(d) hereof, shall be \$2.75 with respect to the Series A Preference Stock (the "Series A Applicable Conversion Value").

(d) Anti-dilution Adjustments to Series A Applicable Conversion Value.

(i) (A) Effect on Series A Applicable Conversion Value Upon Dilutive Issuances of Common Stock or Convertible Securities. If the Corporation shall, while there are any shares of Series A Preference Stock outstanding, issue or sell shares of its Common Stock (or Common Stock Equivalents, as defined below) without consideration or at a price per share less than the Series A Applicable Conversion Value in effect immediately prior to such issuance or sale, then and in such event, such Series A Applicable Conversion Value upon each such issuance or sale, except as hereinafter provided, shall be reduced, concurrently with such issue, to a price (calculated to the nearest cent) determined by multiplying the Series A Applicable Conversion Value in effect immediately prior to such calculation by a fraction:

(1) the numerator of which shall be (a) the number of shares of Common Stock outstanding immediately prior to the issuance of such additional shares of Common Stock or Common Stock Equivalents (calculated on a fully diluted basis assuming the exercise or conversion of all then exercisable options, warrants, purchase rights or convertible securities), plus (b) the number of shares of Common Stock which the net aggregate consideration, if any, received by the Corporation for the total number of such additional shares of Common Stock or Common Stock Equivalents so issued would purchase at the Series A Applicable Conversion Value in effect immediately prior to such issuance, and

(2) the denominator of which shall be (a) the number of shares of Common Stock outstanding immediately prior to the issuance of such additional shares of Common Stock or Common Stock Equivalents (calculated on a fully diluted basis assuming the exercise or conversion of all then exercisable options, warrants, purchase rights or convertible securities), plus (b) the number of such additional shares of Common Stock or Common Stock Equivalents so issued.

(i) (B) Effect on Series A Applicable Conversion Value Upon Other Dilutive Issuances of Warrants, Options and Purchase Rights to Common Stock or Convertible Securities.

(1) For the purposes of this Section 5(d)(i), the issuance of any warrants, options, subscription or purchase rights with respect to shares of Common Stock and the issuance of any securities convertible into or exchangeable for shares of Common Stock, or the issuance of any warrants, options, subscription or purchase rights with respect to such convertible or exchangeable securities (collectively, "Common Stock Equivalents"), shall be

deemed an issuance of Common Stock with respect to the Series A Preference Stock if the Net Consideration Per Share (as hereinafter determined) which may be received by the Corporation for such Common Stock Equivalents shall be less than the Series A Applicable Conversion Value in effect at the time of such issuance. Any obligation, agreement or undertaking to issue Common Stock Equivalents at any time in the future shall be deemed to be an issuance at the time such obligation, agreement or undertaking is made or arises. No adjustment of the Series A Applicable Conversion Value shall be made under this Section 5(d)(i) upon the issuance of any shares of Common Stock which are issued pursuant to the exercise, conversion or exchange of any Common Stock Equivalents if any adjustment shall previously have been made upon the issuance of any such Common Stock Equivalents as above provided.

(2) Should the Net Consideration Per Share (as such term is defined below) of any such Common Stock Equivalents be decreased from time to time, then, upon the effectiveness of each such change, the Series A Applicable Conversion Value will be that which would have been obtained (1) had the adjustments made upon the issuance of such Common Stock Equivalents been made upon the basis of the actual Net Consideration Per Share of such securities, and (2) had adjustments made to the Series A Applicable Conversion Value since the date of issuance of such Common Stock Equivalents been made to such Series A Applicable Conversion Value as adjusted pursuant to (1) above. Any adjustment of the Series A Applicable Conversion Value with respect to this paragraph which relates to Common Stock Equivalents shall be disregarded if, as, and when all of such Common Stock Equivalents expire or are cancelled without being exercised, so that the Series A Applicable Conversion Value effective immediately upon such cancellation or expiration shall be equal to the Series A Applicable Conversion Value in effect at the time of the issuance of the expired or cancelled Common Stock Equivalents, with such additional adjustments as would have been made to the Series A Applicable Conversion Value had the expired or cancelled Common Stock Equivalents not been issued.

(3) For purposes of this paragraph, the "Net Consideration Per Share" which may be received by the Corporation shall be determined as follows:

(a) The "Net Consideration Per Share" shall mean the amount equal to the total amount of consideration, if any, received (or to be received) by the Corporation for the issuance of such Common Stock Equivalents, plus the minimum amount of consideration, if any, payable to the Corporation upon exercise, or conversion or exchange thereof, divided by the aggregate number of shares of Common Stock that would be issued if all such Common Stock Equivalents were exercised, exchanged or converted.

