

To: FL Dept. of State
Subject: 000380.37306

From: Katie Wons

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P97050060063

Florida Department of State
Division of Corporations
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Account Name : CORPDIRECT AGENTS, INC.
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BASIC AMENDMENT

ALLIANCE TOWERS, INC.

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

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05 APR 26 PM 3:35

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T. Smith

APR 27 2005

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To: 'FL Dept. of State'
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850-205-0381

4/27/2005 10:04 PAGE 001/001 Florida Dept of State



FLORIDA DEPARTMENT OF STATE

Glenda E. Hood
Secretary of State

April 27, 2005

ALLIANCE TOWERS, INC.
5401 S. DALE MABRY HWY
SUITE B
TAMPA, FL 33611

SUBJECT: ALLIANCE TOWERS, INC.
REF: P97000060063

PLEASE GIVE ORIGINAL SUBMISSION
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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.

Please put on the top of the first page Articles of Amendment for your heading.

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Tracy Smith
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Articles of Amendment

CERTIFICATE OF DESIGNATIONS, PREFERENCES,
AND OTHER RIGHTS AND QUALIFICATIONS OF
SERIES A CONVERTIBLE PREFERRED STOCK

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05 APR 26 PM 3:35
SECRETARY OF STATE
TALLAHASSEE, FLORIDA

ALLIANCE TOWERS, INC., a corporation organized and existing under the Florida Business Corporation Act (the "Corporation"),

DOES HEREBY CERTIFY:

That pursuant to authority conferred upon the Board of Directors of the Corporation (the "Board") by the Certificate of Incorporation of said Corporation, and pursuant to the provisions of the Florida Business Corporation Act, the Board has duly determined that 6,000,000 shares of Series A Preferred Stock, \$.001 par value per share, shall be designated "Series A Convertible Preferred Stock," and to that end the Board has adopted a resolution providing for the designation, preferences, and relative, participating, optional or other rights, and the qualifications, limitations, and restrictions, of the Series A Convertible Preferred Stock, which resolution is as follows:

RESOLVED, that the Certificate of Designations, Preferences, and Other Rights and Qualifications of Convertible Preferred Stock dated April 25, 2005 (the "Certificate of Designations"), be, and hereby is, authorized and approved, which Certificate of Designations shall be filed with the Secretary of State of the State of Florida in the form as follows and the date of adoption is April 25, 2005.

1. Designation and Amount.

Series A Preferred Stock. Six Million (6,000,000) shares of the Series A Preferred Stock of the Corporation, \$.001 par value per share, shall constitute a class of Series A Preferred Stock designated as "Series A Convertible Preferred Stock" (the "Series A Preferred Stock"). Without the written consent of the holders of a majority of the Series A Preferred Stock then outstanding, the Corporation shall not issue any shares of capital stock or preferred stock that are senior or *pari passu* in any respect to the Series A Preferred Stock, including, without limitation, as to payment of dividends, distribution of assets, or redemptions; 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, or any options, warrants, or other rights to acquire, any shares having any such preference or priority.

2. Dividends.

(a) The holders of shares of the Series A Preferred Stock shall be entitled to receive a dividend with respect thereto (a "Preferred Dividend") if, as and when declared by the Board of Directors of the Corporation (the "Board") out of assets of the Corporation legally available for payment thereof. If at any time a dividend or distribution of assets is declared and paid on the Corporation's (i) common stock, par value \$.001 per share (the "Common Stock") or (ii) any other class or series of the Corporation's capital stock whether currently outstanding or hereafter created (the "Capital Stock"), the

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Corporation shall, at the same time, declare and pay to each holder of Series A Preferred Stock *pari passu* with the holders of the Common Stock or the Capital Stock, as applicable, a Preferred Dividend equal to the dividend that would have been payable to such holder if the shares of Series A Preferred Stock held by such holder had been converted to Common Stock pursuant to Section 5 hereof immediately prior to the record date for such dividend or distribution (or the date of such dividend or distribution if no record date is fixed); and

(b) The Corporation may not declare or pay any dividend or make any distribution of assets on, or redeem, purchase, or otherwise acquire, shares of Capital Stock of the Corporation ranking *pari passu* or junior to the Series A Preferred Stock as to the payment of dividends or the distribution of assets upon liquidation, dissolution, or winding up outstanding now (initially consisting of the Series A Preferred Stock and the Common Stock) or hereafter created, unless all declared and unpaid Preferred Dividends have been or are contemporaneously paid.

3. Rights on Liquidation, Merger, Sale, Etc.

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

(i) The holders of Series A Preferred Stock shall be entitled to receive, prior and in preference to any distribution to the holders of Common Stock, any other series or class of Series A Preferred Stock or any other class of the Corporation's Capital Stock, whether now existing or hereafter created, an amount on a per share basis equal to the amount they would have received had all shares of Series A Preferred Stock been converted into shares of Common Stock pursuant to Section 5 hereof immediately prior to such Liquidation. If upon any Liquidation, the assets of the Corporation available for distribution to its stockholders is insufficient to pay the holders of Series A Preferred Stock the full preference amount to which they shall be entitled, the holders of Series A Preferred Stock shall share *pro rata* in any distribution of assets in accordance with their applicable full preference amounts.

