

P97000033313



ACCOUNT NO. : 072100000032

REFERENCE : 665111 4303929

AUTHORIZATION :

COST LIMIT : \$ 96.25

Patricia Piquito

ORDER DATE : January 12, 1998

ORDER TIME : 4:48 PM

ORDER NO. : 665111-005

CUSTOMER NO: 4303929

CUSTOMER: Ms. Yolanda Rodriguez
Greenberg Traurig
1 South E. 3rd Avenue

Miami, FL 33131

Amended
Restated
Articles
98 JAN 13 AM 11:45
FILED
TALLAHASSEE, FLORIDA

DOMESTIC AMENDMENT FILING

NAME: ATLANTICO SHOE CORP.

500002397985--4

EFFECTIVE DATE:

XX ARTICLES OF AMENDMENT
RESTATED ARTICLES OF INCORPORATION

PLEASE RETURN THE FOLLOWING AS PROOF OF FILING:

XX CERTIFIED COPY
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XX CERTIFICATE OF GOOD STANDING

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Update	<i>Don</i>
Verifies	<i>Don</i>
W.P. Verifier	<i>Don</i>

CONTACT PERSON: Carina L. Dunlap

EXAMINER'S INITIALS:

RECEIVED
98 JAN 13 AM 9:51
DEPARTMENT OF STATE
DIVISION OF CORPORATIONS
TALLAHASSEE, FLORIDA

ARTICLES OF AMENDMENT
AMENDED AND RESTATED
ARTICLES OF INCORPORATION
OF
ATLANTICO SHOE CORP.

98 JAN 13 AM 11:45
FILED
SECRETARY OF STATE
TALLAHASSEE, FLORIDA

Pursuant to the provisions of Section 607.1006 of the Florida Business Corporation Act, ATLANTICO SHOE CORP. (the "Corporation") hereby adopts the following Amended and Restated Articles of Incorporated to substitute and replace in their entirety the original Articles of Incorporation, Charter Number P97000033313, filed with the Florida Secretary of State on April 14, 1997 ("Original Articles").

In accordance with Section 607.1003 of the Florida Business Corporation Act, the following Amended and restated Articles of Incorporation were adopted by the sole shareholder of the Company effective November 28, 1997, to replace and supersede entirely the Original Articles:

ARTICLE I

The name of the corporation is ATLANTICO SHOE CORP.

ARTICLE II

The period of its duration is perpetual.

ARTICLE III

The date and time of the commencement of the corporate existence shall be April 14, 1997, the date of the filing of the original Articles with the Department of State for the State of Florida.

ARTICLE IV

The purpose or purposes for which the corporation is organized is to engage in the transaction of any or all lawful business for which the corporation may be incorporated under the provisions of the Florida General Corporation Act of the State of Florida.

ARTICLE V

This Corporation is authorized to issue Fifteen Million (15,000,000) shares of \$.001 par value common stock, which shall be designated "Common Shares" and Five Hundred Thousand (500,000) shares of preferred stock of \$1.00 per share par value, which shall be designated "Preferred Shares".

ARTICLE VI

Preferred Shares may be issued from time to time in series. All Preferred Shares shall be of equal rank and identical, except in respect to the particulars that are set forth in these Articles or as they may be fixed by the Board of Directors consistent with these Articles. Consistent with the provisions of these Articles, the Board of Directors is authorized and required to fix, in the manner and to the full extent provided and permitted by law, all provisions of the shares of each series set forth below:

1. The distinctive designation of all series and the number of shares which shall constitute such series;
2. The annual rate and nature of dividends payable on the shares of all series and the time and manner of payment;
3. The redemption price or prices, if any, for the shares of each, any or all series;
4. The obligation, if any, of the Corporation to maintain a sinking fund for the periodic redemption of shares of any series and to apply the sinking fund to the redemption of such shares;
5. The rights, if any, of the holders of shares of each series to convert such shares into Common Shares and the terms and conditions of such conversion; and
6. Any other provisions deemed advisable as determined by the Board of Directors consistent with these Articles.

