P96000041145

FILED
96 MAY 10 PM 1:06

csc networks

ACCOUNT NO. : 072100000032

REFERENCE : 949349 4321942

AUTHORIZATION :

COST LIMIT : $ PPD

ORDER DATE : May 10, 1996

ORDER TIME : 10:29 AM

ORDER NO. : 949349

CUSTOMER NO: 4321942

CUSTOMER: Karen Rosen, Esq
COHEN BERKE BERNSTEIN BRODIE
KONDELL & LASZLO, P.A.
19th Floor
2601 South Bayshore Drive
Miami, FL 33133

DOMESTIC FILING

NAME: DHT FLORIDA, INC.

EFFECTIVE DATE:

XX ARTICLES OF INCORPORATION
____ CERTIFICATE OF LIMITED PARTNERSHIP

PLEASE RETURN THE FOLLOWING AS PROOF OF FILING:

XX CERTIFIED COPY
____ PLAIN STAMPED COPY
____ CERTIFICATE OF GOOD STANDING

CONTACT PERSON: Jennifer Moran

EXAMINER'S INITIALS: 5-14-96

FILED

96 MAY 10 PM 1:06

SE... ...
TALLAH... , FLORIDA

ARTICLES OF INCORPORATION
OF
DHT FLORIDA, INC.

The undersigned, acting as incorporator of **DHT FLORIDA, INC.** under the Florida Business Corporation Act, adopts the following Articles of Incorporation.

ARTICLE I

NAME

The name of the Corporation is: **DHT FLORIDA, INC.**

ARTICLE II

COMMENCEMENT OF EXISTENCE

The existence of the Corporation will commence on May 9, 1996.

ARTICLE III

DURATION

The duration of the Corporation will be perpetual.

ARTICLE IV

PURPOSE

The general purpose or purposes for which the Corporation is organized is to transact any and all lawful business for which a corporation may be incorporated under the Florida Business Corporation Act.

ARTICLE V

PRINCIPAL OFFICE

The principal office of the Corporation shall be:

101 Southhall Lane, Suite 210
Maitland, Fl. 32751

ARTICLE VI

AUTHORIZED SHARES

The Corporation is authorized to issue is Twenty Thousand (20,000,000) shares of Common Stock at $.01 par value per share. The Corporation is authorized to issue Ten Million (10,000,000) shares of Preferred Stock, at $.01 par value per share, in such series and variations in the relative rights and preferences, including voting rights, if any, between such series as the Board of Directors shall determine. All or a designated voting group of shareholders are entitled to cumulate their votes for directors.

ARTICLE VII

INITIAL REGISTERED OFFICE AND AGENT

The street address of the initial registered office of the Corporation is 2601 South Bayshore Drive, 19th Floor, Miami, Florida 33133, and the name of the Corporation's initial registered agent at that address is COBER Corporate Agents, Inc.

ARTICLE VIII - INITIAL BOARD OF DIRECTORS

The corporation shall have two directors initially. The number of directors may be increased or diminished from time to time, as provided in the Bylaws. The name and address of the director is:

Name	Address
Mitchel J. Laskey	101 Southhall Lane, Ste. 210 Maitland, Fl. 32751
David M. Pomerance	101 Southhall Lane, Ste. 210 Maitland, Fl. 32751

ARTICLE IX

INCORPORATOR

The name and street address of the incorporator is:

Name	Address
Richard N. Bernstein	c/o Cohen, Berke, Bernstein, Brodie, Kondell & Laszlo, P.A. 2601 So. Bayshore Drive 19th Floor Miami, Florida 33133

ARTICLE X

INDEMNIFICATION

To the extent permitted by law, the Corporation shall indemnify any person who was or is a party to any proceeding by reason of the fact that he is or was a director, officer, employee, or agent of the Corporation or is or was serving at the request of the Corporation as a director, officer, employee, or agent of another corporation, partnership, joint venture, trust or other enterprise against liability incurred in connection with such proceeding, including any appeal thereof, if he acted in good faith and in a manner he reasonably believed to be in, or not opposed to, the best interests of the Corporation and, with respect to any criminal action or proceeding, had no reasonable cause to believe his conduct was unlawful. The Corporation shall reimburse each person for all costs and expenses, including attorneys' fees, reasonably incurred by him in connection with any such liability in the manner provided for by law or in accordance with the Corporation's Bylaws.

The rights accruing to any person under the foregoing provision shall not exclude any other right to which he may be lawfully entitled, nor shall anything therein contain or restrict the right of the Corporation to indemnify or reimburse such person in any proper case even though not specifically provided for herein.

IN WITNESS WHEREOF, the undersigned incorporator has executed these Articles of Incorporation this 9th day of May, 1996.

Richard N. Bernstein

Richard N. Bernstein, Incorporator

<u>ACCEPTANCE OF APPOINTMENT AS REGISTERED AGENT</u>

Having been designated as registered agent for **DHT FLORIDA, INC.** in the foregoing Articles of Incorporation, I, on behalf of COBER Corporate Agents, Inc., a Florida corporation, hereby agree to accept service of process for said corporation and to comply with all statutes relative to the complete and proper performance of the duties of a registered agent. I am familiar with and accept the obligations of that position.

COBER CORPORATE AGENTS, INC.

By: ______________________________
Michael A. Berke, Vice President

FILED
96 MAY 10 AM 1:06

1201 HAYS STREET
TALLAHASSEE, FL 32301-2607
904-222-9171
... FAX

800-342-8086

P96000041145

CSC networks
PRENTICE HALL
LEGAL & FINANCIAL SERVICES

ACCOUNT NO. : 072100000032

REFERENCE : 034657 4321942

AUTHORIZATION :

COST LIMIT : $ PREPAID

ORDER DATE : July 29, 1996

ORDER TIME : 10:06 AM

ORDER NO. : 034657

CUSTOMER NO: 4321942

CUSTOMER: Peggy Marinelli, Legal Asst
Cohen Berke Bernstein Brodie
19th Floor
2601 South Bayshore Drive
Miami, FL 33133

800001933048
-08/27/96--01103--014
*****87.50 *****87.50

800001933048
-08/27/96--01103--015
*****35.00 *****35.00

ARTICLES OF MERGER

FILE SECOND

8/2 INTO 96

DHT FLORIDA, INC.

PLEASE RETURN THE FOLLOWING AS PROOF OF FILING:

XXX CERTIFIED COPY
_____ PLAIN STAMPED COPY

CONTACT PERSON: Gail Williams

EXAMINER'S INITIALS: ________

70

122.50

P96000041145

ARTICLES OF MERGER
Merger Sheet

MERGING:

DYNAMIC HEALTHCARE TECHNOLOGIES, INC., a Nebraska corporation
P05832

INTO

DHT FLORIDA, INC. which changed its name to

DYNAMIC HEALTHCARE TECHNOLOGIES, INC., a Florida corporation,
P96000041145

File date: July 29, 1996

Corporate Specialist: Annette Hogan

ARTICLES OF MERGER
AND
AGREEMENT AND PLAN OF MERGER

FILED
96 JUL 29 PM 3:35

THIS ARTICLE OF MERGER AND AGREEMENT AND PLAN OF MERGER, dated as of July 29, 1996, is entered into by and between DYNAMIC HEALTHCARE TECHNOLOGIES, INC., a Nebraska corporation ("DHT Nebraska"), and DHT FLORIDA, INC., a Florida corporation ("DHT FLORIDA").

W I T N E S S E T H:

WHEREAS, DHT Nebraska is a corporation duly organized and existing under the laws of the State of Nebraska;

WHEREAS, DHT Florida is a corporation duly organized and existing under the laws of the State of Florida;

WHEREAS, on the date of this Agreement, DHT Nebraska has authority to issue 30,000,000 shares of capital stock, consisting of 20,000,000 shares of common stock, par value $.01 per share ("Nebraska Common Stock") and 10,000,000 shares of preferred stock, par value $.01 per share ("Nebraska Preferred Stock") of which 1,055,938 shares are designated as Series A Preferred Stock ("Nebraska Series A Preferred Stock") and 4,384,375 shares are designated as Series B Preferred Stock ("Nebraska Series B Preferred Stock");

WHEREAS, on the date of this Agreement, DHT Florida has authority to issue 30,000,000 shares of capital stock, consisting of 20,000,000 shares of common stock, par value $.01 per share ("Florida Common Stock") and 10,000,000 shares of preferred stock, par value $.01 per share ("Florida Preferred Stock") of which 1,055,938 shares are designated as Series A Preferred Stock ("Florida Series A Preferred Stock") and 4,384,375 shares are designated as Series B Preferred Stock ("Florida Series B Preferred Stock");

WHEREAS, the respective Boards of Directors of DHT Nebraska and DHT Florida have determined that it is advisable and in the best interests of each of such corporations that DHT Nebraska merge with and into DHT Florida upon the terms and subject to the conditions set forth in this Agreement for the purpose of effecting the change of the state of incorporation of DHT Nebraska from Nebraska to Florida;

WHEREAS, the respective Boards of Directors of DHT Nebraska and DHT Florida have, by resolutions duly adopted, approved this Agreement; and

WHEREAS, the Board of Directors of DHT Nebraska has directed that this Agreement be submitted to a vote of its shareholders.

NOW, THEREFORE, in consideration of the mutual agreements and covenants set forth herein, DHT Nebraska and DHT Florida hereby agree as follows:

1. **Merger**. DHT Nebraska shall be merged with and into DHT Florida and DHT Florida shall be the surviving corporation (hereinafter sometimes referred to as the "Surviving Corporation"). The Merger shall become effective as of 11:59 pm Eastern Standard Time on July 29, 1996 (the "Effective Time").

2. **Governing Documents**. The Articles of Incorporation of DHT Florida, as in effect immediately prior to the Effective Time, shall be the Articles of Incorporation of the Surviving Corporation without change or amendment until thereafter amended in accordance with the provisions thereof and applicable laws, except that Article 1 thereof shall be amended as of the Effective Time to read in its entirety "The name of this corporation shall be DYNAMIC HEALTHCARE TECHNOLOGIES, INC." The Bylaws of DHT Florida, as in effect immediately prior to the Effective Time, shall be the Bylaws of the Surviving Corporation without change or amendment until thereafter amended in accordance with the provisions thereof, of the Articles of Incorporation of the Surviving Corporation and applicable laws.

3. **Succession**. At the Effective Time, the separate corporate existence of DHT Nebraska shall cease, and DHT Florida shall possess all the rights, privileges, powers and franchises of a public and private nature of DHT Nebraska; and all and singular, the rights, privileges, powers and franchises of DHT Nebraska, and all property, real, personal and mixed, and all debts due to DHT Nebraska on whatever account, as well for share subscriptions as all other things in action belonging to DHT Nebraska, shall be vested in the Surviving Corporation; and all property, rights, privileges, powers and franchises, and all and every interest shall be thereafter as effectually the property of the Surviving Corporation as they were of DHT Nebraska, and the title to any real estate vested by deed or otherwise in DHT Nebraska shall not revert or be in any way impaired by reason of the Merger; but all rights of creditors and all liens upon any property of DHT Nebraska shall be preserved unimpaired, and all debts, liabilities and duties of DHT Nebraska shall thenceforth attach to the Surviving Corporation and may be enforced against it to the same extent as if such debts, liabilities and duties had been incurred or contracted by it. All corporate acts, plans, policies, agreements, arrangements, approvals and authorizations of DHT Nebraska, its shareholders, Board of Directors and committees thereof, officers and agents which were valid and effective immediately prior to the Effective Time, shall be taken for all purposes as the acts, plans, policies, agreements, arrangements, approvals and authorizations of the Surviving Corporation and shall be as effective and binding thereon as the same were with respect to DHT Nebraska. The employees and agents of DHT Nebraska shall become the employees and agents of the Surviving Corporation and continue to be entitled to the same rights and benefits which they enjoyed as employees and agents of DHT Nebraska. The requirements of any plans or agreements of DHT Nebraska involving the issuance or purchase by DHT Nebraska of certain shares of its capital stock shall be satisfied by the issuance or purchase of a like number of shares of the Surviving Corporation.