(ii) After distribution of the amounts set forth in Sections 3 (a) (i) and 3 (a) (ii) hereof, 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 or any other class of Capital Stock ranking junior to the Series A Preferred Stock as to the distribution of assets upon Liquidation as provided in the Articles of Incorporation and otherwise as provided in the Florida Business Corporation Act.

(b) For purposes of this Section 3, either of the following (each, a "Disposition Transaction") shall be treated as a Liquidation: (i) a merger or consolidation of the Corporation with or into any other entity or entities (but excluding any merger effected solely for the purpose of reincorporating into another state) or the merger of any other entity or entities into the Corporation, in either case in which the stockholders of the Corporation receive distributions in cash or securities of another entity or entities as a result of such consolidation or merger, and in which the stockholders of the Corporation, immediately prior to such merger or consolidation, hold, immediately after such merger or consolidation, less than a majority of the outstanding shares of capital stock or a majority of the outstanding voting power of the then outstanding securities ordinarily (apart from rights occurring under

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special circumstances) having the right to vote in the election of directors of the surviving or successor entity or its parent, or (ii) a sale of all or substantially all of the assets of the Corporation.

(c) Upon consummation of a Disposition Transaction, the Corporation shall pay or cause to be paid to the holders of Series A Preferred Stock an amount equal to the amount they would be entitled to receive pursuant to Section 3(a) or Section (b), as applicable, hereof as if the Corporation, on the date of consummation of such Disposition Transaction, had assets available for distribution equal to all of the assets of the Corporation (net of liabilities) including the aggregate amount payable to the Corporation and all stockholders thereof in connection with such Disposition Transaction (the "~~Disposition Proceeds~~"). The amount payable pursuant to this Section 3 (c) shall be payable in full to the holders of the Series A Preferred Stock immediately following the closing of the Disposition Transaction notwithstanding any delay in the receipt of the Disposition Proceeds or any part thereof by virtue of any escrow arrangement, promissory note, deferred payment of proceeds, or otherwise.

4. Voting Rights. So long as any shares of Series A Preferred Stock remain outstanding, the holders of shares of Series A Preferred Stock shall be entitled (i) voting separately as a class (with no other stockholders voting), to approve all matters that affect the rights, value, or ranking of the Series A Preferred Stock, and (ii) to cast such number of votes in respect of such shares of Series A Preferred Stock as shall equal the largest whole number of shares of Common Stock into which such shares of Series A Preferred Stock are then convertible pursuant to Section 5 hereof on all matters on which holders of Common Stock shall be entitled to vote, voting together as one class with, and in the same manner and with the same effect as, such holders of Common Stock.

(a) Subject to the filing by the Corporation of an effective amendment to its Articles of Incorporation to authorize issuance of sufficient shares of Common Stock pursuant to Section 6 (b) below, each holder of Series A Preferred Stock shall have the right, at such holder's option, at any time or from time to time, to convert its Series A Preferred Stock into such number of fully paid and non-assessable shares of Common Stock equal to the product of (i) a fraction, (A) the numerator of which is the number of shares of Series A Preferred Stock such holder desires to convert into Common Stock and (B) the denominator of which is the total number of issued and outstanding shares of Series A Preferred Stock and (ii) 38,621,264,600 shares of Common Stock. 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 declared but unpaid dividends with respect to such shares of Series B Preferred Stock to be converted up to and including the respective conversion date of the Series B Preferred Stock.

(b) On the effective date of this Certificate of Designation the Corporation has authorized, issued, and outstanding 5,000,000,000 shares of Common Stock, the maximum authorized shares of Common Stock allowed under its Articles of Incorporation. Upon the first election of any holder of Series A Preferred Stock to convert under Section 6 (a) above, the Corporation shall cause its Articles of Incorporation to be amended to increase the authorized maximum shares of Common Stock sufficiently to issue 38,621,264,600 additional shares of Common Stock.

(c) Before any holder of Series A Preferred Stock shall be entitled to convert the same into shares of Common Stock pursuant to Section 6 (a) hereof, and upon conversion of the Series A Preferred Stock pursuant to Section 6 (m) hereof, the holder or holders of such Series A Preferred Stock shall surrender the certificate or certificates therefor, duly endorsed, at the office of the Corporation or of

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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 (in case of conversion pursuant to Section 6 (a) hereof) and 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 or holders of Series A Preferred Stock, or to the nominee or nominees thereof, a certificate or certificates for the number of shares of Common Stock to which such holder or holders shall be entitled as aforesaid. Conversion under this Section 6 shall be deemed to have been made with respect to conversion pursuant to Section 6 (a) hereof, 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 before the election to convert under Section 6 (a) occurs the outstanding shares of Common Stock are increased by a stock dividend, or decreased by a consolidation or combination of shares, the "38,621,264,600 shares of Common Stock" in the product defined in Section 6 (a) above shall be increased or decreased as applicable to maintain *pro rata* the allocation of the Common Stock between the outstanding shares of Common Stock and the aggregate amount of additional Common Stock issued pursuant to the conversion of the Class A Preferred Stock.