ARTICLE VII

Section 1. Dividends.

The holders of record of Preferred Shares shall be entitled to cash dividends when and as declared by the Board of Directors at the rate per share per annum and at the time and in the manner determined by the Board of Directors in the resolution authorizing each series of Preferred Shares. Cash dividends on Preferred Shares shall accrue from the date of issue. Upon the payment or setting apart for payment of all current dividends at the specified percentage rate per share per annum upon the outstanding Preferred Shares, the Directors may declare and pay dividends upon the Common Shares.

Cash dividends on Preferred Shares shall, unless specifically fixed otherwise by the Board of Directors with respect to any particular class or series of preferred stock, be cumulative so that if, for any dividend period, cash dividends at the specified percentage rate per share per annum shall not have been declared and paid or set apart for payment on the Preferred Shares outstanding, the deficiency shall be declared and paid or set apart for payment prior to the making of any dividend or other distribution in the Common Shares.

Section 2. Rights Upon Liquidation or Dissolution.

In the event of any voluntary or involuntary liquidation, dissolution or winding up of the Corporation, the holders of record of the outstanding Preferred Shares shall be entitled to be paid the value established by the Board of Directors at the time any series of Preferred Shares is authorized, consistent with these Articles. If no such value is established at the time of authorization by the Board of Directors, then the holders of record of the Preferred Shares shall be entitled to be paid the book value for each of such Preferred Shares, plus accumulated dividends thereon (if any) up to the date of such liquidation, dissolution or winding up of the Corporation, whether or not the Corporation shall have a surplus or earnings available for dividends, and no more. After payment to the holders of Preferred Shares of the amount payable to them as above set forth, the remaining assets of the Corporation shall be payable to and distributed ratably among the holders of record of the Common Shares.

Section 3. Voting Rights.

Except as otherwise provided by law, by written agreement or the provisions hereof, the entire voting power for the election of Directors and for all other purposes shall be vested exclusively in the holders of the outstanding Common Shares.

ARTICLE VIII

Series A Convertible Preferred Stock.

A. Designation.

The shares of the Corporation's Convertible Preferred Stock, \$1.00 par value, shall be designated "Convertible Preferred Stock—Series A" (hereinafter the "Series A Preferred") and the number of authorized shares constituting such series shall be 200,000. The number of authorized shares of Series A Preferred may not be increased and no shares may be issued after March 31, 1998.

B. Participating Dividends. In the event that the Corporation declares or pays any dividends upon the Common Stock (whether payable in cash, securities or other property) other than dividends payable solely in shares of Common Stock, the Corporation shall also declare and pay to the holders of the Series A Preferred at the same time that it declares and pays such dividends to the holders of the Common Stock, the dividends which would have been declared and paid with respect to the Common Stock issuable upon conversion of the Series A Preferred had all of the outstanding Series A Preferred been converted immediately prior to the record date for such dividend, or if no record date is fixed, the date as of which the record holders of Common Stock entitled to such dividends are to be determined.

C. Liquidation Preference.

Upon any liquidation, dissolution or winding up of the Corporation (whether voluntary or involuntary), each holder of Series A Preferred shall be entitled to be paid, before any distribution or payment is made upon any Junior Securities, an amount in cash

equal to the aggregate Liquidation Value of all shares of Series A Preferred (each sometimes referred to as Series A Preferred or, a "Share" and, collectively, the "Shares") held by such holder, and the holders of Series A Preferred shall not be entitled to any further payment. If upon any such liquidation, dissolution or winding up of the Corporation the Corporation's assets to be distributed among the holders of the Series A Preferred are insufficient to permit payment to such holders of the aggregate amount which they are entitled to be paid under this Section C, then the entire assets available to be distributed to the Corporation's shareholders shall be distributed pro rata among such holders based upon the aggregate Liquidation Value of the Series A Preferred held by each such holder. Not less than 30 days prior to the payment date stated therein, the Corporation shall mail written notice of any such liquidation, dissolution or winding up to each record holder of Series A Preferred, setting forth in reasonable detail the amount of proceeds to be paid with respect to each Share and each share of Common Stock in connection with such liquidation, dissolution or winding up.

