

P98000005560

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February 13, 1998

Florida Secretary of State  
Division of Securities  
409 East Gaines Street  
Tallahassee, Florida 32399

600002437596--0  
-02/23/98--01061--001  
\*\*\*\*\*70.00 \*\*\*\*\*70.00

Re: Merger of Fidelity Surety Company, Inc., an Ohio corporation, into  
Fidelity Surety Company, Inc., a Florida corporation

Ladies/Gentlemen:

Enclosed please find an original and one copy of the Articles of Merger merging  
Fidelity Surety Company, Inc., an Ohio corporation, into Fidelity Surety Company, Inc., a Florida  
corporation. I have also enclosed this firm's check in the amount of \$70 to cover the filing fee.

Please return a date-stamped of the Articles of Merger to me in the enclosed, self-  
addressed stamped envelope.

If there are any problems filing these Articles of Merger, please call me collect  
before returning the documents to me.

Thank you for your immediate attention to this matter.

Sincerely,



Jennifer R. Lawry

enclosures  
220/jd/19282-3  
L:\764712.D1

FILED  
98 FEB 23 AM 8:48  
SECRETARY OF STATE  
TALLAHASSEE, FLORIDA

merger

FEB 24 1998

ARTICLES OF MERGER  
Merger Sheet

MERGING: -----

FIDELITY SURETY COMPANY, INC., an Ohio corporation not authorized to  
transact business in Florida.

INTO

**FIDELITY SURETY COMPANY, INC.**, a Florida corporation, P98000005560.

File date: February 23, 1998

Corporate Specialist: Thelma Lewis

**DOMESTIC CORPORATION - FOREIGN CORPORATION**  
**ARTICLES OF MERGER**

The undersigned corporations, pursuant to Section 601.1107 of the Florida Business Corporation Act hereby execute the following Articles of Merger:

FIRST: The names of the corporations proposing to merge and the names of the states or countries under the laws of which such corporations are organized are as follows:

Name of Corporation

State of Incorporation

Fidelity Surety Company, Inc.  
Fidelity Surety Company, Inc.

Ohio  
Florida

SECOND: The laws of the State of Ohio, the corporation under which such foreign corporation is organized, permits such merger and such foreign corporation is complying with those laws in effecting the merger.

THIRD: The domestic corporation complies with the applicable provisions of Sections 607.1101-607.1104 F.S. and with Section 607.1105 F.S.

FOURTH: A copy of the Agreement of Merger is attached hereto as **Exhibit A**.

FIFTH: The effective date of the certificate of merger shall be the date of filing of the certificate.

SIXTH: The Agreement of Merger was adopted by the shareholders and the Board of Directors of Fidelity Surety Company, Inc., an Ohio corporation, on the 13th day of February, 1998, and was adopted by the Board of Directors of Fidelity Surety Company, Inc., a Florida corporation, on the 13th day of February, 1998.

Signed this 16th day of February, 1998.

FIDELITY SURETY COMPANY, INC.

By: Steven D. Friedman  
Steven D. Friedman, Secretary  
(Surviving Corporation)

FIDELITY SURETY COMPANY, INC.

By: Steven D. Friedman  
Steven D. Friedman, Secretary  
(Merged Corporation)

FILED  
98 FEB 23 AM 8:18  
CLERK OF STATE  
TALLAHASSEE, FLORIDA

**EXHIBIT "A"**

**AGREEMENT OF MERGER  
MERGING  
FIDELITY SURETY COMPANY, INC., AN OHIO CORPORATION  
INTO  
FIDELITY SURETY COMPANY, INC., A FLORIDA CORPORATION**

THIS AGREEMENT OF MERGER (the "Agreement of Merger") is made and entered into as of the 13th day of February, 1998, by and between Fidelity Surety Company, Inc., an Ohio corporation ("FSC Ohio"), and Fidelity Surety Company, Inc., a Florida corporation ("FSC Florida"), (sometimes referred to collectively herein as the "Constituent Entities" or individually as the "Constituent Entity").

**RECITALS**

A. The Board of Directors of each constituent corporation, to the end that greater efficiency and economy in the management of the business carried on by each corporation may be accomplished and in consideration of the mutual agreements of each corporation as set forth herein, deems it advisable and generally to the advantage and welfare of said corporations and their respective shareholders that FSC Ohio be merged into FSC Florida.

B. FSC Ohio was incorporated by the filing of its Articles of Incorporation in the Office of the Secretary of State of Ohio on October 23, 1991, and the maximum number of shares which said corporation is authorized by its Articles of Incorporation to issue is seven hundred fifty (750) all of which are common shares without par value and of which three hundred twenty (320) of such common shares are now issued and outstanding.