4. **Further Assurances**. From time to time, as and when required by the Surviving Corporation or by its successors or assigns, there shall be executed and delivered on behalf of DHT Nebraska such deeds and other instruments, and there shall be taken or caused to be taken by it all such further and other action, as shall be appropriate, advisable or necessary in order to vest, perfect or confirm, of record or otherwise, in the Surviving Corporation the title to and

possession of all property, interests, assets, rights, privileges, immunities, powers, franchises and authority of DHT Nebraska, and otherwise to carry out the purposes of this Agreement, and the officers and directors of the Surviving Corporation are fully authorized in the name and on behalf of DHT Nebraska or otherwise, to take any and all such action and to execute and deliver any and all such deeds and other instruments.

5. __Conversion of Shares__. At the Effective Time, by virtue of the Merger and without any action on the part of the holder thereof:

a. each share of Nebraska Common Stock outstanding immediately prior to the Effective Time shall be changed and converted into and shall be one fully paid and nonassessable shares of Florida Common Stock;

b. each share of Nebraska Series A Preferred Stock outstanding immediately prior to the Effective Time shall be changed and converted into and shall be one fully paid and nonassessable shares of Florida Series A Preferred Stock.

c. each share of Nebraska Series B Preferred Stock outstanding immediately prior to the Effective Time shall be changed and converted into and shall be one fully paid and non-assessable share of Florida Series B Preferred Stock.

d. the 100 shares of Florida Common Stock presently issued and outstanding in the name of DHT Nebraska shall be cancelled and retired and resume the status of authorized and unissued shares of Florida Common Stock, and no shares of Florida Common Stock or other securities of DHT Florida shall be issued in respect thereof.

6. __Shareholder Approvals__. The Merger has been approved by the holders of Nebraska Common Stock and Nebraska Series B Preferred Stock pursuant to the Business Corporation Act of the State of Nebraska and by DHT Nebraska as the sole stockholder of DHT Florida. DHT Nebraska has outstanding 6,611,646 shares of common stock and 3,750,000 shares of Series B Preferred Stock. Each holder of Nebraska Common Stock and Nebraska Series B Preferred Stock is entitled to one vote for each share held in the same manner and as one class with respect to the Merger. The total number of votes cast for and against the Merger by the holders of Nebraska Common Stock and Nebraska Series B Preferred Stock at the Annual Meeting of Shareholders of Nebraska DHT held on May 21, 1996 was as follows:

Class	Outstanding Stock	VOTES: For	Against	Abstain
Common Stock	6,611,646	3,963,960	46,805	2,609,881
Series B Preferred Stock	3,750,000	3,313,750	0	436,250

The number of votes cast for the Merger was sufficient for approval.

7. **Stock Certificates.** As of and after the Effective Time, all of the outstanding certificates which, immediately prior to the Effective Time, represented shares of Nebraska Common Stock, Nebraska Series A Preferred Stock or Nebraska Series B Preferred Stock, as the case may be, shall be deemed for all purposes to evidence ownership of, and to represent, an equal number of shares of Florida Common Stock, Florida Series A Preferred Stock or Florida Series B Preferred Stock, as the case may be. The registered owner on the books and records of the Surviving Corporation or its transfer agents of any such outstanding stock certificate shall, until such certificate shall have been surrendered for transfer or otherwise accounted for to the Surviving Corporation or its transfer agents, have and be entitled to exercise any voting and other rights with respect to, and to receive any dividends and other distributions upon, the shares of Florida Common Stock, Florida Series A Preferred Stock or Florida Series B Preferred Stock, as the case may be, evidenced by such outstanding certificate as above provided.

8. **Options and Warrants.** Each outstanding option or warrant to purchase, or other award of, shares of Nebraska Common Stock, which is outstanding immediately prior to the Effective Time, shall, by virtue of the Merger and without any action on the part of the holder thereof, be converted into and become an option or warrant to purchase, or award of, the same number of shares of Florida Common Stock at the same aggregate exercise price, and upon the same terms and subject to the same conditions, as in effect at the Effective Time. Such number of shares of Florida Common Stock shall be reserved for purposes of outstanding options or warrants to purchase, or other awards of, shares of Nebraska Common Stock, as is equal to twice the number of shares of Nebraska Common Stock so reserved as of the Effective Time. As of the Effective Time, DHT Florida hereby assumes all obligations of DHT Nebraska under all outstanding options and warrants to purchase, or other awards of, shares of Nebraska Common Stock.

9. **Other Employee Benefit Plans.** As of the Effective Time, DHT Florida hereby assumes all obligations under any and all employee benefit plans of DHT Nebraska in effect as of the Effective Time or with respect to which employee rights or accrued benefits are outstanding as of the Effective Time.

10. **Amendment.** To the full extent permitted by applicable law, this Agreement may be amended, modified or supplemented by written agreement of the parties hereto at any time prior to the Effective Time with respect to any of the terms contained herein.

11. **Abandonment.** At any time prior to the Effective Time, this Agreement may be terminated and the Merger may be abandoned by the Board of Directors of DHT Nebraska, notwithstanding approval of this Agreement by the sole stockholder of DHT Florida or by the shareholders of DHT Nebraska, or both, if in the opinion of the Board of Directors of DHT Nebraska circumstances arise which, in the opinion of such Board of Directors, make the Merger for any reason inadvisable.

12. **Counterparts**. In order to facilitate the filing and recording of this Agreement, the same may be executed in two or more counterparts, each of which shall be deemed to be an original and the same agreement.

IN WITNESS WHEREOF, DHT Nebraska and DHT Florida have caused this Agreement to be signed by their respective duly authorized officers as of the date first above written.

DYNAMIC HEALTHCARE TECHNOLOGIES, INC., a Nebraska corporation

By: ____________________
Mitchel J. Laskey, President

ATTEST:

By: ____________________
David M. Pomerance, Secretary

DHT FLORIDA, INC., a Florida corporation

By: ____________________
Mitchel J. Laskey, President

ATTEST:

By: ____________________
David M. Pomerance, Secretary

I, **DAVID M. POMERANCE**, Secretary of DHT FLORIDA, INC., a corporation organized and existing under the laws of the State of Florida (the "Corporation"), hereby certify, as such Secretary, that the Articles of Merger and Agreement and Plan of Merger to which this certificate is attached, after having been first duly signed on behalf of the Corporation and after being signed on behalf of DYNAMIC HEALTHCARE TECHNOLOGIES, INC., a corporation organized and existing under the laws of the State of Nebraska, was duly approved and adopted pursuant to Section 607.0704 of the Florida Business Corporation Act, by unanimous written consent dated as of July 29, 1996 of the stockholder holding 100 shares of the Common Stock of the Corporation, being all of the shares issued and outstanding, which Articles of Merger and Agreement and Plan of Merger was thereby adopted as the act of the stockholder of the Corporation, and the duly adopted agreement and act of the Corporation.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the corporate seal of the Corporation this 29th day of July, 1996.

DAVID M. POMERANCE, Secretary

I, **DAVID M. POMERANCE**, Secretary of **DYNAMIC HEALTHCARE TECHNOLOGIES, INC.**, a corporation organized and existing under the laws of the State of Nebraska (the "Corporation"), hereby certify, as such Secretary, that the Articles of Merger and Agreement and Plan of Merger to which this certificate is attached, after having been first duly signed on behalf of the Corporation and having been signed on behalf of DHT Florida, Inc., a corporation organized and existing under the laws of the State of Florida, was duly approved and adopted at the Annual Meeting of Shareholders of the Corporation held May 21, 1996 by the vote of the holders of a majority of the voting power of the outstanding shares of the Common Stock and the Preferred Stock of the Corporation entitled to vote thereon, voting together as a single class, which Articles of Merger and Agreement and Plan of Merger, upon such approval was thereby adopted as the act of the shareholders of the Corporation, and the duly adopted agreement and act of the Corporation.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the corporate seal of the Corporation this 29th day of July, 1996.

DAVID M. POMERANCE, Secretary

CT08883.KZR

P96000041145

1201 HAYS STREET
TALLAHASSEE, FL 32301-2607

800-342-8086

CSC networks

PRENTICE HALL
LEGAL & FINANCIAL SERVICES

ACCOUNT NO. : 072100000032

REFERENCE : 034657 4321942

AUTHORIZATION :

COST LIMIT : $ PREPAID

*****87.50 *****87.50

ORDER DATE : July 29, 1996

ORDER TIME : 10:22 AM

ORDER NO. : 034657

CUSTOMER NO: 4321942

CUSTOMER: Peggy Marinelli, Legal Asst
Cohen Berke Bernstein Brodie
19th Floor
2601 South Bayshore Drive
Miami, FL 33133

FILED

DOMESTIC AMENDMENT FILING

FILE FIRST

7/29/96

NAME: DHT FLORIDA, INC.

XX ARTICLES OF AMENDMENT
RESTATED ARTICLES OF INCORPORATION

PLEASE RETURN THE FOLLOWING AS PROOF OF FILING:

XXX CERTIFIED COPY
PLAIN STAMPED COPY
CERTIFICATE OF GOOD STANDING

35.00

CONTACT PERSON: Gail Williams

52.50

EXAMINER'S

87.50

AMENDMENT TO ARTICLES OF INCORPORATION OF

DHT FLORIDA, INC.

FILED
96 JUL 29

Article VI of the Articles of Incorporation of DHT FLORIDA, INC. was amended by the corporation's board of directors on July 1, 1996. The Corporation is filing these Articles of Amendment to Articles of Incorporation pursuant to F.S. 607.0602.

1. The name of the corporation is DHT FLORIDA, INC. (the "Corporation").

2. Article VI of the Articles of Incorporation of DHT FLORIDA, INC. was amended as follows:

The Corporation is authorized to issue Twenty Million (20,000,000) shares of Common Stock at $.01 par value per share. The Corporation is authorized to issue Ten Million (10,000,000) shares of Preferred Stock, at $.01 par value per share, in such series and variations in the relative rights and preferences, including voting rights, if any, between such series as the Board of Directors shall determine.

Of the shares of Preferred Stock, the Corporation is authorized to issue One Million Fifty Five Thousand Nine Hundred and Thirty Eight (1,055,938) shares of 9% Series A Cumulative Convertible Preferred Stock, $.01 par value (the "Series A Preferred Stock") and Four Million Three Hundred Eighty Four Thousand Three Hundred and Seventy Five (4,384,375) shares of 9% Series B Cumulative Convertible Preferred Stock, $.01 par value ("Series B Preferred Stock") which shall have the following attributes:

1. __Designations__. One Million Fifty Five Thousand Nine Hundred and Thirty Eight (1,055,938) shares of the Preferred Stock of the Corporation shall constitute a series of Preferred Stock designated as "9% Series A Cumulative Convertible Preferred Stock" ("Series A Preferred Stock"). Four Million Three Hundred Eighty Four Thousand Three Hundred and Seventy Five (4,384,375) shares of the Preferred Stock of the Corporation shall constitute a series of Preferred Stock designated as "9% Series B Cumulative Convertible Preferred Stock" ("Series B Preferred Stock").

2. __Dividends__.

(a) The holders of shares of Series A Preferred Stock and Series B Preferred Stock each will be entitled to receive, on a *pari passu* basis, when and as declared by the Board of Directors out of assets of the Corporation legally available for payment, an annual cash dividend at the rate of 9% of the Conversion Value (as defined below) per share of the Series A Preferred Stock and the Series B Preferred Stock, as the case may be, payable quarterly in arrears on March 31, June 30, September 30 and December 31, commencing December 31, 1995 (each a "dividend payment date"); provided that, if on any such day banks in the City of

New York are authorized or required to close, dividends otherwise payable on such day will be payable on the next day that banks in the City of New York are not authorized or required to close. Such dividends on shares of the Series A Preferred Stock and Series B Preferred Stock will be cumulative from the date of initial issuance of such shares of Series A Preferred Stock and Series B Preferred Stock, as the case may be. Such dividends will be payable, in arrears, to holders of record as they appear on the stock books of the Corporation on such record dates, not more than 60 days nor less than 10 days preceding the payment dates thereof, as shall be fixed by the Board of Directors. The amount of dividends payable per share for each dividend period shall be computed by dividing by four the 9% annual rate. The amount of dividends payable on the Series A Preferred Stock and Series B Preferred Stock for the initial dividend period and for any period shorter than a full quarterly dividend period shall be computed on the basis of a 360-day year of twelve 30-day months.

