

P96000082222

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

Electronic Filing Cover Sheet

Note: Please print this page and use it as a cover sheet. Type the fax audit number (shown below) on the top and bottom of all pages of the document.

((H99000022755 5)))

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

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

From: Account Name : BROAD AND CASSEL (BOCA RATON)
Account Number : 076376001555
Phone : (561) 483-7000
Fax Number : (561) 483-7321

FILED
99 SEP 10 AM 10:50
SECRETARY OF STATE
TALLAHASSEE, FLORIDA

RECEIVED
99 SEP 10 AM 10:47
DIVISION OF CORPORATIONS

BASIC AMENDMENT

SOL-A-RAJ CORP.

Certificate of Status	0
Certified Copy	0
Page Count	08
Estimated Charge	\$35.00

Amendment
09-10-99
DC

Fax Audit Number: H99000022755 5

FILED
SEP 10 AM 10:50
SECRETARY OF STATE
TALLAHASSEE, FLORIDA

**Certificate of Amendment
of
Articles of Incorporation
of
Sol-A-Raj Corp.**

Creating Series A Preferred Stock

Sol-A-Raj Corp., a Florida corporation (the "Corporation"), hereby certifies pursuant to Section 607.0602 of the Florida Business Corporation Act, its Board of Directors unanimously adopted the following resolution on June 1, 1999, which remains in full force and effect on the date hereof.

WHEREAS, the Board of Directors is hereby authorized by the Articles of Incorporation to determine the preferences, limitations and relative rights and to fix by resolution the designation of each series of Preferred Stock of the Corporation; and

WHEREAS, it is the desire of the Board of Directors of the Company to authorize and fix the terms of a series of Preferred Stock and the number of shares constituting such series.

NOW THEREFORE, BE IT RESOLVED, that there is hereby authorized such series of Preferred Stock on the terms and with the provisions herein set forth.

1. Designation. The number of shares constituting the Series A Preferred Stock shall be seven million (7,000,000) shares. The par value of the Series A Preferred Stock shall be \$.001 per share.

2. Dividends. The holders of the outstanding shares of Series A Preferred Stock shall be entitled to receive, out of any funds legally available thereof, dividends payable if, as and when declared by the Board of Directors of the Corporation. In the event that the Board of Directors of the Corporation shall declare a dividend payable upon the then-outstanding shares of Common Stock (other than a stock dividend on the Common Stock distributed solely in the form of additional shares of Common Stock), the holders of the Series A Preferred Stock shall be entitled to dividends in an amount per share of the Series A Preferred Stock, as would be declared payable on the largest number of whole shares of Common Stock into which each share of Series A Preferred Stock held by each holder thereof could be converted pursuant to the provisions of this Section 4 hereof, such number determined as of the record date for the determination of holders of Common Stock entitled to receive such dividend.

Michael D. Karsch, Esq.
Florida Bar Number 0132195
Broad and Cassel
7777 Glades Road, Suite 300
Boca Raton, Florida 33434
Telephone: (561) 483-7000
Fax Audit Number: H99000022755 5

Fax Audit Number: H99000022755 5

3. Liquidation Preference.

(a) In the event of any liquidation, dissolution or winding up of the Corporation, the holders of the shares of the Series A Preferred Stock then outstanding shall be entitled to be paid out of the assets of the Corporation available for distribution to its stockholders in cash or in property taken at its fair market value as determined by the Board of Directors, before any distribution of assets shall be made to the holders of the Common Stock or any other junior stock an amount equal to the Original Issuance Price (as defined below) per share. Such amount shall be subject to equitable adjustment whenever there shall occur a stock dividend, stock split, combination, reorganization, recapitalization, reclassification or other similar event involving a change in the capital structure of the Series A Preferred Stock. If upon liquidation, dissolution or winding-up of the Corporation, the assets of the Corporation available for distribution to its stockholders shall be insufficient to pay the holders of the Series B Preferred Stock the full amounts to which they respectively shall be entitled, then the holders of the Series A Preferred Stock shall share ratably in any such distribution of assets of the Corporation according to the respective amounts which would be payable in respect to the shares held by them upon such distribution if all amounts payable on or with respect to said shares paid in full.

(b) The merger of the Corporation with another corporation or the sale, transfer or lease of all or substantially all of the assets of the Corporation shall not be deemed a liquidation, dissolution or winding up of the Corporation as those terms are used in Section 3.

4. Conversion. The holders of the Series A Preferred Stock shall have the conversion rights set forth below (the "Conversion Rights"):

(a) Certain Definitions. As used herein, the following terms shall have the following meanings:

(i) The term "Conversion Price" shall mean the \$.20 per share (subject to adjustment in accordance with the terms of Section 4(h) hereof).