C. FSC Florida was incorporated by the filing of its Articles of Incorporation in the Office of the Secretary of State of Florida on January 16, 1997, and the maximum number of shares which said corporation is authorized by its Articles of Incorporation to issue is one thousand (1,000) all of which are common shares without par value and of which three hundred twenty (320) of such common shares are now issued and outstanding.

D. The provisions of Section 1701.791 of the Ohio Revised Code authorize the merger of a domestic corporation into a surviving foreign corporation.

E. The provisions of Sections 607.1101-607.1105 of the Florida Business Corporation Act authorize the merger of a parent foreign corporation into a surviving subsidiary domestic corporation.

NOW, THEREFORE, the Constituent Entities do hereby agree as follows:

FIRST: FSC Ohio (the "Merged Corporation") shall be and hereby is merged into FSC Florida as of the Effective Date (defined below); FSC Florida shall be the continuing and surviving entity (the "Surviving Entity") and shall be governed by the Florida Business Corporation Act.

SECOND: The name of the Surviving Entity is and shall be Fidelity Surety Company, Inc.

THIRD: The place in Florida where the principal office of the Surviving Entity is located is 2000 Avenue P, Suite 14, Riviera Beach, Florida 33404.

FOURTH: The existing Articles of Incorporation and the By-laws of the Surviving Entity as in effect on the Effective Date shall remain in full force and effect and shall constitute the Articles of Incorporation and By-laws of the Surviving Entity.

FIFTH: The names of the Directors of the Surviving Corporation shall be Samuel J. Krasney, Irving Z. Friedman, Marc Abrams and Robert Sayre.

SIXTH: The manner and basis of substituting the shares of FSC Ohio and FSC Florida shall be as follows:

A. Change in Shares. Each outstanding share of common stock of the Merged Corporation shall, *ipso facto* and without any action on the part of the holder thereof, become and be converted into one share of common stock of the Surviving Corporation, and outstanding certificates representing shares of the common stock of the Merged Corporation shall thereafter represent shares of common stock of the Surviving Corporation. All shares of common stock of the Surviving Corporation into which common stock of the Merged Corporation is so converted shall be fully paid and nonassessable.

B. Exchange of Certificates. After the effective date of the merger each holder of an outstanding certificate theretofore representing shares of common stock of the Merged Corporation may, but shall not be required to, surrender the same to the Surviving Corporation, and such holder shall be entitled upon such surrender to receive in exchange therefor a certificate or certificates representing the number of shares of common stock of the Surviving Corporation into which the shares of the Merged Corporation common stock theretofore represented by the surrendered certificate shall have been converted. Until so surrendered, each outstanding certificate which prior to the effective date of the merger represented shares of the Merged Corporation common stock shall be deemed for all corporate purposes to evidence the ownership of the same number of shares of common stock of the Surviving Corporation.

C. Shares Canceled. Upon the effective date of the merger, all of the issued and outstanding shares of common stock of the Surviving Corporation owned by or for the account of the Merged Corporation as well as all shares of stock of the Merged Corporation that shall then be held by the Merged Corporation as treasury stock, shall be canceled and all rights in respect thereof shall cease, and no shares of common stock of the Surviving Corporation shall be issued in exchange therefor.

SEVENTH: Upon the Effective Date, the separate existence of FSC Ohio shall cease and it shall be merged into the Surviving Entity in accordance with this Agreement of Merger. In furtherance of the above:

A. The Surviving Entity shall be possessed of all assets and property of every description, and every interest therein, wherever located, and the rights, privileges, immunities, powers, franchises, and authority, of a public as well as a private nature, of each of the Constituent Entities, and all obligations belonging to or due to each of the Constituent Entities, all of which shall be vested in the Surviving Entity without further act or deed. Title to any real estate or any interest therein vested in any Constituent Entity shall not revert or in any way be impaired by reason of the merger herein provided. The Surviving Entity shall be liable for all the obligations of each Constituent Entity.

B. All rights of creditors of each Constituent Entity are preserved unimpaired. All liens upon the property of any Constituent Entity are preserved unimpaired, solely on the property affected by such liens immediately prior to the Effective Date.

C. The merger shall become effective on the date the Certificate of Merger is filed with the Secretary of the State of Florida (the "Effective Date").

EIGHTH: The Shareholders of FSC Ohio entitled to vote on the merger and who dissent from the merger, may be entitled, if they comply with the provisions of the Florida Business Corporation Act, to be paid the fair value of their shares.

NINTH: It is intended that this Agreement will be carried out so as to qualify the merger as a tax-free reorganization under Section 368(a)(1)(A) of the Internal Revenue Code.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed as of the date first above written.

FIDELITY SURETY COMPANY, INC.

By: Steven D. Friedman  
Steven D. Friedman, Secretary  
(FSC Ohio)

FIDELITY SURETY COMPANY, INC.

By: Steven D. Friedman  
Steven D. Friedman, Secretary  
(FSC Florida)