(b) In the event the Corporation (i) shall be in default under the terms of the Series B preferred stock purchase agreement to be entered into among the Corporation and certain investors to be par[illegible] relating to the issuance of shares of Series B Preferred Stock; (ii) shall be in default under the terms of any loan agreements or similar agreement with commercial lenders for borrowed money; (iii) shall file for, or have filed against it a petition for bankruptcy; or (iv) shall not make a dividend payment when due (any of which, shall be an "Event of Default") the dividend rate on the Series B Preferred Stock shall increase to fifteen (15%) percent per annum (the "Default Dividend Rate"), so long as the Event of Default continues. During an Event of Default, the holders of the Series A Preferred Stock may, at their option, upon written notice to the Corporation at least 10 days prior to the payment date of any dividends (or, in the case of dividend payments not paid when due, at any time after the applicable payment due date), elect to receive such dividend payments in the form of additional shares of Series A Preferred Stock, with the number of additional shares of Series A Preferred Stock to be received to be equal to the amount of the dividend due divided by the Conversion Value then in effect for the Series A Preferred Stock. During an Event of Default, the holders of the Series B Preferred Stock may, at their option, upon written notice to the Corporation at least 10 days prior to the payment date of any such dividends (or, in the case of dividend payments not paid when due, at any time after the applicable payment due date), elect to receive such dividend payments in the form of additional shares of Series B Preferred Stock, with the number of additional shares of Series B Preferred Stock to be received to be equal to the amount of the dividend due (at the Default Dividend Rate) divided by the Conversion Price (as defined below) then in effect for the Series B Preferred Stock.

(c) The Corporation may not declare or pay any dividend or make any distribution of assets on, or redeem, purchase or otherwise acquire, shares of common stock of the Corporation ("Common Stock") or of any other stock of the Corporation ranking junior to the Series A Preferred Stock or Series B Preferred Stock as to the payment of dividends or the distribution of assets upon liquidation, dissolution or winding up, unless all accrued and unpaid dividends on the Series A Preferred Stock and Series B Preferred Stock for all prior dividend periods have been or contemporaneously are declared and paid (including any dividends paid pursuant to Section 2(b)) and the full quarterly dividend on the Series A Preferred Stock and

Series B Preferred Stock for the current dividend period has been or contemporaneously is declared and set apart for payment.

3. Rights on Liquidation, Dissolution or Winding Up, Etc.

(a) In the event of any voluntary or involuntary liquidation of the Corporation, the assets of the Corporation available for distribution to its shareholders, whether from capital, surplus or earnings, shall be distributed in the following order of priority:

(i) The holders of Series A Preferred Stock and Series B Preferred Stock shall be entitled to receive, prior and in preference to any distribution to the holders of Common Stock or any class of stock ranking as to dividends or upon liquidation junior to the Series A Preferred Stock or Series B Preferred Stock (x) as to the holders of Series B Preferred Stock, an amount equal to the greater of (A) $.80 per share for each share of Series B Preferred Stock then outstanding, and, in addition, an amount equal to all accrued but unpaid dividends on such share of Series B Preferred Stock as of the date such payment is made to the holders of Series B Preferred Stock or (B) the amount the holders of Series B Preferred Stock would have received had the holders of Series B Preferred Stock converted the Series B Preferred Stock into Common Stock as provided in Section 8 immediately prior to the voluntary or involuntary liquidation and, in addition, an amount equal to all accrued but unpaid dividends on such shares of Series B Preferred Stock as of the date such payment is made to the holders of Series B Preferred Stock and (y) as to the holders of Series A Preferred Stock, an amount equal to $.80 per share for each share of Series A Preferred Stock then outstanding, and, in addition, an amount equal to all accrued but unpaid dividends on such share of Series A Preferred Stock as of the date such payment is made to the holders of Series A Preferred Stock.

(ii) Distributions made to holders of Series A Preferred Stock and Series B Preferred Stock pursuant to this Section 3(a) shall be made pro rata based on the amounts the respective liquidation preferences of the Series A Preferred Stock and Series B Preferred Stock determined in accordance with Section 3(a)(i) bear to the total amount available for distribution.

(iii) After distribution of the amounts set forth in Sections 3(a)(i) above, the remaining assets of the Corporation available for distribution, if any, to the stockholders of the Corporation shall be distributed to the holders of issued and outstanding shares of Common Stock, pro rata, based upon their respective holdings.

(b) In the event of any voluntary or involuntary dissolution or winding up of the Corporation, the assets of the Corporation available for distribution to its shareholders, whether from capital, surplus or earnings, shall be distributed in the following order of priority:

(i) The holders of Series A Preferred Stock and Series B Preferred Stock shall be entitled to receive, prior and in preference to any distribution to the holders of Common Stock or any class of stock ranking as to dividends or upon liquidation junior to the Series A Preferred Stock or Series B Preferred Stock (x) as to the holders of Series B Preferred Stock, an amount equal to the greater of (A) $.80 per share for each share of Series B Preferred Stock then outstanding, and, in addition, an amount equal to all accrued but unpaid dividends on such share of Series B Preferred Stock as of the date such payment is made to the holders of Series B Preferred Stock or (B) the amount the holders of Series B Preferred Stock would have received had the holders of Series B Preferred Stock converted the Series B Preferred Stock into Common Stock as provided in Section 8 immediately prior to the voluntary or involuntary dissolution or winding up of the Corporation and, in addition, an amount equal to all accrued but unpaid dividends on such shares of Series B Preferred Stock as of the date such payment is made to the holders of Series B Preferred Stock and (y) as to the holders of Series A Preferred Stock, an amount equal to the greater of (A) $.80 per share for each share of Series A Preferred Stock then outstanding and, in addition, an amount equal to all accrued but unpaid dividends on such share of Series A Preferred Stock as of the date such payment is made to the holders of Series A Preferred Stock or (B) the amount the holders of Series A Preferred Stock would have received had the holders of Series A Preferred Stock converted the Series A Preferred Stock into Common Stock as provided in Section 7 immediately prior to the voluntary or involuntary dissolution or winding up of the Corporation and, in addition, an amount equal to all accrued but unpaid dividends on such shares of Series A Preferred Stock as of the date such payment is made to the holders of Series A Preferred Stock.

(ii) Distributions made to holders of Series A Preferred Stock and Series B Preferred Stock pursuant to this Section 3(b) shall be made pro rata based on the amounts the respective liquidation preferences of the Series A Preferred Stock and Series B Preferred Stock determined in accordance with Section 3(b)(i) bear to the total amount available for distribution.

(iii) After distribution of the amounts set forth in Sections 3(b)(i) above, the remaining assets of the Corporation available for distribution, if any, to the stockholders of the Corporation shall be distributed to the holders of issued and outstanding shares of Common Stock, pro rata, based upon their respective holdings.

4. Redemption of Series A Preferred Stock.

(a) On any date after (i) June 30, 1998 and (ii) all shares of the Series B Preferred Stock have been redeemed as provided in Section 5 or there are otherwise no shares of Series B Preferred Stock outstanding, the Corporation shall (unless otherwise prevented by law) redeem, at the Corporation's option and upon the written notice to the holders of the then outstanding shares of Series A Preferred Stock (which notice shall state the Corporation's intention to exercise the redemption option set forth herein as provided in Section 4(b). The redemption price of shares of the Series A Preferred Stock shall be equal to (a) the stated value per share of \$.90 per share if redeemed prior to June 30, 1999 plus any accrued but unpaid dividends and (b) the stated value per share of \$.80 per share if redeemed on or after June 30, 1999 plus any accrued but unpaid dividends.

(b) Notice of any Series A Preferred Stock redemption date and the redemption option exercisable in connection therewith pursuant to this Section 4 shall be sent by the Corporation by first-class certified mail, return receipt requested, postage prepaid, to the holders of record of shares of Series A Preferred Stock at their respective addresses as the same shall appear on the books of the Corporation. Such notice shall be mailed not less than 30 nor more than 60 days in advance of the applicable Series A Preferred Stock redemption date. At any time on or after the Series A Preferred Stock redemption date, the holders of record of shares of Series A Preferred Stock to be redeemed on such Series A Preferred Stock redemption date in accordance with this Section 4 shall be entitled to receive the applicable redemption price upon actual delivery to the Corporation or its agents of the certificates representing the shares to be redeemed. If upon any redemption the assets of the Corporation available for redemption shall be insufficient to pay the holders of the shares of Series A Preferred Stock the full amounts to which they shall be entitled, the holders of shares of Series A Preferred Stock shall share ratably in any such redemption according to the respective amounts which would be payable in respect of such shares to be redeemed to the holders thereof if all amounts payable on or with respect to such shares were paid in full.

5. <u>Redemption of Series B Preferred Stock</u>.

(a) Upon the occurrence of (i) a consolidation or merger of the Corporation with and into any other corporation or corporations in a transaction in which the common shareholders of the Corporation receive cash, securities or other consideration in exchange for the shares of capital stock of the Corporation then held by them or (ii) the sale of all or substantially all of the assets of the Corporation, the Corporation shall (unless otherwise prohibited by applicable law) redeem, at the option and upon the written notice of holders of a majority of the then-outstanding shares of Series B Preferred Stock (the "Majority Series B Holders") (which notice shall state such holders' intention to exercise the redemption option set forth herein and the number of shares of Series B Preferred Stock sought to be redeemed, delivered at least 60, but not more than 90, days prior to the redemption date) that number of shares of Series B Preferred Stock specified in the aforesaid written notice. The redemption price of shares of the Series B Preferred Stock shall be equal to the amount provided for in Section 3(a)(i).

(b) Notice of any Series B Preferred Stock redemption date and the redemption option exercisable in connection therewith pursuant to this Section 5 shall be sent by the Corporation by first-class certified mail, return receipt requested, postage prepaid, to the holders of record of shares of Series B Preferred Stock at their respective addresses as the same shall appear on the books of the Corporation. Such notice shall be mailed not less than 30 nor more than 60 days in advance of the applicable Series B Preferred Stock redemption date. At any time on or after the Series B Preferred Stock redemption date, the holders of record of shares of Series B Preferred Stock to be redeemed on such Series B Preferred Stock redemption date in accordance with this Section 5 shall be entitled to receive the applicable redemption price upon actual delivery to the Corporation or its agents of the certificates representing the shares to be redeemed. If upon any redemption the assets of the Corporation available for redemption shall be insufficient to pay the holders of the shares of Series B Preferred Stock the full amounts to which they shall be entitled, the holders of shares of Series B Preferred Stock shall share ratably in any such redemption according to the respective amounts which would be payable in respect of such shares to be redeemed to the holders thereof if all amounts payable on or with respect to such shares were paid in full.

6. **Voting Rights.**

(a) The holders of shares of Series A Preferred Stock shall have no voting rights whatsoever, except for any voting rights to which they may be entitled under the laws of the State of Florida, provided, however, that if dividends on the Series A Preferred Stock shall be in arrears for two calendar quarter(s) and so long as such dividends shall be in arrears, each holder of shares of Series A Preferred Stock shall be entitled to such number of votes in respect of such Series A Preferred Stock, as shall equal the largest whole number of shares of Common Stock into which such Series A Preferred Stock are then convertible as provided in Section 7 hereof, to vote on all matters to which holders of Common Stock shall be entitled to vote, voting together with the holders of Common Stock as one class.

(b) In addition to the rights specified in Section (c) below, each holder of shares of Series B Preferred Stock shall be entitled to such number of votes in respect of such Series B Preferred Stock, as shall equal the largest whole number of shares of Common Stock into which such shares of Series B Preferred Stock are then convertible as provided in Section 8 hereof, to vote on all matters to which holders of Common Stock shall be entitled to vote, voting together, in the same manner and with the same effect as such holders of Common Stock as one class.

