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98 JUN -4 PM 1:36
SECRETARY OF STATE
TALLAHASSEE, FLORIDA

ACCOUNT NO. : 072100000032
REFERENCE : 843661 96749A
AUTHORIZATION : Patricia Pujols
COST LIMIT : \$ 35.00

ORDER DATE : June 4, 1998

ORDER TIME : 10:11 AM

ORDER NO. : 843661-005

CUSTOMER NO: 96749A

CUSTOMER: Rebecca J. Del Medico, Esq
Rebecca J. Del Medico, Esq
14 Tara Lakes Drive East.

Boynton Beach, FL 33436

500002547405--2

DOMESTIC AMENDMENT FILING

NAME: SECURE TRANSACTION
INTERNATIONAL CORPORATION

EFFECTIVE DATE:

XX ARTICLES OF AMENDMENT
 RESTATED ARTICLES OF INCORPORATION

PLEASE RETURN THE FOLLOWING AS PROOF OF FILING:

 CERTIFIED COPY
XX PLAIN STAMPED COPY
 CERTIFICATE OF GOOD STANDING

CONTACT PERSON: Jeanine Reynolds

EXAMINER'S INITIALS:

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DIVISION OF CORPORATION

Amend.

cc

6-4-98

**AMENDED ARTICLES OF INCORPORATION
OF
SECURE TRANSACTION INTERNATIONAL CORPORATION**

Article I - Name

The name of this corporation is Secure Transaction International Corporation

Article IV shall be amended to provide that the 20,000,000 shares of \$.001 par value stock which was designated as Preferred A Non-Voting Stock shall have the following preferences and relative and other rights, and the qualifications, limitations or restrictions thereof, as are set forth below:

CERTIFICATE OF DESIGNATION

1. Designation. The designation of the series of Preferred Stock fixed by this resolution shall be "Preferred A Non-Voting Stock (hereinafter referred to as the "Convertible Preferred Stock"). The face value of the Preferred Stock shall be \$10.00 per share.

2. Conversion Rights.

(a) **Right to Convert.** The holder of any shares of Series A Convertible Preferred Stock (the "Preferred Stock") may, convert, as such times as may be determine by the Board of Directors, all or a portion of the Preferred Stock, without the payment of any additional consideration therefor, into that number of fully paid and nonassessable shares of common stock, \$.001 par value, of the Corporation as is determined by the Board of Directors.

(b) **Mechanics of Conversion.** No fractional shares of Common Stock shall be issued upon conversion of the Preferred Stock. If upon conversion of shares of Preferred Stock held by a registered holder which are being converted, such register holder would, but for the provisions of this Section 2(b), receive a fraction of a share of Common Stock thereon, then in lieu of any such fractional share to which such holder would otherwise be entitled, the Corporation shall round up or down, as the case may be, to the nearest share. Before any holder of Preferred Stock shall be entitled to convert the same into full shares of Common Stock, such holder shall surrender the certificate or certificates therefor, duly endorsed, at the office of the Corporation or any transfer agent for the Preferred Stock, and shall give written notice by facsimile or otherwise (the "Conversion Notice") to the Corporation at such office that such holder elects to convert the same and shall state therein such holder's name or the name of its nominees in which such holder wishes the certificate or certificates for shares of Common Stock to be issued. The Corporation shall, as soon as practicable thereafter, but in any event within five business days of the date of its receipt of the Conversion Notice and original Preferred Stock Certificate, issue and deliver or cause to be issued and delivered to such holder of Preferred Stock, or to its nominee or nominees, a certificate or certificates for the number of shares of Common Stock to which such holder shall be entitled. Such conversion shall be deemed to have been made on the date that the Corporation receives the Conversion Notice by facsimile or otherwise, and the person or persons entitled to receive the share of Common Stock issuable upon conversion shall be treated for all purposes as the record holder or holders of such shares of Common Stock on such date. Upon the conversion of any shares of Preferred Stock, such shares shall be restored to the status of authorized but unissued shares and may be reissued by the Corporation at any time.