(b) The "Net Consideration Per Share" which may be received by the Corporation shall be determined in each instance as of the date of issuance of Common Stock Equivalents without giving effect to any possible future

upward price adjustments or rate adjustments which may be applicable with respect to such Common Stock Equivalents.

(i) (C) Stock Dividends for Holders of Capital Stock Other Than Common Stock. In the event that the Corporation shall make or issue, or shall fix a record date for the determination of holders of any capital stock of the Corporation other than holders of Common Stock entitled to receive a dividend or other distribution payable in Common Stock or securities of the Corporation convertible into or otherwise exchangeable for the Common Stock of the Corporation, then such Common Stock or other securities issued in payment of such dividend shall be deemed to have been issued for a consideration of \$.01, except for (i) dividends payable in shares of Common Stock payable pro rata to holders of Series A Preference Stock and to holders of any other class of stock (whether or not paid to holders of any other class of stock), or (ii) with respect to the Series A Preference Stock, dividends payable in shares of Series A Preference Stock.

(i) (D) Consideration Other than Cash. For purposes of this Section 5(d)(i), if a part or all of the consideration received by the Corporation in connection with the issuance of shares of the Common Stock or the issuance of any of the securities described in this Section 5(d)(i) consists of property other than cash, such consideration shall be deemed to have a fair market value as is reasonably determined in good faith by the Board of Directors of the Corporation.

(i) (E) Exceptions to Anti-dilution adjustments and provisions. Notwithstanding any term or provision of this Article I, this Section 5(d) (including any adjustments to the Series A Applicable Conversion Value provided for herein) shall not apply or be applicable under any of the circumstances which would constitute an Extraordinary Common Stock Event (as described below). Further, this Section 5(d) shall not apply with respect to any of the following:

- (1) the issuance of Reserved Option Shares (as hereinafter defined);
- (2) the issuance of shares of Common Stock upon the conversion of any shares of Series A Preference Stock or any other authorized and designated series of Preferred Stock;
- (3) the issuance of securities in or pursuant to a Qualified Public Offering (as such term is defined herein);
- (4) the issuance of securities in connection with equipment financing or leases (including securities issued in consideration of guarantees of such financing or leases) which are approved by the Corporation's Board of Directors, provided that such securities are issued to one or more of the following or to affiliates of such persons (a) any commercial lender or financial institution providing financing for such transaction or (b) the party providing the equipment or lease; and
- (5) the issuance of securities in connection with acquisitions or strategic ventures, arrangements and alliances, and/or to vendors, customers, co-

venturers or other persons in similar commercial or corporate partnering situations, in each case, where such issuance is approved by the Corporation's Board of Directors and provided that such securities are issued to the seller in the case of an acquisition or to the parties constituting the strategic venture, arrangement or alliances, or to the vendors, customer, co-venturer or other persons in similar commercial or corporate partnering situations, as the case may be, or to affiliates of such persons.

For purposes of this Agreement, the term "Reserved Option Shares" shall mean and include shares of Common Stock awarded or awardable, issued or issuable, or options, warrants or rights to purchase such shares of Common Stock granted or grantable, to directors, officers or employees of, or consultants to, the Corporation pursuant to any restricted stock, stock purchase or option plan (or other similar equity-based compensation plan, scheme or arrangement), where such award, issuance or grant has been approved by the Corporation's Board of Directors (or properly authorized committee of the Board); the number of Reserved Option Shares shall not exceed three million (3,000,000) shares of Common Stock (inclusive of shares subject to currently outstanding employee options) prior to June 28, 2001; and after such date the number of shares set aside and/or available for shares, options, warrants or rights included in Reserved Option Shares may be increased with the approval of the Corporation's Board of Directors.

(ii) Extraordinary Common Stock Event. Upon the happening of an Extraordinary Common Stock Event (as hereinafter defined), the Series A Applicable Conversion Value (and all other conversion values set forth in Section 5(d)(i) above) shall, simultaneously with the happening of such Extraordinary Common Stock Event, be adjusted by multiplying each of the Series A Applicable Conversion Value by a fraction, the numerator of which shall be the number of shares of Common Stock outstanding immediately prior to such Extraordinary Common Stock Event and the denominator of which shall be the number of shares of Common Stock outstanding immediately after such Extraordinary Common Stock Event, and the product so obtained shall thereafter be the Series A Applicable Conversion Value. The Series A Applicable Conversion Value, as so adjusted, shall be readjusted in the same manner upon the happening of any successive Extraordinary Common Stock Event or Events. An "Extraordinary Common Stock Event" shall mean (i) the issuance of additional shares of Common Stock as a dividend or other distribution on outstanding shares of Common Stock, (ii) a subdivision of outstanding shares of Common Stock into a greater number of shares of Common Stock, or (iii) a combination or reverse stock split of outstanding shares of Common Stock into a smaller number of shares of Common Stock.