D. Priority of Series A Preferred Redemptions.

So long as any Series A Preferred remains outstanding, without the prior written consent of the holders of a majority of the outstanding Shares of Series A Preferred, the Corporation shall not redeem, purchase or otherwise acquire directly or indirectly any Junior Securities; provided that the Corporation may repurchase shares of Common Stock from present or former employees of the Corporation as approved by the Corporation's Board of Directors.

E. Redemptions.

The Corporation shall redeem all of the outstanding Shares of Series A Preferred on January 31, 2007 (the "Scheduled Redemption Date"), at a price per Share equal to the Liquidation Value thereof.

F. Voting Rights.

The holders of Series A Preferred shall not be entitled to vote on any matters to be voted on by shareholders of the Corporation.

G.1. Mandatory Conversion.

On the next business day following consummation of a Public Offering (the "Mandatory Conversion Date"), each Share of Series A Preferred shall be automatically converted, without any further action on the part of the holders or the Corporation, into that number of shares of Common Stock equal to (a) 3,000,000 minus the aggregate number of shares into which Shares of Series A Preferred have been converted prior to the Mandatory Conversion Date in accordance with Section G.2 below; (b) divided by the total number of Shares of Series A Preferred then outstanding.

G.2. Optional Conversion.

A holder of Shares of Series A Preferred may, at any time after March 31, 1998 ("Ratio Date"), convert all, but not less than all, of the Series A Preferred held by such holder into that number of shares of Common Stock equal to (a) a fraction the numerator of which is the number of shares of Series A Preferred held by such holder and the denominator of which is the total number of shares of Series A Preferred outstanding multiplied by (b) 3,000,000.

G.3. Conversion Procedures.

(i) As soon as possible after a conversion has been effected (but in any event within ten business days), the Corporation shall deliver to the converting holder:

(a) a certificate or certificates representing the number of shares of Common Stock issuable by reason of such conversion in such name or names and such denomination or denominations as the converting holder has specified.

(ii) The issuance of certificates for shares of Common Stock upon conversion of Series A Preferred shall be made without charge to the holders of such Series A Preferred for any issuance tax in respect thereof or other cost incurred by the Corporation in connection with such conversion and the related issuance of shares of Common Stock. Upon conversion of each Share of Series A Preferred, the Corporation shall take all such actions as are necessary in order to insure that the Common Stock issuable with respect to such conversion shall be validly issued, fully paid and nonassessable, free and clear of all taxes, liens, charges and encumbrances with respect to the issuance thereof.

(iii) 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 issuance upon the conversion of the Series A Preferred, such number of shares of Common Stock issuable upon the conversion of all outstanding Series A Preferred. All shares of Common Stock which are so issuable shall, when issued, be duly and validly issued, fully paid and nonassessable and free from all taxes, liens and charges with respect to the issuance thereof. The Corporation shall take all such actions as may be necessary to assure that all such shares of Common Stock may be so issued without violation of any applicable law or governmental regulation or any requirements of any domestic securities exchange upon which shares of Common Stock may be listed (except for official notice of issuance which shall be immediately delivered by the Corporation upon each such issuance). The Corporation shall not take any action which would cause the number of authorized but unissued shares of Common Stock to be less than the number of such shares required to be reserved hereunder for issuance upon conversion of the Series A Preferred.