(c) The Corporation shall not, without the affirmative consent or approval of two-thirds of the then outstanding shares of Series B Preferred Stock (the "Two-Thirds Series B Holders"), voting as a separate class, given at a meeting called for such purposes for which notice shall have been given to the holders of the Series B Preferred Stock:

(i) in any manner authorize, create or issue any class or series of capital stock in either case (A) ranking, either as to payment of dividends, distribution of assets or redemptions, prior to or on a parity with the Series B Preferred Stock, or (B) which in any manner adversely affects the holders of Series B Preferred Stock, or authorize, create or issue any shares of any class or series of any bonds, debentures, notes or other obligations convertible into or exchangeable for, or having optional rights to purchase, any shares having any such preference or priority or so adversely affecting the holders of Series B Preferred Stock;

(ii) in any manner alter or change the designations, powers, preferences or rights, or the qualifications, limitations or restrictions of the Series A Preferred Stock or the Series B Preferred Stock, provided, that such consent or approval shall not be required to increase the number of authorized shares of Series A Preferred Stock and Series B Preferred Stock solely in order to permit the Corporation to satisfy its obligations to pay dividends in shares of Series A Preferred Stock and Series B Preferred Stock pursuant to Section 2(b), as the case may be.

(iii) reclassify the shares of Common Stock or Series A Preferred Stock or any other shares or any class or series of capital stock hereafter created junior to the Series B Preferred Stock into shares of any class or series of capital stock (A) ranking, either as to payment of dividends, distribution of assets or redemptions, prior to on or a parity with the Series B Preferred Stock, or (B) which in any manner adversely affects the holders of Series B Preferred Stock;

(iv) engage in any business other than the businesses in which it is engaged in as of the date hereof or any businesses or activities substantially similar or related thereto;

(v) merge or consolidate with and into any other person (other than a wholly-owned subsidiary of the Corporation), or purchase or acquire the business, of all or substantially all of the capital stock, other equity interests or assets of any other person unless in the case of such purchase the aggregate purchase price including liabilities assumed does not exceed $500,000; or

(vi) permit the occurrence of a Change of Control (as defined below). "Change of Control" means (i) the direct or indirect sale, lease, exchange or other transfer of all or substantially all of the assets of the Corporation to any person or entity or group of persons or entities acting in concert as a partnership or other group (a "Group of Persons") or (ii) the merger or consolidation of the Corporation with or into another corporation with the effect that the then existing shareholders of the Corporation hold less than 50% of the combined voting power of the then outstanding securities of the surviving corporation of such merger or the corporation resulting from such consolidation ordinarily (and apart from rights accruing under special circumstances) having the right to vote in the election of directors.

7. <u>Conversion of Series A Preferred Stock.</u>

(a) The holders of Series A Preferred Stock shall have the right, at such holders' option, at any time or from time to time to convert such shares of Series A Preferred Stock into such whole number of fully paid and nonassessable shares of Common Stock as is equal to the number of fully paid and nonassessable shares of Common Stock which results from dividing the "Conversion Price" per share in effect for the Series A Preferred Stock at the time of conversion into the "Conversion Value" per share of Series A Preferred Stock. The number of shares of Common Stock into which the Series A Preferred Stock is convertible is hereinafter collectively referred to as the "Conversion Rate" for such series. The initial Conversion Price (as defined below) per share of the Series A Preferred Stock shall be $.80, and the Conversion Value (as defined below) per share of Series A Preferred Stock shall be $.80. The holder of any shares of Series A Preferred Stock, exercising the aforesaid right to convert such shares into shares of Common Stock shall be entitled to receive, in cash, an amount equal to all accrued dividends with respect to such shares of Series A Preferred Stock up to and including the respective conversion date of the Series A Preferred Stock.

(b) Each share of Series A Preferred Stock shall automatically be converted into shares of Common Stock at the then effective Conversion Price in accordance with Section 7(a) for such series if (i) the Corporation's Common Stock Current Market Price (as defined in Section 9 hereof) shall have traded above 150% of the then effective Conversion Price of the Series A Preferred Stock for twenty (20) consecutive trading days commencing after of the issuance date of such share on any nationally recognized stock exchange or NASDAQ and (ii) the shares of Common Stock issuable upon such conversion have been registered under the Securities Act of 1933, as amended (the "Securities Act"), and may be freely sold by the holders of such shares under the Securities Act.

(c) Before any holder of Series A Preferred Stock shall be entitled to convert the same into shares of Common Stock, such holder shall surrender the certificate or certificates therefor, duly endorsed, at the office of the Corporation or of any transfer agent for the Series A Preferred Stock, and shall give written notice to the Corporation at its principal corporate office, of the election to convert the same and shall state therein the name or names in which the certificate or certificates for shares of Common Stock are to be issued. The Corporation shall, as soon as practicable thereafter, issue and deliver at such office to such holder of Series A Preferred Stock, or to the nominee or nominees of such holder, a certificate or certificates for the number of shares of Common Stock to which such holder shall be entitled as aforesaid. Such conversion shall be deemed to have been made immediately prior to the close of business on the date of such surrender of the shares of Series A Preferred Stock to be converted, and the person or persons entitled to receive the shares of Common Stock issuable upon such conversion shall be treated for all purposes as the record holder or holders of such shares of Common Stock as of such date.

(d) In the event the Corporation shall declare a distribution payable in securities of other persons, evidences of indebtedness issued by the Corporation or other persons, assets (excluding cash dividends) or options or rights to the holders the Corporation's Common Stock, then, in each such case for the purpose of this subsection 7(d), the holders of the Series A Preferred Stock shall be entitled to a proportionate share of any such distribution as though they were the holders of the number of shares of Common Stock of the Corporation into which their shares of Series A Preferred Stock are convertible as of the record date fixed for the determination of the holders of Common Stock of the Corporation entitled to receive such distribution.

(e) If at any time or from time to time there shall be a recapitalization of the Common Stock (other than a subdivision, combination or merger or sale of assets transaction provided for elsewhere in this Section 7) provision shall be made so that the holders of the Series A Preferred Stock shall thereafter be entitled to receive upon conversion of the Series A Preferred Stock the number of shares of stock or other securities or property of the Corporation or otherwise, to which a holder of Common Stock deliverable upon conversion would have been entitled on such recapitalization. In any such case, appropriate adjustment shall be made in the application of the provisions of this Section 7 with respect to the rights of the holders of the Series A Preferred Stock after the recapitalization to the end that the provisions of this Section 7 (including adjustment of the Conversion Price then in effect and the number of shares issuable upon conversion of the Series A Preferred Stock) shall be applicable after that event as nearly equivalent as may be practicable.

(f) The Corporation will not, by amendment of its Amended and Restated Articles of Incorporation, as amended through the date of the filing hereof, or through any reorganization, recapitalization, transfer of assets, consolidation, merger, dissolution, issue or sale of securities or any other voluntary action, avoid or seek to avoid the observance or performance of any of the terms to be observed or performed hereunder by the Corporation, but will at all times in good faith assist in the carrying out of all the provisions of this Section 7 and in the taking of all such action as may be necessary or appropriate in order to protect the conversion rights of the holders of the Series A Preferred Stock against impairment.

(g) If any capital reorganization or reclassification of the capital stock of the Corporation, or consolidation or merger of the Corporation with and into another corporation, or the sale of all or substantially all of its assets to another corporation, shall be effected while any shares of Series A Preferred Stock are outstanding in such a manner that holders of shares of Common Stock shall be entitled to receive stock, securities or assets with respect to or in exchange for Common Stock, then, as a condition of such reorganization, reclassification, consolidation, merger or sale, lawful and adequate provision shall be made whereby each holder of Series A Preferred Stock shall thereafter have the right to receive upon the basis and upon the terms and conditions specified herein and in lieu of the shares of Common Stock immediately theretofore receivable upon conversion of Series A Preferred Stock, such shares of stock, securities or assets as may be issued or payable with respect to or in exchange for a number of outstanding shares of such Common Stock equal to the number of shares of such Common Stock immediately theretofore so receivable had such reorganization, reclassification, consolidation, merger or sale not taken place, and in such case appropriate provision shall be made with respect to the rights and interests of the holders of Series A Preferred Stock to the end that the provisions hereof (including, without limitation, provisions for adjustment of the Conversion Price of the Series A Preferred Stock and of the number of shares of Common Stock issuable upon conversion thereof) shall thereafter be applicable, as nearly as may be possible, in relation to any shares of stock, securities or assets thereafter deliverable upon the conversion of such shares of Series A Preferred Stock. The Corporation shall not effect any such consolidation, merger or sale unless prior to or simultaneously with the consummation thereof the survivor or successor corporation (if other than the Corporation) resulting from such consolidation or merger or the corporation purchasing such assets shall assume by written instrument executed and mailed or delivered to each holder of Series A Preferred Stock, the obligation to deliver to such holders of Series A Preferred Stock such shares of stock, securities or assets as, in accordance with the foregoing provisions, such holder of Series A Preferred Stock may be entitled to receive, and containing the express assumption of such successor corporation of the due and punctual performance and observance of every provision of these Articles of Incorporation to be performed and observed by the Corporation and of all liabilities and obligations of the Corporation hereunder with respect to the Series A Preferred Stock.

(h) (i) No fractional shares shall be issued upon the conversion of any share or shares of the Series A Preferred Stock, and the number of shares of Common Stock to be issued shall be rounded to the nearest whole share. In lieu of any fractional shares to which the holder would otherwise be entitled, the Corporation shall made a cash payment equal to the Current Market Price of the Common Stock as of two business days prior to payment multiplied by such fraction.

(ii) Upon the occurrence of each adjustment or readjustment of the Conversion Price of Series A Preferred Stock pursuant to this Section 7, the Corporation, at its expense, shall promptly compute such adjustment or readjustment in accordance with the terms hereof and prepare and furnish to each holder of Series A Preferred Stock a certificate setting forth such adjustment or readjustment and showing in detail the facts upon which such adjustment or readjustment is based. The Corporation shall, upon the written request at any time of any holder of Series A Preferred Stock, furnish or cause to be furnished to such holder a like certificate setting forth (A) such adjustment and readjustment, (B) the Conversion Price for such Series A Preferred Stock at the time in effect, and (C) the number of shares of Common Stock and the amount, if any, of other property which at the time would be received upon the conversion of a share of such Series A Preferred Stock.

(i) In the event of 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 (other than a cash dividend) or other distribution, any right to subscribe for, purchase or otherwise acquire any shares of stock of any class or any other securities or property, or to receive any other right, the Corporation shall mail to each holder of Series A 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 purpose of such dividend, distribution or right, and the amount and character of such dividend, distribution or right.

(j) 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 Preferred Stock, such number of its shares of Common Stock as shall from time to time be sufficient to effect the conversion of all outstanding shares of the Series A 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 then outstanding shares of the Series A Preferred Stock, in addition to such other remedies as shall be available to the holder of such Series A 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 purposes, including, without limitation, engaging in best efforts to obtain the requisite stockholder approval of any necessary amendment to these provisions. The Corporation shall pay all documentary, stamp or other transactional taxes attributable to the issuance or delivery of shares of capital stock of the Corporation upon conversion of any shares of Series A Preferred Stock; provided, however, that the Corporation shall not be required to pay any taxes which may be payable in respect of any transfer involved in the issuance or delivery of any certificate for such shares in a name other than that of the holder of the shares of Series A Preferred Stock in respect of which such shares are being issued. All shares of Common Stock which may be issued in connection with the conversion provisions set forth herein will, upon issuance by the Corporation, be validly issued, fully paid and nonassessable and free from all taxes, liens or charges with respect thereto.

(k) Any notice required by the provisions of this Section 7 to be given to the holders of shares of Series A Preferred Stock shall be deemed given if deposited in the United States mail, postage prepaid, and addressed to each holder of record at his address appearing on the books of the Corporation.

(l) In the event any shares of Series A Preferred Stock shall be converted pursuant to Section 7 hereof, the shares so converted shall be cancelled. The Amended and Restated Articles of Incorporation of the Corporation, as amended, may be appropriately amended from time to time to effect the corresponding reduction in the Corporation's authorized capital stock.

8. Conversion of Series B Preferred Stock.

(a) The holders of Series B Preferred Stock shall have the right, at such holders' option, at any time or from time to time, to convert such shares of Series B Preferred Stock into such whole number of fully paid and nonassessable shares of Common Stock as is equal to the number of fully paid and nonassessable shares of Common Stock which results from multiplying the number of shares of Series B Preferred Stock to be converted by the "Conversion Value" and dividing the result by the "Conversion Price" per share in effect for the Series B Preferred Stock at the time of conversion. The number of shares of Common Stock into which the Series B Preferred Stock is convertible is hereinafter collectively referred to as the "Conversion Rate" for such series. The initial Conversion Price per share of the Series B Preferred Stock shall be $.80, and the Conversion Value per share of Series B Preferred Stock shall be $.80. The holder of any shares of Series B Preferred Stock, exercising the aforesaid right to convert such shares into shares of Common Stock shall be entitled to receive, in cash, an amount equal to all accrued dividends with respect to such shares of Series B Preferred Stock up to and including the respective conversion date of the Series B Preferred Stock.