5. Additional Conversion Terms for the Series A Preferred Stock.

(a) For purposes of this Certificate of Designations, "Person" shall mean an individual, partnership, corporation, limited liability company, business trust, joint stock company, trust, unincorporated association, joint venture, governmental authority, or other entity of whatever nature.

(b) No fractional shares shall be issued upon conversion of the Series A Preferred Stock into shares of Common Stock. If any fractional share of Common Stock would, except for the provisions of the first sentence of this Section 7(b), be delivered upon such conversion, the Corporation, in lieu of delivering such fractional share, shall pay to the holder surrendering the Series A Preferred Stock for conversion an amount in cash equal to: (i) if the Common Stock is listed or admitted for trading on a national securities exchange, the reported last sales price or, if no such reported sale occurs on such day, the average of the closing bid and ask prices on such day, in each case on the principal national securities exchange on which the Common Stock is listed or admitted for trading; (ii) if the Common Stock is not listed or admitted for trading on any national securities exchange, the average of the closing bid and ask prices in the over-the-counter market on such day as reported by Nasdaq or any comparable system or, if not so reported, as reported by any New York Stock Exchange member firm selected by the Corporation for such purpose; or (iii) if no such quotations are available on such day, the fair market value of such fractional share, as determined in good faith by the Board.

(c) 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 or options or rights to the holders of Common Stock, then, in each such case for the purpose of this Section 7(c), 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 the 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.

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(d) 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 6), 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 6 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 6 shall be applicable after that event as nearly equivalent as may be practicable.

(e) The Corporation will not, by amendment of its Articles of Incorporation 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 6 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.

(f) 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 company, shall be effected while any shares of the 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 or 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 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 A Preferred Stock to the end that the provisions hereof 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. Prior to or simultaneously with the consummation or any such consolidation, merger or sale of the Corporation, 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 this Certificate of Designations 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.

(g) 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

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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.

(h) 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 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 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, including, without limitation, engaging in best efforts to obtain the requisite stockholder approval of any necessary amendment to these provisions.

(i) 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.

(j) All shares of Common Stock that 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 5 to be given to the holders of shares of Series A Preferred Stock shall be deemed given if sent by overnight courier or deposited in the United States mail, postage prepaid, and addressed to each holder of record at his address appearing on the stock books of the Corporation.

(l) In the event any shares of Series A Preferred Stock shall be converted pursuant to Sections 5, 6, or 7 hereof or otherwise reacquired by the Corporation, the shares so converted or reacquired shall be canceled and may not be reissued. The Certificate of Incorporation of the Corporation may be appropriately amended from time to time to effect the corresponding reduction in the Corporation's authorized capital stock.

(m) The Corporation has adopted this Certificate of Designations contemporaneous with its acquisition of all of the outstanding capital stock of Enclaves Group, Inc., a Delaware corporation ("EGI" or the "Subsidiary"). The Subsidiary is obligated pursuant to that certain Standby Equity Distribution Agreement, dated as of December 28, 2004, and related instruments by and between the Subsidiary and Cornell Capital Partners, LP, to file with the Securities and Exchange Commission and use its best efforts to be declared effective a registration statement registering the common stock of EGI for resale (in accordance with the Securities Act of 1933, as amended). In the event the Corporation and

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To: 'FL Dept. of State '
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From: Katie Wonsch

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EGI shall merge each share of Series A Preferred Stock not previously converted into shares of Common Stock shall automatically, without any further action by the holders of such shares and whether or not the certificates representing such shares are surrendered to the Corporation or its transfer agent, be converted into shares of Common Stock in accordance with the formula described in Section 5 (a) on the second anniversary of the later date (i) of the effective date of the merger, and (ii) the first date on which the Securities and Exchange Commission first declares effective a registration statement filed by the Subsidiary (or the survivor of the merger) to register the resale of the shares of Common Stock or the Common Stock of EGI (or its successor) become "Registrable Securities" (such second anniversary date is hereinafter referred to as the "Mandatory Conversion Date"). The term "Registrable Securities" shall have the meaning provided in the Investor Registration Rights Agreement, dated as of December 28, 2004, by and between Subsidiary and Cornell Capital Partners, LP.

7. Waivers. Any right or privilege of the Series A Preferred Stock may be waived (either generally or in a particular instance and either retroactively or prospectively) by and only by the written consent of the holders of a majority of the Series A Preferred Stock then outstanding and any such waiver shall be binding upon each holder of Series A Preferred Stock.

IN WITNESS WHEREOF, the undersigned has executed this Certificate of Designations as of this 25th day of April, 2005.

ALLIANCE TOWERS, INC.

By: 
Name: Robert Sandburg
Title: Chief Executive Officer

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