H. Subdivisions and Combinations. In the event the Corporation shall at any time subdivide (by any stock split, stock dividend or otherwise) one or more classes of its outstanding Common Stock into a greater number of shares of Common Stock, the number of shares of Common Stock issuable upon conversion of Series A Preferred immediately prior to such subdivision shall be proportionately reduced. Conversely, in the event the outstanding shares of one or more classes of the Common Stock shall be combined into a smaller number

of shares (by reverse stock split or otherwise), the number of shares of Common Stock issuable upon conversion of Series A Preferred immediately prior to such combination shall be proportionately increased.

I. Reorganization, Reclassification, Consolidation, Merger or Sale. If any capital reorganization or reclassification of the capital stock of the Corporation, or any consolidation or merger of the Corporation with or into another corporation, or any sale of all or substantially all of the Corporation's assets to another corporation shall be effected in such a way that holders of Common Stock shall be entitled to receive (either directly, or upon subsequent liquidation) 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 of the holders of the Series A Preferred shall thereafter have the right to acquire and receive upon the basis and upon the terms and conditions specified herein and in lieu of the shares of Common Stock of the Corporation immediately theretofore acquirable and receivable upon the conversion of such holder's Series A Preferred, 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 Common Stock equal to the number of shares of Common Stock immediately theretofore acquirable and receivable upon conversion of such Series A Preferred had such reorganization, reclassification, consolidation, merger or sale not taken place, and, in any such case, appropriate provision shall be made with respect to such holder's rights and interests to the end that the provisions of this paragraph I shall thereafter be applicable in relation to any shares of stock, securities or assets thereafter deliverable upon the conversion of such holder's shares. In the event of a merger or consolidation of the Corporation with or into another corporation or the sale of all or substantially all of the Corporation's assets to another corporation, as a result of which a number of shares of common stock of the surviving or purchasing corporation greater or lesser than the number of shares of Common Stock of the Corporation outstanding immediately prior to such merger, consolidation or sale are issuable to holders of Common Stock, then the number of shares of Common Stock issuable upon conversion of Series A Preferred immediately prior to such merger, consolidation or sale shall be adjusted (pursuant to paragraph H) as though there were a subdivision or combination of the outstanding shares of Common Stock. The Corporation shall not effect any such consolidation, merger or sale, unless prior to the consummation thereof the 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 by first class mail, postage prepaid, to each holder of Series A Preferred at the address of each such holder as shown on the books of the Corporation, the obligation to deliver to each such holder such shares of stock, securities or assets as, in accordance with the foregoing provisions, such holder may be entitled to acquire or receive. If the purchase, tender or exchange offer is made to and accepted by the holders of more than fifty percent (50%) of the outstanding shares of Common Stock, the Corporation shall not effect any consolidation, merger or sale with the person having made such offer or with any affiliate of such person unless prior to the consummation of such consolidation, merger or sale each of the holders of Series A Preferred shall have been given a reasonable opportunity to then elect to receive upon the conversion of such holder's shares either the stock, securities or assets then issuable with respect to the

Common Stock or the stock, securities or assets, or the equivalent, issued to previous holders of the Common Stock in accordance with such offer.

J. Other Adjustment-Related Notices. In the event that at any time:

(a) the Corporation shall declare a dividend (or any other distribution) upon its Common Stock;

(b) the Corporation shall offer for subscription pro rata to the holders of any class of its Common Stock any additional shares of stock of any class or other rights;

(c) there shall be any capital reorganization, reclassification of the capital stock of the Corporation, or consolidation or merger of the Corporation with, or sale of all or substantially all of its assets to, another corporation; or

(d) there shall be any voluntary or involuntary dissolution, liquidation, winding up or similar distribution of the Corporation;

then, in connection with any such event, the Corporation shall give, by first class mail, postage prepaid, addressed to the holders of Series A Preferred at the address for each such holder as shown on the books of the Corporation: (a) at least 60 days prior written notice of the date on which the books of the Corporation shall close or a record shall be taken for such dividend, distribution or subscription rights (and specifying the date on which the holders of Common Stock shall be entitled thereto) or for determining rights to vote in respect of such reorganization, reclassification, consolidation, merger, sale, dissolution, liquidation, winding up or similar distribution; and (b) in the case of any such reorganization, reclassification, consolidation, merger, sale, dissolution, liquidation, winding up or similar distribution, at least 60 days prior written notice of the date when the same shall take place (and specifying the date on which the holders of Common Stock shall be entitled to exchange their Common Stock for securities or other property deliverable upon such reorganization, reclassification, consolidation, merger, sale, dissolution, liquidation, winding up or similar distribution).