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(c) **Notices of Record Date.** In the event of (i) any declaration by the Corporation of a record date of the holders of any class of securities for the purpose of determining the holders thereof who are entitled to receive any dividend or other distribution or (ii) any capital reorganization of the Corporation, any classification or recapitalization of the capital stock of the Corporation, any merger or consolidation of the Corporation, and any transfer of all or substantially all of the assets of the Corporation to any other Corporation, or any other entity or person, or any voluntary or involuntary dissolution, liquidation or winding up of the Corporation, the Corporation shall mail to each holder of Preferred Stock at least twenty (20) days prior to the record date specified therein, a notice specifying (i) the date on which any such record is to be declared for the purpose of such dividend or distribution and a description of such dividend or distribution; (ii) the date on which any such reorganization, reclassification, transfer, consolidation, merger, dissolution, liquidation or winding up is expected to become effective; and (iii) the time, if any, that is to be fixed, as to when the holders of record of Common Stock (or other securities) shall be entitled to exchange their shares of Common Stock (or other securities) for securities or other property deliverable upon such reorganization, transfer, consolidation, merger, dissolution or winding up.

(d) **Stock Dividends; Stock Splits; Etc.** In the event that the Corporation shall (i) take a record of holders of shares of the Common Stock for the purpose of determining the holders entitled to receive dividends payable in shares of Common Stock; (ii) subdivide the outstanding shares of Common Stock; (iii) combine the outstanding shares of Common Stock into smaller number of shares; or (iv) issue, by reclassification of the Common Stock, any other securities of the Corporation, then, in each such case, the Conversion Price then in effect shall be adjusted so that upon conversion of each share of Convertible Preferred Stock then outstanding the number of shares of Common Stock into which such shares of Convertible Preferred Stock are convertible after the happening of any of the events described in clauses (i) through (iv) above shall be the number of such shares of Common Stock into which such shares of Preferred Stock would have been converted if so converted immediately prior to the happening of such event or any record date with respect thereto.

(e) **Common Stock Reserved.** The Corporation shall reserve and keep available out of its authorized but unissued Common Stock such numbers of shares of Common Stock as shall from time to time be sufficient to effect conversion of all of the then outstanding shares of Preferred Stock. In the event there are insufficient shares to effect a conversion, the Corporation shall increase the number of authorized shares to effect conversion. In the event shareholder approval is required to increase the authorized shares, the holder shall be entitled to vote with the holders of the Common Stock, as a single class, where each share of Preferred Stock shall be entitled to that number of votes to which it would be entitled had all of its shares of Preferred Stock been converted into shares of Common Stock were notice of conversion given on the date of such vote. No sale or disposition of all or substantially all of the Corporation's assets shall take place without the approval of the holders of the Convertible Preferred Stock, voting as a single class.

(f) **Voting Rights of Convertible Preferred Stock.** Except as otherwise required by law and as provided for in Section 2(e), the holders of outstanding shares of Preferred Stock shall not be entitled to vote on any matters submitted to the stockholders of the Corporation.


3. **Liquidation Rights.** If the Corporation shall be voluntarily or involuntarily liquidated, dissolved or wound up, at any time when any shares of Preferred Stock shall be outstanding, the holders of the then outstanding shares of Preferred Stock shall have a preference in distribution of the Corporation's property available for the distribution to the holders of any other class of capital stock of the Corporation, including but not limited to, the Common Stock, equal to \$10.00 consideration per share.

4. **Adjustments Due to Merger or Consolidation, Etc.** In the case of any consolidation with or merger of the Corporation with or into another corporation, or in the case of any sale, lease or conveyance to another corporation of the assets of the Corporation as an entirety or substantially as an entirety, each share of Preferred Stock shall after the date of such consolidation, merger, sale, lease or conveyance be convertible into the number of shares of stock or other securities or property (including cash) to which the Common Stock issuable (at the time of such consolidation, merger, sale, lease or conveyance) upon conversion of such share of Preferred Stock would have been entitled upon such consolidation, merger, sale, lease or conveyance; and in any such case, if necessary, the provisions set forth herein with respect to the rights and interests thereafter of the holders of the shares of Preferred Stock shall be appropriately adjusted so as to be applicable, as nearly as may reasonably be, to any shares of stock or other securities or property thereafter deliverable on the conversion of the shares of Convertible Preferred Stock.

5. **Right of Redemption.** The Corporation shall have the right to redeem at any time, any and all Preferred Shares by payment of the face value thereof.

This Amendment was adopted by the Board of Directors of Secure Transaction International Corporation by Written Action on May 20, 1998 and shall be deemed effective as of May 30, 1998. Pursuant to the Florida Business Corporation Act, Shareholder approval is not required.

IN WITNESS WHEREOF, the undersigned, the officers of Secure Transaction International Corporation have executed this Amendment to the Articles of Incorporation this 20th day of May 1998.



J. Forest Tytler, President/Chief Executive Officer
and Director

ATTESTED:



David M. Savitch, Vice President