(e) Automatic Conversion Upon Qualified Public Offering.

(i) Mandatory Conversion on QPO. Immediately prior to the closing of a public offering underwritten on a "firm commitment" basis by one or more nationally recognized full-service investment banking firms pursuant to an effective registration statement filed pursuant to the Securities Act of 1933, as amended, covering the offer and

sale of shares of Common Stock in which the Corporation receives gross proceeds equal to or greater than \$17,500,000 (calculated before deducting underwriting discounts and commissions and before fees and expenses) at a price per share of not less than \$5.50 (i.e., two (2) times the Series A Liquidation Value) (following appropriate adjustment in the event of any stock dividends, stock split, combination or other similar recapitalization affecting such shares) (hereinafter, a "Qualified Public Offering"), all outstanding shares of Series A Preference Stock shall be converted automatically into the number of shares of Common Stock into which such shares of Series A Preference Stock are then convertible pursuant to Section 5 hereof as of the time immediately prior to the closing of such Qualified Public Offering, without any other or further action by or on the part of the holders of such shares and whether or not the certificates representing such shares are surrendered to the Corporation or its transfer agent.

(ii) Surrender of Certificates. Upon the occurrence of the conversion events specified in the preceding paragraph (i), the holders of the Series A Preference Stock shall, upon notice from the Corporation, surrender the certificates representing such shares at the office of the Corporation or of its transfer agent for the Common Stock. Thereupon, there shall be issued and delivered to such holder a certificate or certificates for the number of shares of Common Stock into which the shares of Series A Preference Stock so surrendered were convertible on the date on which such conversion occurred or was effective. The Corporation shall not be obligated to issue such certificates unless certificates evidencing the shares of Series A Preference Stock being converted are either delivered to the Corporation or any such transfer agent (in form satisfactory to the Corporation to effectuate proper transfer and cancellation), or the holder notifies the Corporation that such certificates have been lost, stolen or destroyed and executes such documents and agreements as the Corporation may request (including an agreement satisfactory to the Corporation to indemnify the Corporation from any loss, cost, damage or expense incurred by it in connection therewith or resulting therefrom).

(f) Capital Reorganization or Reclassification. If the Common Stock issuable upon the conversion of the Series A Preference Stock shall be changed into the same or different number of shares of any class or classes of capital stock, whether by capital reorganization, recapitalization, reclassification or otherwise (other than a subdivision or combination of shares or stock dividend provided for elsewhere in this Section 5, or a merger, consolidation or sale of all or substantially all of the Corporation's capital stock or assets to any other person), then and in each such event the holder of each share of Series A Preference Stock shall have the right thereafter to convert such share into the kind and amount of shares of capital stock and other securities and property receivable upon such reorganization, recapitalization, reclassification or other change by the holders of the number of shares of Common Stock into which such shares of Series A Preference Stock were convertible immediately prior to such reorganization, recapitalization, reclassification or change, all subject to further adjustment as provided herein.

(g) Merger, Consolidation or Sale of Assets. If at any time or from time to time there shall be a merger, reorganization or consolidation of the Corporation with or into another corporation (other than a merger or reorganization involving only a change in the state of incorporation of the Corporation), or the sale of all or substantially all of

the Corporation's capital stock or assets to any other person, then, as a part of such reorganization, merger, or consolidation or sale (assuming that the shares of Series A Preference Stock survive, and are not purchased and/or retired, in connection therewith), provision shall be made so that the holders of the Series A Preference Stock shall thereafter be entitled to receive upon conversion of the Series A Preference Stock the number of shares of stock or other securities or property of the Corporation, or of the successor corporation resulting from such merger or consolidation, to which such holder would have been entitled if such holder had converted its shares of Series A Preference Stock immediately prior to such capital reorganization, merger, consolidation or sale. In any such case, appropriate adjustment shall be made in the application of the provisions of this Section 5 to the end that the provisions of this Section 5 (including adjustment of the Series A Applicable Conversion Value then in effect and the number of shares of Common Stock or other securities issuable upon conversion of such shares of Series A Preference Stock, as applicable in accordance with this Article I) shall be applicable after that event in as nearly equivalent a manner as may be practicable.