(b) (i) Each share of Series B Preferred Stock shall automatically be converted into shares of Common Stock at the then effective Conversion Price for such series in accordance with Section 8(a) if (i) the Corporation's Common Stock Current Market Price (as defined in Section 9 hereof) shall have traded above 350% of the then effective Conversion Price of the Series B Preferred Stock for twenty (20) consecutive trading days on any nationally recognized stock exchange or NASDAQ following the earliest date of the satisfaction of the condition set forth in Section 8(b)(iii) below, (ii) the average weekly trading volume of the Corporation's Common Stock during such twenty consecutive trading is equal to or greater than 150,000 shares of Common Stock and (iii) the shares of Common Stock to be issued upon such conversion have been registered under the Securities Act and may be freely sold by the holders of such shares under the Securities Act or, if not so registered, all such shares of Common Stock must be eligible to be sold by the holders pursuant to Rule 144(k) promulgated under the Securities Act.

(ii) In the event that as a result of litigation arising from the Securities and Exchange Commission investigation involving the Corporation existing on the date hereof and the issues giving rise to such investigation (including but not limited to any class action or other lawsuits which may be brought by stockholders of the Corporation) the Corporation becomes subject to losses, claims, damages, or liabilities and/or incurs legal expenses defending itself in such a litigation (together, "Litigation Damages and Expenses") that in the aggregate exceed $150,000, the Conversion Price of the Series B Preferred Stock shall be adjusted by reducing the Conversion Price of the Series B Preferred Stock such that it results in the issuance of additional shares of Common Stock in an amount equal to the product of multiplying (i) the fully-diluted ownership percentage represented by the Series B Preferred Stock (using the treasury stock method) and (ii) the quotient of dividing (a) the Litigation Damages and Expenses in excess of $150,000 by (b) the average bid price of the Corporation's Common Stock over the twenty (20) days immediately following the initial public announcement or other disclosure by the Corporation relating to the final determination of the Litigation Damages and Expenses.

(iii) In the event that the Series B Preferred Stock has not been redeemed pursuant to Section 5 (a "Section 5 Redemption") or converted to Common Stock pursuant to Section 8(b) (a "Section 8(b) Conversion") prior to the fifth anniversary of the date of the initial issuance of Series B Preferred Stock (the "Series B Initial Issuance Date"), then at any time thereafter and prior to the occurrence of either a Section 5 Redemption or a Section 8(b) Conversion in respect of the Series B Preferred Stock, the Two-Thirds Series B Holders shall have the option, upon sixty (60) days written notice to the Corporation, to adjust the Conversion Price as of such sixtieth (60th) day (the "Adjusted Conversion Price Date") to a Conversion Price equal to the lower of the quotient resulting from dividing the average Current Market Price for the twenty (20) Business Days prior to (a) the date of the giving of notice by the holders of Series B Preferred Stock pursuant to Section 8(c)(ii) or (b) the Adjusted Conversion Price Date by 3.5 (*e.g.*, if the then average Current Market Price is $.70, then the new Conversion Price would be $.20) unless prior to the Adjusted Conversion Price Date the Corporation shall redeem upon twenty (20) days prior written notice all of the existing Series B Preferred Stock. The Series B Preferred Stock shall be redeemed at a price equal to $.80 per share for each share of Series B Preferred Stock then outstanding, and, in addition, an amount equal to all accrued but unpaid dividends on each such share of Series B Preferred Stock as of the date of such payment. A holder of Series B Preferred Stock may at any time prior to such scheduled redemption date elect to convert its Series B Preferred Stock pursuant to Section 8(a).

(c) Before any holder of Series B Preferred Stock shall be entitled to convert the same into shares of Common Stock, such holder shall surrender the certificate or certificates therefor, duly endorsed, at the office of the Corporation or of any transfer agent for the Series B Preferred Stock, and shall give written notice to the Corporation at its principal corporate office, of the election to convert the same and shall state therein the name or names in which the certificate or certificates for shares of Common Stock are to be issued. The Corporation shall, as soon as practicable thereafter, issue and deliver at such office to such holder of Series B Preferred Stock, or to the nominee or nominees of such holder, a certificate or certificates for the number of shares of Common Stock to which such holder shall be entitled as aforesaid. Such conversion shall be deemed to have been made immediately prior to the close of business on the date of such surrender of the shares of Series B Preferred Stock to be converted, and the person or persons entitled to receive the shares of Common Stock issuable upon such conversion shall be treated for all purposes as the record holder or holders of such shares of Common Stock as of such date.

(d) The Conversion Price of the Series B Preferred Stock shall be subject to adjustment from time to time as set forth below.

(i) If the Corporation shall issue, after the initial issuance date of the Series B Preferred Stock, any Additional Stock (as defined below) without consideration or for a consideration per share less than the Conversion Price for the Series B Preferred Stock in effect immediately prior to the issuance of such Additional Stock, the Conversion Price for such series in effect immediately prior to each such issuance shall forthwith (except as otherwise provided in this clause (i)) be reduced to such lower purchase price (or in the case of options and similar securities, the consideration received for the option and the consideration to be received upon exercise of such option) or, if for no consideration, $.01.

(ii) "Additional Stock" as used herein shall mean any shares of Common Stock issued (or deemed to have been issued) or rights, warrants, options or other exchangeable securities convertible into Common Stock (including shares of Common Stock held in the Corporation's Treasury) by the Corporation after November 27, 1995 other than:

(a) Common Stock issued or issuable (i) upon conversion of the Series A Preferred Stock or the Series B Preferred Stock or (ii) pursuant to any warrant issued to the Argentum Group or its permitted assigns; and

(b) Common Stock issuable or issued to employees, advisors, consultants or outside directors of the Corporation directly or pursuant to the Corporation's stock option plans and restricted stock plans approved by the Board of Directors of the Corporation and existing as of November 27, 1995, but only to the extent of the number of shares of Common Stock authorized to be issued under such plans as of the date of this Certificate of Designation.

(iii) Except to the limited extent provided for in subsection 8(e)(viii), no adjustment of such Conversion Price pursuant to this subsection 8(e) shall have the effect of increasing the Conversion Price for the Series B Preferred Stock above the Conversion Price for the Series B Preferred Stock in effect immediately prior to such adjustment.

(iv) No adjustment in the Conversion Price for the Series B Preferred Stock shall be required unless such adjustment would require an increase or decrease of at least one cent ($0.01) in such price; provided, however, that any adjustments which by reason of this subsection (iv) are not required to be made shall be carried forward and taken into account in any subsequent adjustment required to be made hereunder. All calculations under this Section 8(e) shall be made to the nearest one cent ($0.01). In the case of the issuance of Common Stock for cash, the consideration shall be deemed to be the amount of cash paid therefor before deducting any reasonable discounts, commissions or other expenses allowed, paid or incurred by the Corporation for any underwriting or otherwise in connection with the issuance and sale thereof.

(v) In the case of the issuance of the Common Stock for a consideration in whole or in part other than cash, the consideration other than cash shall be deemed to be the fair value thereof as determined in good faith by the Board of Directors.

(vi) In the case of the issuance (whether before, on or after the original issuance date of the Series B Preferred Stock) of options to purchase or rights to subscribe for Common Stock, securities by their terms convertible into or exchangeable for Common Stock or options to purchase or rights to subscribe for such convertible or exchangeable securities, the following provisions shall apply for all purposes of this Section 8(e):

(a) The aggregate maximum number of shares of Common Stock deliverable upon exercise (assuming the satisfaction of any conditions to exercisability, including without limitation, the passage of time, but without taking into account potential anti-dilution adjustments) of such options to purchase or rights to subscribe for Common Stock shall be deemed to have been issued at the time such options or rights were issued and for a consideration equal to the consideration (determined in the manner provided in subsections 8(e)(v) and 8(e)(vi), if any, received by the Corporation upon the issuance of such options or rights plus the minimum exercise price provided in such options or rights (without taking into account potential anti-dilution adjustments) for the Common Stock covered thereby.

(b) The aggregate maximum number of shares of Common Stock deliverable upon conversion of or in exchange (assuming the satisfaction of any conditions to convertibility or exchangeability, including, without limitation, the passage of time, but without taking into account potential anti-dilution adjustments) for any such convertible or exchangeable securities or upon the exercise of options to purchase or rights to subscribe for such convertible or exchangeable securities and subsequent conversion or exchange thereof, shall be deemed to have been issued at the time such securities were issued or such options or rights were issued and for a consideration equal to the consideration, if any, received by the Corporation for any such securities and related options or rights (excluding any cash received on account of accrued interest or accrued dividends), plus the minimum additional consideration, if any, to be received by the Corporation (without taking into account potential anti-dilution adjustments) upon the conversion or exchange of such securities or the exercise of any related options or rights (the consideration in each case to be determined in the manner provided in subsections 8(e)(v) and 8(e)(vi).

(c) In the event of any change in the number of shares of Common Stock deliverable or in the consideration payable to the Corporation upon exercise of such options or rights or upon conversion of or in exchange for such convertible or exchangeable securities (excluding a change resulting solely from the anti-dilution provisions thereof if such change results from an event which gives rise to an anti-dilution adjustment under this subsection 8(e)), the Conversion Price of the Series B Preferred Stock, to the extent in any way affected by or computed using such options, rights or securities, shall be recomputed to reflect such change, but no further adjustment shall be made for the actual issuance of Common Stock or any payment of such consideration upon the exercise of any such options or rights or the conversion or exchange of such securities.

(d) Upon the expiration of any such options or rights, the termination of any such rights to convert or exchange or the expiration of any options or rights related to such convertible or exchangeable securities, the Conversion Price of the Series B Preferred Stock, to the extent in any way affected by or computed using such options, rights or securities or options or rights related to such securities, shall be recomputed to reflect the issuance of only the number of shares of Common Stock (and convertible or exchangeable securities which remain in effect) actually issued upon the exercise of such options or rights, upon the conversion or exchange of such securities or upon the exercise of the options or rights related to such securities.

(e) The number of shares of Common Stock deemed issued and the consideration deemed paid therefor pursuant to subsections 8(e)(vi)(A) and 8(e)(vi)(B) shall be appropriately adjusted to reflect any change, termination or expiration of the type described in either subsection 8(e)(vi)(C) or 8(e)(vi)(D).

(vii) In the event the Corporation should at any time or from time to time after the date of purchase of the Series B Preferred Stock (the "Series B Purchase Date") fix a record date for the effectuation of a split or subdivision of the outstanding shares of Common Stock or the determination of holders of Common Stock entitled to receive a dividend or other distribution payable in additional shares of Common Stock or Common Stock Equivalents without payment of any consideration by such holder for the additional shares of Common Stock or the Common Stock Equivalents (including the additional shares of Common Stock issuable upon conversion or exercise thereof), then, as of such record date (or the date of such dividend distribution, split or subdivision if no record date is fixed), the Conversion Price of the Series B Preferred Stock shall be appropriately decreased so that the number of shares of Common Stock issuable on conversion of each share of such Series B Preferred Stock shall be increased in proportion to such increase in the aggregate of shares of Common Stock outstanding and those issuable with respect to such Common Stock Equivalents.

(viii) If the number of shares of Common Stock outstanding at any time after the Series B Purchase Date is decreased by a combination of the outstanding shares of Common Stock, then, following the record date of such combination, the Conversion Price for the Series B Preferred Stock shall be appropriately increased so that the number of shares of Common Stock issuable on conversion of each share of each series shall be decreased in proportion to such decrease in outstanding shares.

(e) In the event the Corporation shall declare a distribution payable in securities of other persons, evidences of indebtedness issued by the Corporation or other persons, assets (excluding cash dividends) or options or rights not referred to in subsection 8(c) to the holders of the Corporation's Common Stock, then, in each such case for the purpose of this subsection 8(f), the holders of the Series B Preferred Stock shall be entitled to a proportionate share of any such distribution as though they were the holders of the number of shares of Common Stock of the Corporation into which their shares of Series B Preferred Stock are convertible as of the record date fixed for the determination of the holders of Common Stock of the Corporation entitled to receive such distribution.