(ii) The term "Original Issuance Price" shall mean \$.20 per share.

(b) Automatic Conversion. Shares of Series A Preferred Stock shall automatically be converted into shares of Common Stock immediately upon the earliest to occur of the following:

(i) on the effective date of the registration statement pertaining to the Corporation's first underwritten public offering on a firm commitment basis under the Securities Act of 1933, as amended (the "Act") covering the Corporation's Common Stock, the aggregate proceeds to the Corporation and selling stockholders of which are more than \$10,000,000, other than a registration relating solely to a transaction under Rule 145 of the Securities Act of 1933 (or any successor statute thereto) or to an employee benefit plan of the Corporation; or

(ii) on the date specified by vote or written consent of holders of at least 66 2/3% of the shares of Series A Preferred Stock then outstanding.

Fax Audit Number: H99000022755 5

Fax Audit Number: H99000022755 5

(c) Optional Conversion. Subject to compliance with the provisions of Section 4(e) below, each share of Series A Preferred Stock shall be convertible into shares of Common Stock, at the option of the holder thereof, at any time after the date of issuance of such share (the "Certificate Date"), at the office of the Corporation or any transfer agent for such shares. Such conversion elections shall be effective as of the close of business on the date written notice is received by the Corporation from a registered holder of Series A Preferred Stock requesting such conversion as to any or all shares so held, which request shall be effective as to the Series A Preferred Stock described in such notice.

(d) Conversion Rate. Each share of Series A Preferred Stock which is converted pursuant to Section 4(b) or Section 4(c) shall be converted into the number of shares of Common Stock which is equal to the quotient obtained by dividing (i) the Original Issuance Price for the Series A Preferred Stock multiplied by the number of shares of Series A Preferred Stock being converted, by (ii) the Conversion Price for Series A Preferred Stock, as last adjusted pursuant to subsection 4(h) hereof and then in effect.

(e) Mechanics of Conversion. 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, to the Secretary of the Corporation or any transfer agent for the Series A Preferred Stock designated and appointed by the Corporation and shall state in writing to the Secretary the name or names in which such holder wishes a certificate or certificates for shares of Common Stock to be issued. The Corporation shall, as soon as practicable thereafter, issue and deliver to such holder of Series A Preferred Stock or to such holder's nominee or nominees a certificate or certificates for the number of full shares of Common Stock to which such holder shall be entitled together with cash in lieu of any fraction of a share as hereinafter provided. The conversion shall be deemed to have been made at the date and time specified in Section 4(b)(i) or Section 4(b)(ii) or Section 4(c) above, as appropriate (the "Conversion Date"). 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 on the Conversion Date.

(f) No Fractional Shares. No fractional shares of Common Stock shall be issued upon conversion, and the Corporation shall, in lieu of issuing such fractional shares, make payment in cash based upon the fair market value (as determined in good faith by the Corporation's Board of Directors) of the fraction of a share on the Conversion Date. The number of full shares issuable upon conversion shall be computed on the basis of the aggregate number of shares of the Series A Preferred Stock evidenced by certificates surrendered for conversion at one time by the same holder.

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

Fax Audit Number: H99000022755 5

Fax Audit Number: H99000022755 5

(h) Stock Splits, Stock Dividends And Recapitalizations.

(i) In the event the Corporation should at any time or from time to time after the Certificate Date fix a record date to effect 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 other securities or rights convertible into, or entitling the holder thereof to receive directly or indirectly, additional shares of Common Stock (for purposes of this subsection 4(h) referred to as "Common Equivalents") without payment of any consideration by such holder for the additional shares of Common Stock or the Common 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 A Preferred Stock shall be appropriately decreased so that the number of shares of Common Stock issuable on conversion of each share of such series shall be increased in proportion to such increase of outstanding shares.

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

(iii) 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 4 or Section 5) 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 4 with respect to the rights of the holders of the Preferred Stock after the recapitalization to the end that the provisions of this Section 4 (including adjustment of the Conversion Prices then in effect and the number of shares purchasable upon conversion of the Series A Preferred Stock) shall be applicable after that event as nearly equivalent as may be practicable.

(i) Other Distributions. 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 4(h)(iii), then, in each such case for the purpose of this subsection 4(i), the holders of 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 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.

Fax Audit Number: H99000022755 5

Fax Audit Number: H99000022755 5

(j) No Fractional Shares And Certificate As To Adjustments.