K. Certain Events. If any event occurs as to which, in the opinion of the Board of Directors, the other provisions of paragraphs H, I and J are not strictly applicable or if strictly applicable would not fairly protect the conversion rights of the Series A Preferred in accordance with the essential intent and principles of such provisions, then the Board of Directors shall make an adjustment in the application of such provisions, in accordance with such essential intent and principles, so as to protect such conversion rights as aforesaid. It is the intent of the Board and the Company that effective as of the Ratio Date and thereafter, all of the outstanding and issued shares of Series A Preferred shall be convertible into an aggregate of 60% of the total number of shares of Common Stock of the Company issued and outstanding as of such date.

L. Replacement. Upon receipt of evidence reasonably satisfactory to the Corporation (an affidavit of the registered holder shall be deemed satisfactory) of the ownership and the loss, theft, destruction or mutilation of any certificate evidencing one or

more shares of the Series A Preferred and, in the case of any such loss, theft or destruction, upon receipt of indemnity reasonably satisfactory to the Corporation (provided that if the registered holder is an institutional investor its own agreement of indemnity, without bond, shall be satisfactory) or, in the case of any such mutilation, upon surrender of such certificate, the Corporation shall (at its expense) execute and deliver in lieu of such certificate a new certificate of like kind representing the number of shares represented by such lost, stolen, destroyed or mutilated certificate.

M. Restrictions on Corporation Action. So long as any shares of Series A Preferred shall be outstanding, and in addition to any other approvals or consents required by law, without the prior written consent of the holders of fifty percent (50%) of all shares of Series A Preferred at the time outstanding:

(i) The Corporation shall not authorize, create or issue any shares, or securities convertible into such shares, of any class of stock having preference over, or being on a parity with, the Series A Preferred with respect to rights upon dissolution, liquidation, winding up or similar distribution of the Corporation or distribution of assets to its shareholders by way of return of capital, whether voluntary or involuntary.

(ii) The Corporation shall not sell, lease, or convey all or substantially all of the property or business of the Corporation (which for purposes hereof, "substantially all" shall be deemed to constitute seventy-five percent (75%) or more) and shall not effect a merger or consolidation of or with any other corporation or corporations unless such merger or consolidation shall be with a Subsidiary of the Corporation or unless as a result of such merger or consolidation and after giving effect thereto (a) the Corporation shall be the surviving corporation, (b) the Series A Preferred then outstanding shall continue to be outstanding, (c) there shall be no alteration or change in the powers or designation or the preferences and rights, and the qualifications, limitations or restrictions applicable to outstanding shares of Series A Preferred, in any material respect prejudicial to the holders thereof, and (d) there shall not be created or thereafter exist any new class or series of stock, or securities convertible into such stock, having preference over, or being on a parity with, the Series A Preferred with respect to rights upon dissolution, liquidation, winding up or similar distribution or distribution of assets to shareholders by way of return of capital of the Corporation.

(iii) The Corporation shall not amend, alter or repeal any of the provisions of these Articles of Incorporation or the Bylaws of the Corporation in any manner which would adversely affect the preferences and rights and the qualifications, limitations or restrictions of the Series A Preferred or the holders thereof, nor shall the Corporation increase the number of shares of Series A Preferred which the Corporation is authorized to issue.

(iv) The Corporation shall not enter into any agreement which would by its terms prohibit or in any way restrict the Corporation from redeeming the Series A Preferred or performing any other obligation to the holders of the Series A Preferred imposed on the Corporation by these Articles of Incorporation.