(f) If at any time or from time to time there shall be a recapitalization of the Common Stock (other than a subdivision, combination or merger or sale of assets transaction provided for elsewhere in this Section 8 or Section 6(c)) provision shall be made so that the holders of the Series B Preferred Stock shall thereafter be entitled to receive upon conversion of the Series B Preferred Stock the number of shares of stock or other securities or property of the Corporation or otherwise, to which a holder of Common Stock deliverable upon conversion would have been entitled on such recapitalization. In any such case, appropriate adjustment shall be made in the application of the provisions of this Section 8 with respect to the rights of the holders of the Series B Preferred Stock after the recapitalization to the end that the provisions of this Section 8 (including adjustment of the Conversion Price for the Series B Preferreo Stock then in effect and the number of shares issuable upon conversion of the Series B Preferred Stock) shall be applicable after that event as nearly equivalent as may be practicable.

(g) The Corporation will not, by amendment of its Amended and Restated Articles of Incorporation, as amended, or through any reorganization, recapitalization, transfer of assets, consolidation, merger, dissolution, issue or sale of securities or any other voluntary action, avoid or seek to avoid the observance or performance of any of the terms to be observed or performed hereunder by the Corporation, but will at all times in good faith assist in the carrying out of all the provisions of this Section 8 and in the taking of all such action as may be necessary or appropriate in order to protect the conversion rights of the holders of the Series B Preferred Stock against impairment.

(h) If any capital reorganization or reclassification of the capital stock of the Corporation, or consolidation or merger of the Corporation with and into another corporation, or the sale of all or substantially all of its assets to another corporation, shall be effected while any shares of Series B Preferred Stock are outstanding in such a manner that holders of shares of Common Stock shall be entitled to receive stock, securities or assets with respect to or in exchange for Common Stock, then, as a condition of such reorganization or reclassification, consolidation, merger or sale, lawful and adequate provision shall be made whereby each holder of Series B Preferred Stock shall thereafter have the right to receive upon the basis and upon the terms and conditions specified herein and in lieu of the shares of Common Stock immediately theretofore receivable upon conversion of Series B Preferred Stock, such shares of stock, securities or assets as may be issued or payable with respect to or in exchange for a number of outstanding shares of such Common Stock equal to the number of shares of such Common Stock immediately theretofore so receivable had such reorganization or reclassification, consolidation, merger or sale not taken place, and in such case appropriate provision shall be made with respect to the rights and interests of the holders of Series B Preferred Stock to the end that the provisions hereof (including, without limitation, provisions for adjustment of the Conversion Price of the Series B Preferred Stock and of the number of shares of Common Stock issuable upon conversion thereof) shall thereafter be applicable, as nearly as may be possible, in relation to any shares of stock, securities or assets thereafter deliverable upon the conversion of such shares of Series B Preferred Stock. The Corporation shall not effect any such consolidation, merger or sale unless approved by the holders of Series B Preferred Stock as provided in Section 6(c) and prior to or simultaneously with the consummation thereof the survivor or successor corporation (if other than the Corporation) resulting from such consolidation or merger or the corporation purchasing such assets shall assume by written instrument executed and mailed or delivered to each holder of Series B Preferred Stock, the obligation to deliver to such holders of Series B Preferred Stock such shares of stock, securities or assets as, in accordance with the foregoing provisions, such holder of Series B Preferred Stock may be entitled to receive, and containing the express assumption of such successor corporation of the due and punctual performance and observance of every provision of these Articles of Incorporation to be performed and observed by the Corporation and of all liabilities and obligations of the Corporation hereunder with respect to the Series B Preferred Stock.

(i) (i) No fractional shares shall be issued upon the conversion of any share or shares of the Series B Preferred Stock, and the number of shares of Common Stock to be issued shall be rounded to the nearest whole share. In lieu of any fractional shares to which the holder would otherwise be entitled, the Corporation shall made a cash payment equal to the Current Market Price of the Common Stock as of two business days prior to payment multiplied by such fraction.

(ii) Upon the occurrence of each adjustment or readjustment of the Conversion Price of Series B Preferred Stock pursuant to this Section 8, the Corporation, at its expense, shall promptly compute such adjustment or readjustment in accordance with the terms hereof and prepare and furnish to each holder of Series B Preferred Stock a statement, signed by its independent certified public accountants, setting forth such adjustment or readjustment and showing in detail the facts upon which such adjustment or readjustment is based. The Corporation shall, upon the written request at any time of any holder of Series B Preferred Stock, furnish or cause to be furnished to such holder a like certificate setting forth (A) such adjustment and readjustment, (B) the Conversion Price for such Series B Preferred Stock at the time in effect, and (C) the number of shares of Common Stock and the amount, if any, of other property which at the time would be received upon the conversion of a share of such Series B Preferred Stock.

(j) In the event of 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 (other than a cash dividend) or other distribution, any right to subscribe for, purchase or otherwise acquire any shares of stock of any class or any other securities or property, or to receive any other right, the Corporation shall mail to each holder of Series B 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 purpose of such dividend, distribution or right, and the amount and character of such dividend, distribution or right.

(k) 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 B Preferred Stock, such number of its shares of Common Stock as shall from time to time be sufficient to effect the conversion of all outstanding shares of the Series B 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 then outstanding shares of the Series B Preferred Stock, in addition to such other remedies as shall be available to the holder of such Series B 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 purposes, including, without limitation, engaging in best efforts to obtain the requisite stockholder approval of any necessary amendment to these provisions. The Corporation shall pay all documentary, stamp or other transactional taxes attributable to the issuance or delivery of shares of capital stock of the Corporation upon conversion of any shares of Series B Preferred Stock; provided, however, that the Corporation shall not be required to pay any taxes which may be payable in respect of any transfer involved in the issuance or delivery of any certificate for such shares in a name other than that of the holder of the shares of Series B Preferred Stock in respect of which such shares are being issued. All shares of Common Stock which may be issued in connection with the conversion provisions set forth herein will, upon issuance by the Corporation, be validly issued, fully paid and nonassessable and free from all taxes, liens or charges with respect thereto.

(l) Any notice required by the provisions of this Section 8 to be given to the holders of shares of Series B Preferred Stock shall be deemed given if deposited in the United States mail, postage prepaid, and addressed to each holder of record at his address appearing on the books of the Corporation.

(m) In the event any shares of Series B Preferred Stock shall be converted pursuant to Section 8 hereof, the shares so converted shall be cancelled. The Amended and Restated Articles of Incorporation of the Corporation, as amended, may be appropriately amended from time to time to effect the corresponding reduction in the Corporation's authorized capital stock.

9. Definitions. The term "Current Market Price" at any date of one share of Common Stock means the daily closing price on the day before the day in question. The closing price shall be the last reported sales price regular way or, in case no such reported sales took place on such day, the average of the last reported bid and asked prices regular way, in either case on the principal national securities exchange on which the common stock is listed or admitted to trading (or if the common stock is not at the time listed or admitted for trading on any such exchange, then such price as shall be equal to the average of the last reported bid and asked prices, as reported by the National Association of Securities Dealers Automated Quotations Systems ("NASDAQ") on such day, or if, on any day in question, the security shall not be quoted on the NASDAQ, then such price shall be equal to the last reported bid and asked prices on such day as reported by the National Quotation Bureau, Inc. or any similar reputable quotation and reporting service, if such quotation is not reported by the National Quotation Bureau, Inc.).

3. The foregoing resolution was duly adopted by the Board of Directors of the Corporation on July 1, 1996.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

IN WITNESS WHEREOF, the undersigned Director of this Corporation has executed these Articles of Incorporation on July 1, 1996.

DHT FLORIDA, INC.

By: ______________________
MITCHEL J. LASKEY, Director

CT08888.KZR

P96000041145

CSC networks
PRENTICE HALL LEGAL & FINANCIAL SERVICES

ACCOUNT NO. : 072100000032

REFERENCE : 098131 4321942

AUTHORIZATION :

COST LIMIT : $ PREPAID

FILED
96 SEP 25 AM 11:29
SECRETARY OF STATE
TALLAHASSEE, FLORIDA

ORDER DATE : September 25, 1996

ORDER TIME : 11:51 AM

ORDER NO. : 098131

CUSTOMER NO: 4321942

CUSTOMER: Peggy Marinelli, Legal Asst
Cohen Berke Bernstein Brodie
19th Floor
2601 South Bayshore Drive
Miami, FL 33133

merger

000001956890
-09/25/96--01073--021
****122.50 ****122.50

ARTICLES OF MERGER

DMI ACQUISITION CORP.

INTO

DYNAMIC HEALTHCARE
TECHNOLOGIES, INC.

RECEIVED
96 SEP 25 PM 1:17
DIVISION OF CORPORATIONS

PLEASE RETURN THE FOLLOWING AS PROOF OF FILING:

XX CERTIFIED COPY
PLAIN STAMPED COPY

CONTACT PERSON: Clint Fuhrman

EXAMINER'S INITIALS: ______

Name 9/25/96
Availability
Document
Examiner
Updater
Verifier
Acknowledgement
W.P. Verifyer

P96000041145

ARTICLES OF MERGER
Merger Sheet

MERGING:

DMI ACQUISITION CORP., a Florida corporation P96000009527

INTO

DYNAMIC HEALTHCARE TECHNOLOGIES, INC., a Florida corporation, P96000041145

File date: September 25, 1996

Corporate Specialist: Annette Hogan

FILED
96 SEP 25 AM 11: 29
SECRETARY OF STATE
TALLAHASSEE, FLORIDA

ARTICLES AND PLAN OF MERGER OF

DMI ACQUISITION CORP., a Florida corporation,

WITH AND INTO

DYNAMIC HEALTHCARE TECHNOLOGIES, INC., a Florida corporation

To the Department of State
State of Florida

Pursuant to the provisions of the Florida Business Corporation Act, the domestic parent corporation and the domestic wholly-owned subsidiary corporation herein named do hereby adopt the following Articles and Plan of Merger.

1. The name of the subsidiary corporation, which is a business corporation organized under the laws of the State of Florida, is DMI Acquisition Corp. ("DMI").

2. The name of the parent corporation, which is a business corporation organized under the laws of the State of Florida and is to be the surviving corporation, is Dynamic Healthcare Technologies, Inc. ("DHT").

3. The number of outstanding shares of DMI is 100, all of which are of one class and all of which are owned by DHT.

4. The following is the Plan of Merger for merging DMI, with and into DHT, as approved by the Board of Directors of DMI on September 20, 1996, and by the Board of Directors of DHT on September 20, 1996.

   a. DHT, which is a corporation of the State of Florida and is the owner of all of the issued and outstanding shares of common stock of DMI, which is a corporation of the State of Florida, hereby merges DMI with and into DHT pursuant to the provisions of the Florida Business Corporation Act.

   b. The separate existence of DMI shall cease upon the effective date of the merger pursuant to the provisions of the Florida Business Corporation Act and DHT shall continue its existence as the surviving corporation pursuant to the provisions of the Florida Business Corporation Act.

c. The issued shares of DMI shall not be converted in any manner, but each said share which is issued as of the effective date of the merger shall be surrendered and extinguished.

d. The shareholders of the subsidiary, DMI, may be entitled if they comply with the provisions of the Florida Business Corporation Act regarding rights of dissenting shareholders, to be paid the fair value of their shares.

e. The Board of Directors and the proper officers of DHT are hereby authorized, empowered, and directed to do any and all acts and things, and to make, execute, deliver, file, and/or record any and all instruments, papers, and documents which shall be or become necessary, proper, or convenient to carry out or put into effect any of the provisions of this Plan of Merger or of the merger herein provided for.

5. DHT, as the holder of all of the outstanding shares of DMI, has waived the mailing of the copy of the Plan of Merger to itself.

6. Shareholder approval was not required pursuant to the Florida Business Corporation Act.

7. The merger herein provided for shall become effective in the State of Florida on September 25, 1996.

Executed on September 20, 1996.