(i) No fractional shares shall be issued upon conversion 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. Whether or not fractional shares are issuable upon such conversion shall be determined on the basis of the total number of shares of Series A Preferred Stock the holder is at the time converting into Common Stock and the number of shares of Common Stock issuable upon such aggregate conversion.

(ii) Upon the occurrence of each adjustment or readjustment of any Conversion Price of the Series A Preferred Stock pursuant to this Section 4, 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 such 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 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 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 Series A Preferred Stock.

(k) Notices of Record Date. 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 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.

(l) Reservation of Stock Issuable Upon Conversion. 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 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.

(m) Notices. Any notice required by the provisions of this Section 4 to be given to the holders of shares of Preferred Stock shall be deemed given if deposited in the United States mail, postage prepaid, and addressed to each holder of record at the address appearing on the books of the Corporation.

Fax Audit Number: H99000022755 5

Fax Audit Number: H99000022755 55. Merger.

(a) At any time after the Certificate Date, in the event of: (i) any merger of the Corporation with or into any other corporation or other entity or person, or an other corporate reorganization in which the Corporation shall not be the continuing or surviving entity of such merger or reorganization or any transaction or series of related transactions by the Corporation in which in excess of 50% of the Corporation's voting power is transferred, or (ii) a sale or other disposition of all or substantially all of the assets of the Corporation, the documents effecting such transactions shall provide that: (i) The holders of the Series A Preferred Stock shall first receive for each share of such stock, in cash or in securities received from the acquiring corporation, or in a combination thereof, at the closing of any such transaction, an amount equal to the Original Series A Issue Price plus an amount equal to all accrued but unpaid dividends thereon and any other declared but unpaid dividends thereon. If the aggregate cash value in such transaction otherwise available to holders of the Series A Preferred Stock is insufficient to satisfy the aforementioned preference of such stock, then all such cash or securities shall be distributed ratably among the holders of the outstanding Series A Preferred Stock in proportion to the aggregate preferential amounts owed such holders as set forth above. Upon or immediately prior to such transaction, the Corporation shall provide for the payment of any such amount to the holders of Series A Preferred Stock, (ii) In the event additional cash or securities remain available for distribution after the distributions pursuant to subparagraphs (i) above, then the holders of the Series A Preferred Stock and the Common Stock shall then be entitled to receive, pro rata based on the number of shares of Common Stock held by each (assuming conversion of the outstanding Series A Preferred Stock), in cash or in securities received from the acquiring corporation, or in a combination thereof, at the closing of any such transaction, a per share amount equal to the result of (i) the aggregate value of accrued but unpaid dividends on the Series A Preferred Stock divided by (ii) the number of shares of Common Stock outstanding immediately prior to the such transaction (assuming conversion of the outstanding Series A Preferred Stock). If the aggregate cash value in such transaction otherwise available to holders of the Series A Preferred Stock and the Common Stock is insufficient to satisfy the aforementioned preference of the Common Stock, then all such cash or securities shall be distributed ratably among the holders of Common Stock (assuming conversion of the outstanding Series A Preferred Stock).

(b) Any securities to be delivered to the respective holders of the Series A Preferred Stock pursuant to subsection 5(a) above shall be valued as follows: (i) Securities not subject to investment letter or other similar restrictions on free marketability: (1) If traded on a securities exchange or The Nasdaq National Market, the value shall be deemed to be the average of the closing prices of the securities on such exchange over the 30-day period ending three (3) trading days prior to the closing; (2) If actively traded over-the-counter, the value shall be deemed to be the average of the closing bid prices over the 30-day period ending three (3) trading days prior to the closing; and (3) If there is no active public market, the value shall be the fair market value thereof, as mutually determined by the Corporation and the holders of not less than a majority of the then outstanding shares of Preferred Stock. (3) The method of valuation of securities subject to investment letter or other restrictions on free marketability shall be to make an appropriate discount from the market value determined as above to reflect the approximate fair market value thereof, as mutually determined by the Corporation and the holders of a majority of the then outstanding shares of Preferred Stock.

Fax Audit Number: H99000022755 5

Fax Audit Number: H99000022755 5

(c) In the event the requirements of subsection 5(a) are not complied with, the Corporation shall forthwith either: (i) cause such closing to be postponed until such time as the requirements of this Section 5 have been complied with, or (ii) cancel such transaction, in which event the rights, preferences, privileges and restrictions of the holders of the Preferred Stock shall revert to and be the same as such rights, preferences, privileges and restrictions existing immediately prior to the date of the first notice referred to in subsection 5(d) hereof.

