

P960000/9861

Florida Department of State
Division of Corporations
Public Access System
Katherine Harris, Secretary of State

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.

((H99000019055 5)))

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

To: Division of Corporations
Fax Number : (850) 922-4000

From: Account Name : TESCHER, LIPPMAN, VALINSKY & KAIN
Account Number : 072164000350
Phone : (954) 467-1964
Fax Number : (954) 467-2264

SECRETARY OF STATE
TALLAHASSEE, FLORIDA

99 AUG -3 PM12:56

FILED

BASIC AMENDMENT

CYBERTAINMENT SYSTEMS CORP.

Certificate of Status	0
Certified Copy	1
Page Count	07
Estimated Charge	\$43.75

Amendment

Electronic Filing Menu

Corporate Filing

Public Access Help

DC

08/03/99 10:11
350)487-6013

08/02/99 16:43

KIPNIS TESCHER

002/010

16:43 Fl Dept of State pl /1



FLORIDA DEPARTMENT OF STATE
Katherine Harris
Secretary of State

August 2, 1999

CYBERTAINMENT SYSTEMS CORP.
1200 S. CONGRESS AVE.
#49WH
WEST PALM BEACH, FL 33406US

SUBJECT: CYBERTAINMENT SYSTEMS CORP.
REF: P96000019861

We received your electronically transmitted document. However, the document has not been filed. Please make the following corrections and refax the complete document, including the electronic filing cover sheet.

The date of adoption of each amendment must be included in the document.

If shareholder approval was not required, a statement to that effect must be contained in the document.

Please return your document, along with a copy of this letter, within 60 days or your filing will be considered abandoned.

If you have any questions concerning the filing of your document, please call (850) 487-6880.

Karen Gibson
Corporate Specialist

FAX Aud. #: H99000019055
Letter Number: 199A00039172

Division of Corporations - P.O. BOX 6327 - Tallahassee, Florida 32314

ARTICLES OF AMENDMENT
CERTIFICATE OF DETERMINATION
OF PREFERENCES OF
PREFERRED SHARES DESIGNATED
"SERIES A CONVERTIBLE PREFERRED STOCK"
OF
CYBERTAINMENT SYSTEMS CORP.
a Florida Corporation

FILED
99 AUG -3 PM 12:56
SECRETARY OF STATE
TALLAHASSEE, FLORIDA

The undersigned, Bruce Bechtold, President and Secretary, does hereby certify that

(i) He is the duly-elected and acting President and Secretary, respectively, of Cybertainment Systems Corp., a Florida corporation (the "Company").

(ii) Pursuant to authority given by the Company's Articles of Incorporation, as amended, the Board of Directors of this Company has duly adopted the following recitals and resolutions on July 12, 1999, which recitals and resolutions do not require shareholder approval

WHEREAS, the Articles of Incorporation, as amended of the Company provide for a class of shares known as Preferred Stock, \$.0001 par value per share, issuable from time to time; and

WHEREAS, the Board of Directors of the Company is authorized to determine or alter the rights, preferences, privileges and restrictions granted to or imposed upon any wholly unissued Preferred Stock, to fix the number of shares constituting any such class and to determine the designation thereof, or any of them; and

WHEREAS, this Company has not heretofore issued any shares of its Preferred Stock; and

WHEREAS, the Board of Directors of the Company desires, pursuant to its authority, to determine and fix the rights, preferences, privileges and restrictions relating to a separate class of

said Preferred Stock to be designated "Series A Convertible Preferred Stock" totaling 500,000 shares (the "Series A Preferred Stock");

NOW, THEREFORE, BE IT RESOLVED, that the Board of Directors hereby fixes and determines the designation of the number of shares constituting, and the rights, preferences, privileges and restrictions relating to, the Series A Preferred Stock as follows:

1. Designation and Number of Shares. The Series A Preferred Stock shall be designated "Series A Convertible Preferred Stock" having a par value of \$.0001 per share, and the number of shares constituting the Series A Preferred Stock shall be 500,000 shares.
2. Dividend Rights. The series A Preferred Stock shall not have any dividend rights, except in the event of the conversion thereof into shares of the Company's Common Stock.
3. Conversion Rights. Holders of the Series A Preferred Stock will have the right, at their option and subject to procedures established from time to time by the Company, to convert each share of Series A Preferred Stock into the Company's Common Stock, \$.0001 par value, subject to applicable federal and state securities laws (calculated as to each conversion to the nearest share) at any time following the issuance thereof and:
 - (a) following the successful completion and closing by the Company of an initial public offering of any of the Company's securities; or
 - (b) following the sale of all or substantially all of the Company's assets other than in the normal course of business; or
 - (c) the cessation by the Company of its then business activities, or the liquidation, dissolution or winding up of the Company, in any of such events at a conversion ratio (and for no additional consideration) such that if all of such shares of Class A Preferred Stock were converted into shares

0435/series.a

of the Company's Common Stock, the number of shares of Common Stock which the Class A Preferred Stock holders would be entitled to receive would equal, after the conversion thereof and issuance of Company Common Stock, twelve and one-half percent (12.5%)(or such pro-rata portion thereof in the event less than all of the shares of Series A Preferred Stock are so converted at any one time, but nevertheless based upon and assuming the conversion by all such holders at the time of the initial conversion by the first holder to so convert) of the then issued and outstanding shares of the Company's Common Stock (without regard to any then outstanding options, warrants and/or other rights to acquire shares of the Company's Common Stock). No fractional share or scrip representing a fractional share of Common Stock will be issued upon conversion of the Series A Preferred Stock. In the event of any reclassification, merger, consolidation or change of shares of the Series A Preferred Stock and/or the Common Stock of the Company, the Company shall make adjustments to the conversion ratio which shall be nearly as equivalent to that stated above as may be practical.

4. Voting Rights. Except as may be provided by law, the holders of Series A Preferred Stock shall be entitled to one vote per share. Unless the vote or consent of the holders of a greater number of shares is required by law, the consent of the holders of at least a majority of the Series A Preferred Stock at the time outstanding shall be necessary to change, alter or revoke the rights and preferences conferred upon the Series A Preferred Stock by the Articles of Incorporation, as amended or this Resolution, as amended from time to time

5. Liquidation Rights. In the event of the liquidation, dissolution or winding up of the Company, holders of the Series A Preferred Stock shall be entitled to receive, after due payment or provision for payment of the debts and other liabilities of the Company, a liquidating

distribution before any distribution may be made to holders of Common Stock or any other series of Preferred Stock of the Company.

6. Miscellaneous.

(A) The Series A Preferred Stock has no pre-emptive rights. In the event the entire Series A Preferred Stock is not sold by the Company pursuant to a private placement offering of such Series A Preferred Stock, the officers of the Company are authorized to file a further amendment to this Certificate of Determination of Preferences to reduce the number of shares of Series A Preferred Stock authorized hereby. The Series A Preferred Stock, when issued, will be legally issued, fully paid and non-assessable.

(B) In the event any holder (including any subsequent holders, whether or not consideration was paid by such person in connection with becoming a subsequent holder) of the Series A Preferred Stock converts his/her/its shares of Series A Preferred Stock into shares of the Company's Common Stock and he/she/it later determines on any one occasion or from time to time to sell and/or otherwise transfer any of his/her/its shares of Common Stock, the Company and/or its designee(s) shall have a right of first refusal to purchase any or all such shares of the Company's Common Stock so desired to be sold and/or otherwise transferred by such person or entity on the same terms and conditions (other than as to time period, which is described below) as may be offered by any bona fide third party offeree, or at the then prevailing public market price as to such number of shares which the Company and/or its designee(s) may desire to purchase if a public market then exists for the Company's shares of Common Stock and no third party offer has been made, or if no public market then exists for the Company's shares of Common Stock and no third party offer has been made, at the then prevailing market price for the number of shares which the Company and/or its