(h) Certificate as to Adjustments; Notice by Corporation. In each case of an adjustment or readjustment of the Series A Applicable Conversion Rate, the Corporation at its expense will furnish each holder of Series A Preference Stock with a certificate prepared by the Treasurer or Chief Financial Officer of the Corporation, showing such adjustment or readjustment, the calculation thereof in accordance herewith, and stating the facts upon which such adjustment or readjustment is based.

(i) Exercise of Conversion Privilege. To exercise its conversion privilege, a holder of Series A Preference Stock shall surrender the certificate or certificates representing the shares being converted to the Corporation at its principal office, and shall give written notice to the Corporation at that office that such holder elects to convert such shares. The certificate or certificates for shares of Series A Preference Stock surrendered for conversion shall be accompanied by proper assignment thereof to the Corporation or in blank, in form satisfactory to the Corporation. The date when such written notice is received by the Corporation, together with the certificate or certificates representing the shares of Series A Preference Stock being converted and the executed assignment documents in proper form, shall be the "Conversion Date." As promptly as practicable after the Conversion Date, the Corporation shall issue and shall deliver to the holder of the shares of Series A Preference Stock being converted, or on its written order, such certificate or certificates evidencing the number of whole shares of Common Stock issuable upon the conversion of such shares of Series A Preference Stock in accordance with the provisions of this Section 5, rounded up to the nearest whole share as provided in Section 5(k) in respect of any fraction of a share of Common Stock issuable upon such conversion. Such conversion shall be deemed to have been effected immediately prior to the close of business on the Conversion Date, and at such time the rights of the holder as holder of the converted shares of Series A Preference Stock shall cease and terminate in all respects and the person(s) in whose name(s) the certificate(s) for shares of Common Stock shall properly be issuable upon such conversion shall be deemed to have become the holder or holders of record of the shares of Common Stock represented thereby.

(j) No Issuance of Fractional Shares. No fractional shares of Common Stock or scrip representing fractional shares shall be issued upon the conversion of shares of Series A Preference Stock. Instead of any fractional shares of Common Stock which would otherwise be issuable upon conversion of Series A Preference Stock, the Corporation shall round up to the next whole share of Common Stock issuable upon the conversion of shares of Series A Preference Stock. The determination as to whether any fractional shares of Common Stock shall be rounded up shall be made with respect to the aggregate number of shares of Series A Preference Stock being converted at any one time by any holder thereof, not with respect to each share of Series A Preference Stock being converted.

(k) Partial Conversion. In the event some but not all of the shares of Series A Preference Stock represented by a certificate(s) surrendered by a holder are converted in accordance with this Article I, the Corporation shall execute and deliver to or on the order of the holder, at the expense of the Corporation, a new certificate representing the number of shares of Series A Preference Stock which were not converted.

(l) Reservation of Common Stock. 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 the Series A Preference Stock, such number of shares of Common Stock as shall from time to time be sufficient to effect the conversion of all outstanding shares of the Series A Preference 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 then outstanding shares of the Series A Preference Stock, the Corporation shall take such action as may be necessary to increase its authorized but unissued shares of Common Stock to such number of shares as shall be sufficient for such purpose.

(m) No Reissuance of Preferred Stock. No share or shares of Series A Preference Stock acquired by the Corporation by reason of purchase, conversion or otherwise shall be reissued, and all such shares shall be cancelled, retired and eliminated from the shares which the Corporation shall be authorized to issue.

6. Registration of Transfer. The Corporation will keep at its principal office a register for the registration of shares of Preferred Stock. Upon the surrender of any certificate representing shares of Preferred Stock at such place, the Corporation will, at the request of the record holders of such certificate, execute and deliver (at the Corporation's expense) a new certificate or certificates in exchange therefore representing the aggregate number of shares of Preferred Stock represented by the surrendered certificate. Subject to applicable restrictions on transfer (and the Corporation's receipt of appropriate assurances that any proposed transfer complies with any such restrictions), each such new certificate will be registered in such name and will represent such number of shares of Preferred Stock as is required by the holder of the surrendered certificate and will be substantially identical in form to the surrendered certificate.