(d) The Corporation shall give each holder of record of Preferred Stock written notice of such impending transaction not later than twenty (20) days prior to the stockholders' meeting called to approve such transaction, or twenty (20) days prior to the closing of such transaction, whichever is earlier, and shall also notify such holders in writing of the final approval of such transaction. The first of such notices shall describe the material terms and conditions of the impending transaction and the provisions of this Section 5, and the Corporation shall thereafter give such holders prompt notice of any material changes. The transaction shall in no event take place sooner than twenty (20) days after the Corporation has given the first notice provided for herein or sooner than ten (10) days after the Corporation has given notice of any material changes provided for herein; provided, however, that such periods may be shortened upon the written consent of the holders of a majority of the shares of Series A Preferred Stock then outstanding.

(e) The provisions of this Section 5 are in addition to the protective provisions of Section 8 hereof.

6. Voting Rights. The holder of each share of Series A Preferred Stock shall have the right to one vote for each share of Common Stock into which such share of Series A Preferred Stock could then be converted (with any fractional share determined on an aggregate conversion basis being rounded to the nearest whole share), and with respect to such vote, such holder shall have full voting rights and powers equal to the voting rights and powers of the holders of Common Stock, and shall be entitled, notwithstanding any provision hereof, to notice of any stockholders' meeting in accordance with the Bylaws of the Corporation, and shall be entitled to vote, together with holders of Common Stock, with respect to any question upon which holders of Common Stock have the right to vote.

7. Creation of Senior Securities. The Board of Directors may authorize classes or series of Stock having rights, preferences and/or priorities superior to or on a parity with those of the Series A Preferred Stock.

8. Protection. So long as the number of outstanding shares of Series A Preferred Stock is at least equal to 25% of the number of shares of Preferred Stock originally issued in this offering, the Company shall not (i) increase the authorized number of shares of Series A Preferred Stock, or (ii) amend the Articles of Incorporation if such amendment would change any of the rights, preferences, privileges or limitations provided for therein for the benefit of any shares of Preferred Stock so as to materially adversely affect only the rights of the holders of Series A Preferred Stock, without the approval by the affirmative vote of at least 66 2/3% of the then outstanding shares of Series A Preferred Stock, voting as a separate class, each share of the Preferred Stock to be entitled to one vote.

Fax Audit Number: H99000022755 5

Fax Audit Number: H99000022755 5

9. Redemption at the Option of the Corporation. At any time after the Certificate Date, the Corporation may, at its option, redeem out of funds lawfully available therefor, any or all shares of Series A Preferred Stock, at a price per share of Preferred Stock equal to the sum of (i) the Liquidation Preference thereof (determined as of the record date for the redemption), (ii) accrued dividends, if any, and (iii) an additional amount equal to 8% per annum from the original issuance date on the Liquidation Preference thereof less any dividends paid on such Series A Preferred Stock since its issuance (the "Redemption Price"). Any redemption of fewer than all shares of Series A Preferred Stock shall be apportioned among the record holders as of the record date pro rata according to their respective record holdings of Series A Preferred Stock. Such redemption shall be deemed effective on the date specified in the notice of redemption mailed to the record holders of the Series A Preferred Stock whose stock is to be redeemed, which notice shall state that such Series A Preferred Stock held by them of record on the record date for such redemption is to be redeemed, provided that (i) the effective date of the redemption may not be fewer than 30 days after the date of mailing of the notice, (ii) the holders of the Series A Preferred Stock shall have the right to convert their shares of Preferred Stock into Common Stock by written notice delivered to the Corporation's principal office no later than 5:00 p.m. Eastern Time on the second business day before the effective date of the redemption stated in the notice (or any later date set by the Corporation by notice to holders of the Series A Preferred Stock), and (iii) as of the effective date of the redemption, the Corporation shall have set aside in a case or cash equivalents a separate fund (the "Redemption Fund") for the redemption of the Series A Preferred Stock to be redeemed. Following the effective of such redemption, the Series A Preferred Stock so redeemed shall cease to be outstanding for any purpose, and the holders of such redeemed Series A Preferred Stock shall have only the right to receive the Redemption Price for the shares of the Preferred Stock so redeemed against delivery of certificates therefor to the Corporation at its principal executive office.

10. Status of Converted or Redeemed Stock. In the event any shares of Preferred Stock shall be redeemed or converted pursuant to Section 4 or Section 9 hereof, the shares so converted or redeemed shall be canceled and shall not be issuable by the Corporation, and the Articles of Incorporation of the Corporation shall be appropriately amended to effect the corresponding reduction in the Corporation's authorized capital stock.

IN WITNESS WHEREOF, the Corporation has caused this certificate to be executed this 1st day of June, 1999.



Tom Hindson, President

Fax Audit Number: H99000022755 5