DMI ACQUISITION CORP., a Florida corporation

By: ______________________
Mitchel J. Laskey, President

DYNAMIC HEALTHCARE TECHNOLOGIES, INC., a Florida corporation

By: ______________________
Mitchel J. Laskey, President

CT09137.jal

P96000041145

1201 Hays Street
Tallahassee, FL 32301-2607
800-342-8086

CSC networks
Prentice Hall Legal & Financial Services

ACCOUNT NO. : 072100000032

REFERENCE : 191037 4321942

AUTHORIZATION :

COST LIMIT : $ PPD

ORDER DATE : December 17, 1996

ORDER TIME : 9:43 AM

ORDER NO. : 191037-005

CUSTOMER NO: 4321942

000002030748--6
-12/17/96--01085--003
*****87.50 *****87.50

CUSTOMER: Peggy Marinelli, Legal Asst
Cohen Berke Bernstein Brodie
19th Floor
2601 South Bayshore Drive
Miami, FL 33133

FILED
96 DEC 17 PM 3:45
SECRETARY OF STATE
TALLAHASSEE, FLORIDA

DOMESTIC AMENDMENT FILING

RECEIVED
96 DEC 17 PM 12:00
DIVISION OF CORPORATIONS

NAME: DYNAMIC HEALTHCARE TECHNOLOGIES, INC.

EFFICTIVE DATE:

XXX ARTICLES OF AMENDMENT
____ RESTATED ARTICLES OF INCORPORATION

PLEASE RETURN THE FOLLOWING AS PROOF OF FILING:

XXX CERTIFIED COPY
____ PLAIN STAMPED COPY
____ CERTIFICATE OF GOOD STANDING

AM KRG 12/19

CONTACT PERSON: Andrea C. Mabry

EXAMINER'S INITIALS: ____

365,290,542

FLORIDA DEPARTMENT OF STATE
Sandra B. Mortham
Secretary of State

December 17, 1996

CSC NETWORKS
ANDREA C. MABRY
TALLAHASSEE, FL 32301

RESUBMIT
Please give original
submission date as file date.

SUBJECT: DYNAMIC HEALTHCARE TECHNOLOGIES, INC.
Ref. Number: P96000041145

We have received your document for DYNAMIC HEALTHCARE TECHNOLOGIES, INC. and the authorization to debit your account in the amount of $87.50. However, the document has not been filed and is being returned for the following:

Please entitle your document Articles of Amendment.

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

The amendment must be signed by an incorporator if adopted by the incorporators or by a director if adopted by the directors.

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 (904) 487-6880.

Karen Gibson
Corporate Specialist

Letter Number: 296A00056191

RECEIVED
DEC 19 PM 3:22

ARTICLES OF AMENDMENT
OF
DYNAMIC HEALTHCARE TECHNOLOGIES, INC.

CERTIFICATE OF DESIGNATION OF SERIES CM NON-VOTING, CONVERTIBLE PREFERRED STOCK

1. The name of the corporation is Dynamic Healthcare Technologies, Inc. (the "Corporation").

2. The resolution determining the Series CM Non-Voting, Convertible Preferred Stock is as follows:

NOW, THEREFORE BE IT RESOLVED: that the Corporation be, and it hereby is authorized to issue Six Thousand (6,000) shares of Series CM Non-Voting, Convertible Preferred Stock, \$.01 par value ("Series CM Preferred Stock"), which shall have the following preferences, limitations and relative rights:

(1) Rank. The Series CM Preferred Stock shall, upon voluntary or involuntary liquidation, winding-up, dissolution, merger and combination, rank prior to all classes of common stock.

(2) Dividends. No dividends shall be payable or otherwise accrue with respect to any shares of Series CM Preferred Stock.

(3) Liquidation Rights. Upon the liquidation, dissolution or winding up of the Corporation (other than upon a Sale Event, as hereinafter defined), whether voluntary or involuntary, the holders of the Series CM Preferred Stock will be entitled to receive and to be paid out of the assets of the Corporation available for distribution a liquidation distribution in cash in an amount equal to the greater of (a) \$1.00 per share before any payment may be made to the holders of common stock, or (b) the liquidation value per share of that number of shares of Common Stock at the time of such distribution into which each share of Series CM Preferred Stock would have been converted if the Conversion Time (as hereinafter defined) had occurred immediately prior to said liquidation, dissolution or winding up of the Corporation (taking into account the dilutive effect of said conversion). Neither the sale of all or substantially all of the assets of the Corporation, nor the merger or consolidation of the Corporation into or with any other entity will be deemed to be a liquidation, dissolution or winding up of the Corporation. After the payment to the holders of the Series CM Preferred Stock of the full preferential amounts provided for above, the holders of the Series CM Preferred Stock as such will have no right or claim to any of the remaining assets of the Corporation.

(4) Conversion Rights. Shares of Series CM Preferred Stock will automatically convert into shares of common stock ("Common Stock") of the Corporation at 5:00 p.m. Eastern Standard Time on Friday, August 29, 1997 (the "Conversion Time") pursuant to the following formula based upon the average closing bid and ask prices of the Common

Stock as quoted on the Nasdaq National Market for the five (5) trading day period ending August 29, 1997 (hereafter referred to as the "CSAVG"):

(A) If the CSAVG is greater than or equal to $8 00 per share, then each share of Series CM Preferred Stock will be converted into .0167 shares of Common Stock (rounded to the nearest whole share);

(B) If the CSAVG is less than or equal to $5.00 per share, then each share of Series CM Preferred Stock will be converted into 100 shares of Common Stock; or

(C) If the CSAVG is greater than $5.00 per share, but less than $8.00 per share, then each share of Series CM Preferred Stock will be converted into that number of shares of Common Stock to be determined as follows (rounded to the nearest whole share):

$$\text{number of shares of Common Stock} = 100 \times \frac{(\$8.00 - \text{CSAVG})}{\$3.00}$$

No fractional shares will be issued upon conversion.

Upon such conversion, holders of the Series CM Preferred Stock shall be entitled to receive a certificate for that number of shares of Common Stock into which their Series CM Preferred Stock has been converted within 10 business days following surrender of their certificates of Series CM Preferred Stock to the Corporation, accompanied by proper assignment thereof in blank and, if required by the Corporation, signature guaranties.

If the Corporation shall prior to the Conversion Time split, subdivide or combine its Common Stock, then the conversion formula set forth above shall be proportionately adjusted so that the holders of Series CM Preferred Stock shall be entitled to receive an equivalent number of shares of Common Stock as if such split, subdivision or combination of its Common Stock had occurred immediately after the Conversion Time.

(5) Acceleration of Conversion. In the event that at any time prior to the Conversion Time DHT shall cease to be a publicly traded company by virtue of a merger, share exchange, business combination or sale of all or substantially all of DHT's capital stock or assets (a "Sale Event"), then immediately prior to the effectuation of such Sale Event, all shares of Series CM Preferred Stock shall be converted into shares of Common Stock upon the same terms as described in paragraph 4 above as if the Conversion Time had occurred at 5:00 p.m. on the business day immediately preceding the date on which the Sale Event was effectuated.

(6) Redemption. The shares of the Series CM Preferred Stock are not subject to redemption.

(7) Voting Rights. The holders of shares of the Series CM Preferred Stock are not entitled to any voting rights except as may be required by law.

(8) Retirement. All shares of Series CM Preferred Stock shall be canceled, retired and rendered null and void immediately following the Conversion Time and certificates therefor shall only represent the right of the holder to receive Common Stock in exchange thereof.

3. The foregoing resolution was duly adopted by the Board of Directors of the Corporation on December 11, 1996; shareholder approval was not required.

4. Such resolution was signed by the President of the Corporation.

DYNAMIC HEALTHCARE TECHNOLOGIES, INC., a Florida corporation

By: ______________________
Mitchel J. Laskey, President & Director

ct09259.3jm

P96000041145

ARTICLES OF MERGER
Merger Sheet

MERGING:

DYNACOR, INC., a Minnesota corporation, not qualified in Florida

INTO

DYNAMIC HEALTHCARE TECHNOLOGIES, INC., a Florida corporation, P96000041145

File date: May 22, 1997

Corporate Specialist: Karen Gibson

P96000041145

THE UNITED STATES CORPORATION COMPANY

ACCOUNT NO. : 072100000032

REFERENCE : 401399 7129702

AUTHORIZATION :

COST LIMIT : $ PREPAID

ORDER DATE : May 22, 1997

ORDER TIME : 10:16 AM

ORDER NO. : 401399-005

CUSTOMER NO: 7129702

700002188417--9
-05/22/97--01086--023
****122.50 ****122.50

CUSTOMER: Mr. Paul S. Glover
Dynamic Healthcare
101 Southhall Lane

Maitland, FL 32751

FILED
97 MAY 22 PM 2:02
SECRETARY OF STATE
TALLAHASSEE, FLORIDA

ARTICLES OF MERGER

DYNACOR, INC.

INTO

DYNAMIC HEALTHCARE
TECHNOLOGIES, INC.

RECEIVED
97 MAY 22 AM 11:22
DIVISION OF CORPORATIONS

PLEASE RETURN THE FOLLOWING AS PROOF OF FILING:

XX_____ CERTIFIED COPY
_______ PLAIN STAMPED COPY

CONTACT PERSON: Tonya C. Holliday

EXAMINER'S INITIALS: ______

Merger 5/23

ARTICLES OF MERGER AND AGREEMENT AND
PLAN OF MERGER

This Articles of Merger and Agreement and Plan of Merger ("Agreement of Merger") is made as of May 22, 1997 by and between Dynamic Healthcare Technologies, Inc., a Florida corporation (the "Surviving Corporation"), and Dynacor, Inc., a Minnesota corporation ("Dynacor"). The Surviving Corporation and Dynacor are sometimes hereinafter collectively referred to as "Constituent Corporations".

WITNESSETH:

WHEREAS, the Surviving Corporation is a corporation duly organized and existing under the laws of the State of Florida;

WHEREAS, Dynacor is a corporation duly organized and existing under the laws of the State of Minnesota;

WHEREAS, the Surviving Corporation, Dynacor and the shareholders of Dynacor have entered into a certain Merger Agreement dated as of May 16, 1997 (the "Merger Agreement"), which sets forth certain representations, warranties, covenants and other agreements in connection with the transactions therein and herein contemplated and which contemplates the merger (the "Merger") of Dynacor with and into the Surviving Corporation in accordance with this Agreement of Merger; and

WHEREAS, the Boards of Directors of each of the Constituent Corporations deem the Merger advisable and in the best interests of each such corporation and their respective shareholders, and the Boards of Directors of each of the Constituent Corporations and the shareholders of each of the Constituent Corporations have adopted and approved the Merger Agreement and this Agreement of Merger in accordance with the laws of their respective States of incorporation.

NOW, THEREFORE, in consideration of the foregoing premises and the mutual covenants and agreements contained herein, and for other good and valuable consideration, the receipt and adequacy of which is hereby acknowledged, the parties hereto agree as follows:

ARTICLE 1

1.1 **The Merger.** Upon the terms and subject to the conditions set forth herein and in the Merger Agreement, Dynacor shall be merged with and into the Surviving Corporation effective as of the time and date of the filing of these Articles of Merger with the Secretary of State of the State of Florida. Such time shall be referred to as the "Effective Time," and the "Effective Date" of the Merger shall be the date of the Effective Time. On or about the Effective Date, the Constituent Corporations shall file with the Secretary of the State of the State of Minnesota articles of merger prepared and executed in accordance with Section 302A.615 of the Minnesota Statutes together with such other agreements and documents required to be filed by a foreign surviving corporation pursuant to Section 302A.615(4) of the Minnesota Statutes and otherwise. As of the Effective Date, the separate corporate existence of Dynacor shall cease and the Surviving Corporation shall be the surviving corporation of the Merger. The separate corporate existence of the Surviving Corporation shall continue unaffected and unimpaired by the Merger.

ARTICLE 2

2.1 **Articles of Incorporation**. The Articles of Incorporation of the Surviving Corporation, as in effect immediately prior to the Effective Time, shall remain in effect and be the Articles of Incorporation of the Surviving Corporation at and after the Effective Time until duly amended in accordance with the Florida Business Corporation Act ("FBCA").

2.2 **Bylaws**. The Bylaws of the Surviving Corporation, as in effect immediately prior to the Effective Time, shall remain in effect and be the Bylaws of the Surviving Corporation at and after the Effective Time until duly amended in accordance with such Bylaws and applicable law.