ARTICLE IX

Definitions. The following terms shall have the following meanings, which meanings shall be equally applicable to the singular and plural forms of such terms:

(i) "Common Stock" means, collectively, the Common Stock and any capital stock of any class of the Corporation hereafter authorized which shall not be limited to a fixed sum or percentage of par or stated value in respect to the rights of the holders thereof to participate in dividends or in the distribution of assets upon any liquidation, dissolution, winding up or similar distribution of the Corporation.

(ii) "Common Stock Deemed Outstanding" means, at any given time, the sum of (a) the number of shares of Common Stock actually outstanding at such time (exclusive of any shares of Common Stock owned or held by or for the account of the Corporation), plus (b) the number of shares of Common Stock deemed to be outstanding under paragraph E hereof at such time.

(iii) "Junior Security" means the Corporation's Common Stock and any other equity security of any kind which the Corporation shall at any time issue or be authorized to issue other than the Series A Preferred. The terms and conditions of Series A Preferred are set forth in these Articles.

(vi) "Liquidation Value" means the book value per share of Series A Preferred, plus simple interest at the rate of 8% per annum.

(iv) "Person" means and includes an individual, a partnership, a corporation, a trust, a joint venture, an unincorporated organization or a government or any department or agency thereof.

(v) "Public Offering" means any offering by the Corporation of its capital stock or equity securities to the public pursuant to an effective registration statement under the Securities Act of 1933 (except pursuant to registrations on Form S-4 or Form S-8 or any successor forms), as then in effect, or any comparable statement under any similar federal statute then in force.

(vii) "Series A Preferred" means the Corporation's Series A Convertible Preferred Stock, par value \$1.00 per share.

(viii) "Subsidiary" means any corporation at least 50% of the voting stock of every class of which shall, at the time as of which any determination is being made, be owned by the Corporation either directly or through one or more Subsidiaries.

ARTICLE X

Severability. The unenforceability or invalidity of any provision or provisions hereof shall not affect or tender invalid or unenforceable any other provision or provisions herein contained.

ARTICLE XI

The number of directors constituting the Board of Directors of the Corporation is a minimum of one (1). The number of directors may be increased or diminished from time to time, pursuant to the Bylaws of the Corporation, but shall never be less than one (1).

ARTICLE XII

The principal place of business and mailing address of this Corporation is:

Atlantico Shoe Corp.
501 S.W. 37th Avenue
Miami, Florida 33135

ARTICLE XIII

The by-laws of the Corporation may be adopted, altered, amended or repealed from time to time by either the shareholders or the Board of Directors, but the Board of Directors shall not alter, amend or repeal any by-laws adopted by the shareholders if the shareholders specifically provide that such bylaws are not subject to amendment or repeal by the directors.

ARTICLE XIV

Section 1. Indemnification

This Corporation shall indemnify and shall advance expenses on behalf of its officers and directors to the fullest extent not prohibited by law in existence either now or hereafter.

Section 2. Directors and Officers Insurance

The Corporation shall have power to purchase and maintain insurance on behalf of any person who was or is a director or officer of the Corporation, or who is or was serving at the request of the Corporation as a director or officer of another corporation, partnership, joint venture, trust or other enterprise, against any liability asserted against him or her and incurred by him or her in any such capacity, or arising out of his or her status as such, whether or not the Corporation would have authority to indemnify him or her against such liability under the provisions of these articles, or under the law.

IN WITNESS WHEREOF, the undersigned, being the Sole Shareholder, Sole Director, and Chairman of the Board of Directors of the Corporation, has executed these Articles of Amendment to the Articles of Incorporation of Atlantico Shoe Corp. this 28th day of November, 1997.

ATLANTICO SHOE CORP.,
a Florida Corporation

By: Homero R. De La Torre
Homero R. De La Torre

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