0435/series,a

designee(s) may desire to purchase as determined by the Company's then certified independent public accounting firm, or if the Company does not then have a certified independent public accounting firm, or such firm cannot or will not make such determination, by a valuation firm agreed to by both the Company and the holder, the cost of which valuation shall be paid by the Company, which determination shall be conclusive and binding upon the Company and such holder. Any such holder of Series A Preferred Stock who has converted his/her its shares of Series A Preferred Stock into shares of the Company's Common Stock, shall provide the Company with ten (10) days prior written notice (effective upon actual receipt by the Company) of such holder's desire to sell and/or otherwise transfer his/her/its shares of the Company's Common Stock and the terms and conditions relating thereto, including a copy of any bona fide third party written offer, if applicable. The Company shall then respond to such holder in writing within such ten (10) day time period as to whether it and/or its designee(s) will purchase any or all of the shares of Common Stock so offered. If the Company and/or its designee(s) agree(s) to purchase any or all of the shares of Common Stock so offered, the closing shall occur at the Company's offices upon the later of: within such ten (10) day time period, or within the time period and otherwise on the terms and conditions referenced in the holder's correspondence to the Company.

(C) Each holder of Series A Preferred Stock agrees to enter into a lock-up agreement on the terms and conditions as may be set forth therein and as may be requested and/or required by any underwriter of any of the Company's securities in connection with any public offering of any of the Company's securities.

FURTHER RESOLVED, that the President or any Vice President, and the Secretary, the Chief Financial Officer, the Treasurer or any Assistant Secretary or Assistant Treasurer of this Company are each authorized to execute, verify and file a certificate of determination of preferences in accordance with Florida law.

(iii) The authorized number of shares of Preferred Stock of the Company is 2,000,000 shares, par value \$.0001 per share, no shares of which have been heretofore issued, and no shares of which are outstanding.

IN WITNESS WHEREOF, the undersigned have executed this Certificate of Determination on July 24, 1999.

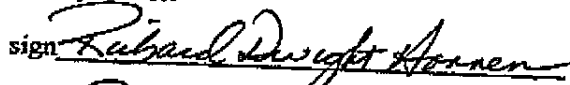

Bruce Bechtold, President


Bruce Bechtold, Secretary

STATE OF FLORIDA)
)SS:
COUNTY OF PALM BEACH)

The foregoing Certificate of Determination of Preferences of Preferred Shares Designated "Series A Convertible Preferred Stock" was acknowledged before me this 30th day of July 1999 by Bruce Bechtold as President of Cybertainment Systems, Corp., a Florida corporation, on behalf of the corporation. He is personally known to me or has produced _____ as identification and did did not take an oath.

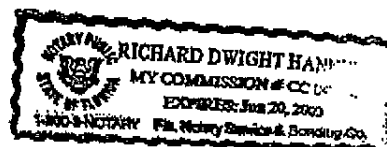
Notary Public:

sign 

print Richard Dwight Hansen
State of Florida at Large (Seal)
My Commission Expires:

0435/series.a

6

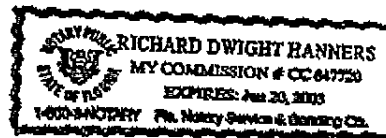


STATE OF FLORIDA)
)SS:
COUNTY OF PALM BEACH)

The foregoing Certificate of Determination of Preferences of Preferred Shares Designated "Series A Convertible Preferred Stock" was acknowledged before me this 20th day of July, 1999, by Bruce Bechtold as Secretary of Cybertainment Systems Corp., a Florida corporation, on behalf of the corporation. He is personally known to me or has produced _____ as identification and did not take an oath.

Notary Public:

sign Richard Dwight Hanners
print Richard Dwight Hanners
State of Florida at Large (Seal)
My Commission Expires:



0435/series.a

7

FAX AUDIT #H99000019055 5