ARTICLE 3

3.1 **Exchange and Cancellation of Securities in the Merger**. At the Effective Time:

3.1.1 Each share of the common stock of the Surviving Corporation that is issued and outstanding immediately prior to the Effective Time shall remain issued and outstanding thereafter.

3.1.2 Each share of Dynacor common stock which constitutes treasury stock immediately prior to the Effective Time shall be canceled immediately prior to the Effective Time.

3.1.3 Each holder of issued and outstanding shares of Dynacor common stock which are outstanding immediately prior to the Effective Time shall exchange all of his, her or its shares of Dynacor common stock for shares of common stock of the Surviving Corporation to which such holder is entitled pursuant to the terms and conditions set forth in the Merger Agreement, subject to the rights of dissenting shareholders pursuant to Section 302A.471 of the Minnesota Statutes. The procedures regarding the assertion of dissenters' rights shall be conducted in accordance with Sections 302A.473 of the Minnesota Statutes.

3.1.4 Each and every share of Dynacor common stock and other capital stock of Dynacor, if any, and any and all options, warrants, securities and/or other rights to directly or indirectly acquire, whether of record or beneficially, shares of Dynacor common stock and/or other capital stock, securities, equity interests or profit participation rights with respect to Dynacor, whether or not vested, which prior to the Effective Date are issued or outstanding, shall be canceled, terminated and of no further force or effect.

3.2 Surrender and Payment.

3.2.1 As soon as practicable after the Effective Date, each holder of record of a stock certificate (a "Certificate") entitled to be exchanged as set forth in Section 3.1.3 (other than holders who properly exercise rights of dissenting shareholders under Minnesota law) will be entitled to receive, upon proper surrender thereof to the Surviving Corporation, shares of common stock of the Surviving Corporation as described in Section 3.1.3. Until so surrendered, each Certificate shall be deemed for all corporate purposes to evidence only the right to receive upon proper surrender shares of common stock of the Surviving Corporation into which the holder thereof may exchange same.

3.2.2 Upon the Effective Time, the stock transfer books of Dynacor shall be closed and no transfer of shares of Dynacor Common Stock shall thereafter be made. No interest shall accrue or be payable to or for the benefit of such holders with respect to any consideration held by the Surviving Corporation. No dividends or other distributions declared after the Effective Time with respect to shares of common stock of the Surviving Corporation and payable to the holder of record thereof after the Effective Time shall be paid to the holder of any unsurrendered certificates representing shares of Dynacor of such holder which were outstanding immediately prior to the Effective Time, until all such certificates shall be surrendered as provided herein. Upon the surrender of all such outstanding certificates, however, there shall be paid to the record holder of the certificate representing common stock of the Surviving Corporation issued in exchange for the shares of Dynacor's previously represented by the surrendered certificates, the aggregate amount of dividends and distributions, if any, which became payable after the Effective Time. No interest shall be payable on or in respect of the payment of such dividends on surrender of outstanding certificates.

ARTICLE 4

4.1 **Effect of Merger**. When the Merger has been effected:

4.1.1 The separate existence of Dynacor shall cease and the corporate existence and corporate identity of the Surviving Corporation shall continue as the surviving corporation of the Merger.

4.1.2 The Surviving Corporation shall have the rights, privileges, immunities and powers, and shall be subject to all of the duties and liabilities, of a corporation under the FBCA.

4.1.3 The Surviving Corporation shall possess all of the rights, privileges, immunities and franchises, of a public as well as a private nature, of Dynacor, and all property, real (immovable), personal (movable), intangible and mixed, and all debts due on whatever accounts, including subscriptions to shares, and all other choses of action, and all and every other interest belonging to Dynacor, shall be taken and deemed to be transferred to and vested in the Surviving Corporation without act or deed.

4.1.4 The Surviving Corporation shall be responsible and liable for all liabilities and obligations of Dynacor, and any claim existing or action or proceeding pending by or threatened against Dynacor may be prosecuted as if the Merger had not taken place, and the Surviving Corporation may be substituted in its place. Neither the rights of creditors nor liens upon the property of Dynacor shall be impaired by the Merger.

ARTICLE 5

5.1 **Counterparts.** This Agreement of Merger may be executed in one or more counterparts, each of which shall be deemed to be an original, but all of which together shall constitute one agreement.

5.2 **Dates of Shareholder Approval.** This Articles of Merger and Agreement and Plan of Merger, the Merger Agreement and the Merger were duly approved and adopted by unanimous written consent of Shareholders of Dynacor dated as of May 9, 1997. No Shareholder approval of the Surviving Corporation is required.

5.3 **Dates of Board of Director Approval.** This Articles of Merger and Agreement and Plan of Merger, the Merger Agreement and the Merger were duly approved and adopted by (i) unanimous written consent of the Board of Directors of the Surviving Corporation dated as of May 15, 1997, and (ii) by unanimous written consent of the Board of Directors of Dynacor dated as of May 9, 1997.

IN WITNESS WHEREOF, each of the Constituent Corporations have caused this Agreement of Merger to be executed by their respective officers hereunto duly authorized, all as of the date first above written.

ATTEST:

By: [signature]
Name: Paul S. Glover
Title: Assistant Secretary

DYNAMIC HEALTHCARE TECHNOLOGIES, INC., a Florida corporation

By: [signature]
Name: Mitchel J. Laskey
Title: President

ATTEST:

By: [signature]
Name: Robert R. Harris
Title: Secretary

DYNACOR, INC., a Minnesota corporation

By: [signature]
Name: Craig T. Arneson
Title: President

CERTIFICATE OF THE SECRETARY
OF
DYNAMIC HEALTHCARE TECHNOLOGIES, INC.

I, **PAUL S. GLOVER,** Assistant Secretary of Dynamic Healthcare Technologies, Inc., a Florida corporation (the "Corporation"), hereby certify that:

1. The Articles of Merger and Agreement and Plan of Merger to which this Certificate is attached has been duly executed on behalf of the Corporation by its President and Assistant Secretary under the corporate seal of the Corporation.

2. The Articles of Merger and Agreement and Plan of Merger do not require the approval of the Shareholders of the Corporation.

IN WITNESS WHEREOF, the undersigned has executed this certificate as of May 22, 1997.

Paul S. Glover, Assistant Secretary

CERTIFICATE OF THE SECRETARY
OF
DYNACOR, INC.

I, Robert R. Harris, Secretary of Dynacor, Inc., a Minnesota corporation (the "Corporation"), hereby certify that:

1. The Articles of Merger and Agreement and Plan of Merger to which this Certificate is attached has been duly executed on behalf of the Corporation by its President and Secretary under the corporate seal of the Corporation.

2. The Articles of Merger and Agreement and Plan of Merger was approved and adopted by unanimous written consent of the shareholders of the Corporation dated as of May 9, 1997.

IN WITNESS WHEREOF, the undersigned has executed this certificate as of May 22, 1997.

Robert R. Harris, Secretary

ct09467.jpm

P96000041145

6/24/97 FLORIDA DIVISION OF CORPORATIONS 2:19 PM
PUBLIC ACCESS SYSTEM
ELECTRONIC FILING COVER SHEET

(((H97000010374 1)))

TO: DIVISION OF CORPORATIONS FAX #: (904)922-4000

FROM: COHEN, BERKE, BERNSTEIN, BRODIE & KONDELL, P ACCT#: 075410000050
CONTACT: PEGGY MARINELLI
PHONE: (305)854-5900 FAX #: (305)857-9322

NAME: DYNAMIC HEALTHCARE TECHNOLOGIES, INC.
AUDIT NUMBER......H97000010374
DOC TYPE..........BASIC AMENDMENT
CERT. OF STATUS..0 PAGES....... 1
CERT. COPIES......1 DEL.METHOD.. FAX
EST.CHARGE.. $87.50

NOTE: PLEASE PRINT THIS PAGE AND USE IT AS A COVER SHEET. TYPE THE FAX AUDIT NUMBER ON THE TOP AND BOTTOM OF ALL PAGES OF THE DOCUMENT

** ENTER 'M' FOR MENU. **

ENTER SELECTION AND <CR>:
Menu: <Ctrl R-Shift> 2400 7E1 REC ANSI Online

RECEIVED
97 JUN 25 PM 12:55
DIVISION OF CORPORATIONS

FILED
97 JUN 25 PM 4:00
SECRETARY OF STATE
TALLAHASSEE, FLORIDA

Amendment
6/26/97
DC

6/24/97 FLORIDA DIVISION OF CORPORATIONS 2:19 PM

PUBLIC ACCESS SYSTEM

ELECTRONIC FILING COVER SHEET

(((H97000010374 1)))

TO: DIVISION OF CORPORATIONS FAX #: (904)922-4000

FROM: COHEN, BERKE, BERNSTEIN, BRODIE & KONDELL, P ACCT#: 075410000050
CONTACT: PEGGY MARINELLI
PHONE: (305)854-5900 FAX #: (305)857-9322

NAME: DYNAMIC HEALTHCARE TECHNOLOGIES, INC.
AUDIT NUMBER......H97000010374
DOC TYPE..........BASIC AMENDMENT
CERT. OF STATUS..0 PAGES....... 1
CERT. COPIES......1 DEL.METHOD.. FAX
EST.CHARGE.. $87.50

NOTE: PLEASE PRINT THIS PAGE AND USE IT AS A COVER SHEET. TYPE THE FAX AUDIT NUMBER ON THE TOP AND BOTTOM OF ALL PAGES OF THE DOCUMENT

** ENTER 'M' FOR MENU. **

ENTER SELECTION AND <CR>:
Menu: <Ctrl R-Shift> 2400 7E1 REC ANSI Online

RECEIVED
97 JUN 24 PM 2:43
DIVISION OF CORPORATIONS

FLORIDA DEPARTMENT OF STATE
Sandra B. Mortham
Secretary of State

June 25, 1997

DYNAMIC HEALTHCARE TECHNOLOGIES, INC.
101 SOUTHHALL LANE, SUITE 210
MAITLAND, FL 32751

SUBJECT: DYNAMIC HEALTHCARE TECHNOLOGIES, INC.
REF: P96000041145

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.

Section 15.16(3), Florida Statutes, requires each document to contain in the lower left-hand corner of the first page the name, address, and telephone number of the preparer of the original and, if prepared by an attorney licensed in this state, the preparer's Florida Bar membership number.

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 (904) 487-6906.

Darlene Connell
Corporate Specialist

FAX Aud. #: H97000010374
Letter Number: 297A00033631

H97000010374

FILED
97 JUN 25 PM 4:00
SECRETARY OF STATE
TALLAHASSEE, FLORIDA

ARTICLES OF AMENDMENT TO THE ARTICLES OF INCORPORATION OF DYNAMIC HEALTHCARE TECHNOLOGIES, INC.
a Florida corporation

Pursuant to Sections 607.1003 and 607.1006, Florida Business Corporation Act, the undersigned, a Florida corporation, adopts the following Articles of Amendment to its Articles of Incorporation:

1. The name of the corporation is Dynamic Healthcare Technologies, Inc. (the "Corporation").

2. The following is the amendment to the Articles of Incorporation which has been adopted. Article VI of the Articles of Incorporation of Corporation is amended in its entirety to read as follows:

ARTICLE VI

The Corporation is authorized to issue Forty Million (40,000,000) shares of Common Stock at $.01 par value per share. The Corporation is authorized to issue Ten Million (10,000,000) shares of Preferred Stock, at $.01 par value per share, in such series and variations in the relative rights and preferences, including voting rights, if any, between such series as the Board of Directors shall determine. All or a designated voting group of shareholders are entitled to cumulate their votes for directors.

2. The above amendment was adopted and approved by a sufficient number of votes of the shareholders and by all directors of the Corporation on June 3, 1997.

IN WITNESS WHEREOF, the undersigned, as Secretary of the Corporation, has executed these Articles of Amendment as of June 3, 1997.

DYNAMIC HEALTHCARE TECHNOLOGIES, INC.

By: ______________________
Paul S. Glover, Secretary

Prepared by:
Karen Z. Rosen, Esq.
Florida Bar No. 357197
2601 So. Bayshore Drive, 19th Fl.
Miami, Florida 33193
(305) 854-5900

H97000010374