7. Replacement. Upon receipt of evidence satisfactory to the Corporation of the ownership and the loss, theft, destruction or mutilation of any certificate evidencing shares of Preferred Stock, and in the case of any such loss, theft or destruction, upon receipt of an indemnity from the holder satisfactory to the Corporation or, in the case of such mutilation upon surrender of such certificate, the Corporation will execute and deliver in lieu of such certificate a new certificate of like kind representing the number of shares of Preferred Stock represented by such lost, stolen, destroyed or mutilated certificate and dated the date of such lost, stolen, destroyed or mutilated certificate.

8. Restrictions and Limitations on Corporate Action and Amendments to Charter; Waiver. In addition to any vote that otherwise may be required under Section 4 hereof, so long as any shares of Series A Preference Stock are outstanding, the Corporation shall not take any corporate action or otherwise amend its Articles of Incorporation without the approval by vote or written consent of the holders of at least 75.0% of the then issued and outstanding or issuable shares of Series A Preference Stock, voting together as a single class, with each share of such stock entitled to one vote, if such corporate action or amendment would:

- (i) amend or alter any of the powers, preferences or rights provided for in this Article I for the benefit of holders of shares of Series A Preference Stock;
- (ii) amend or alter the Corporation's Articles of Incorporation so as to adversely affect the powers, preferences or rights of the Series A Preference Stock;
- (iii) increase or decrease (other than through a redemption or conversion) the authorized number of shares of Series A Preference Stock; or
- (iv) avoid or waive, or authorize the avoidance or waiver of, the observance or performance of any of the terms or provisions to be observed or performed by the Company under this Article I; or
- (v) enter into any agreement which would obligate the Company to do any of foregoing.

9. Waiver by Preferred Shareholders. Any rights or benefits of the Series A Preference Stock may be waived by any holder as to all or any portion of the outstanding shares of Series A Preference Stock then held by such holder.

10. No Impairment of Conversion. The Corporation (a) will not increase the par value of any shares of stock receivable on the conversion of the Series A Preference Stock above the amount payable therefor on such conversion, and (b) will take all such action as may be necessary or appropriate in order that the Corporation may validly and legally issue fully paid and nonassessable shares of Common Stock on the conversion of all Series A Preference Stock from time to time outstanding.

11. Notices of Record Date. In the event of:

- (a) any taking by the Corporation of a record of the holders of any class of securities for the purpose of determining the holders thereof who are entitled to receive any dividend or other distribution, or any right to subscribe for, purchase or otherwise acquire any shares of capital stock of any class or any other securities or property, or to receive any other right, or
- (b) any capital reorganization of the Corporation, any reclassification or recapitalization of the capital stock of the Corporation, any merger or consolidation of the Corporation, or any transfer of all or substantially all of the assets of the Corporation to any other corporation, or any other entity or person, or
- (c) any voluntary or involuntary dissolution, liquidation or winding up of the Corporation,

then and in each such event the Corporation shall mail or cause to be mailed to each holder of Preferred Stock a notice specifying (i) the date on which any such record is to be taken for the purpose of such dividend, distribution or right and a description of such dividend, distribution or right, (ii) the date on which any such reorganization, reclassification, recapitalization, transfer, consolidation, merger, dissolution, liquidation or winding up is expected to become effective, and (iii) the time, if any, that is to be fixed, as to when the holders of record of Common Stock shall be entitled to exchange their shares of Common Stock for securities or other property deliverable upon such reorganization, reclassification, recapitalization, transfer, consolidation, merger, dissolution, liquidation or winding up. Such notice shall be mailed by first class mail, postage prepaid, at least fifteen (15) days prior to the earlier of (1) the date specified in such notice on which such record is to be taken and (2) the date on which such action is to be taken.

12. Notices. Except as otherwise expressly provided, all notices referred to herein will be in writing and will be delivered by registered or certified mail, return receipt requested, postage prepaid and will be deemed to have been given and received on the third day after mailed, when so mailed (i) to the Corporation, at its principal executive offices and (ii) to any shareholder, at such holder's address as it appears in the stock records of the Corporation (unless the Corporation's Secretary is provided with written notice of another address by any such holder).

ARTICLE II. Adoption of Amendments to Articles of Incorporation

These Articles of Amendment to Articles of Incorporation and the amendments to the Company's Articles of Incorporation set forth herein were duly adopted and approved by the Company's Board of Directors on June 14, 2000 pursuant to Section 607.0602 of the Florida Business Corporation Act and shareholder action was not required.

IN WITNESS WHEREOF, these Articles of Amendment to Articles of
Incorporation have been executed by the undersigned duly authorized director of the
Company as of the 30th day of June, 2000.

FUSIVE.COM, CORP.

By: 

Name: David Finkelstein

Title: President and Director