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FLORIDA DIVISION OF CORPORATIONS

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071445001310  
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Merger

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ARTICLES OF MERGER  
Merger Sheet

MERGING: -----

MAGNACHEM CORPORATION, a New York Corporation

INTO

**MAGNACHEM CORPORATION**, a Florida corporation, P98000031036.

File date: April 28, 1998

Corporate Specialist: Teresa Brown

Account number: 071445001310

Account charged: 24.00

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H — **ARTICLES and CERTIFICATE OF MERGER**  
**OF**  
**Magnachem Corporation,**  
**A NEW YORK CORPORATION,**  
  
**INTO**  
**Magnachem Corporation,**  
**A FLORIDA CORPORATION**

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TALLAHASSEE, FLORIDA

**THESE ARTICLES and CERTIFICATE OF MERGER** are by and between Magnachem Corporation, a New York corporation ("Magnachem-N.Y.") and Magnachem Corporation, a Florida corporation ("Magnachem-Fla."). Pursuant to § 607.1107 of the Florida Business Corporation Act (the "Act"), and §§ 901 and 907 of the New York Business Corporation Law (the "Law"), Magnachem-N.Y. and Magnachem-Fla. adopt the following Articles and Certificate of Merger.

1. The Agreement and Plan of Merger dated April 24, 1998 ("Plan of Merger"), between Magnachem-N.Y. and Magnachem-Fla. was approved and adopted by the Board of Directors of Magnachem-N.Y. on April 24, 1998, and was adopted by the Board of Directors of Magnachem-Fla. on April 24, 1998. The merger is permitted under § 607.1107 of the Act and §§ 901 and 907 of the Law.

2. The Plan of Merger was approved by the unanimous written consent of the Shareholders of Magnachem-N.Y. holding all 200 of the issued and authorized shares of outstanding common stock pursuant to § 615 of the Law; the Plan of Merger was approved by the unanimous written consent of the Shareholders of Magnachem-Fla. holding all 200 of the issued and authorized shares of outstanding common stock pursuant to § 607.0821 of the Act. Neither of the corporations has any other issued and outstanding classes of stock.

Janice N. Donica, Esq.  
201 E. Kennedy Boulevard, Suite 1500  
Tampa, Florida 33602  
Tel: (813) 221-1996  
Florida Bar Number 849480  
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3. Pursuant to the Plan of Merger, all issued and outstanding shares of Magnachem-N.Y.'s stock will be acquired by means of a merger of Magnachem-N.Y. into Magnachem-Fla. with Magnachem-Fla. the surviving corporation ("Merger").

4. Magnachem-Fla. was incorporated under the name of "Magnachem Corporation" pursuant to the laws of the state of Florida on April 3, 1998. Its name has never been changed. Magnachem-Fla. has not yet filed an application for authority to do business in this state and it will not do business in this state until an application for such authority shall have been filed by it with the department of state of the State of New York. No changes to the Articles of Incorporation of Magnachem-Fla. are to be effected the Merger.

5. Magnachem-N.Y. was incorporated under the name of "Magnachem Corporation" pursuant to the laws of the State of New York on June 12, 1980. Its name has never been changed.

6. Magnachem-Fla., as the surviving corporation agrees that it may be served with process in the State of New York in any action or special proceeding for the enforcement of any liability or obligation of Magnachem-N.Y., and for the enforcement of the right of shareholders of Magnachem-N.Y. to receive payment for their shares against Magnachem-Fla.

7. Magnachem-Fla. agrees that, subject to the provisions of § 623 of the Law and § 607.1302, Magnachem-Fla. will promptly pay to the shareholders Magnachem-N.Y. the amount, if any, to which they shall be entitled under the provisions of the Law relating to the right of shareholders to receive payment for their shares.

8. Magnachem-Fla. hereby designates the secretary of state of the State of New York as its agent upon whom process against it may be served in the manner set forth in paragraph (b) of § 306 (Service of process), in any action or special proceeding. Such secretary of state shall mail a copy of any process against Magnachem-Fla. served upon him to the following post office address which supersedes any prior address designated as the address to which process shall be mailed:

9. It is hereby certified that all fees and taxes (including penalties and interest) administered by the department of taxation and finance which are due and payable by Magnachem-N.Y. have been paid and a cessation franchise tax report (estimated or final) through the anticipated date of the merger (which return, if estimated, shall be subject to amendment) has been filed by Magnachem-N.Y.

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10. Magnachem-Fla. agrees that it will within thirty (30) days after the filing of this Articles and Certificate of Merger, file the cessation franchise tax report, if an estimated report was previously filed, and promptly pay to the department of taxation and finance all fees and taxes (including penalties and interest), if any, due to the department of taxation and finance of the State of New York by Magnachem-N.Y.

11. The Plan of Merger is attached as Exhibit A and incorporated by reference as if fully set forth.

12. Pursuant to §§ 607.1107 and 607.1105(1)(b) of the Act and § 904 of the Law the date and time of the effectiveness of the Merger shall be on the filing of these Articles of Merger with the Secretary of State of Florida and the Secretary of State of New York, respectively.

IN WITNESS WHEREOF, the parties have set their hands this 24 day of April, 1998.

ATTEST:

Barbara M. Schwartz  
Barbara M. Schwartz, Secretary

(Corporate Seal)

Magnachem Corporation,  
a Florida corporation

By: Robert G. Schwartz  
Robert G. Schwartz, President

STATE OF FLORIDA  
COUNTY OF Sarasota

SWORN to and SUBSCRIBED before me, this 24 day of April, 1998, by Robert G. Schwartz, President of Maganchem Corporation, a New York corporation, on behalf of the corporation. He is personally known to me or has produced N.Y. Dr Licence 382-95-205 as identification.

Paula B. Coburn

Notary Public

My Commission expires:



PAULA B COBURN  
My Commission CC561845  
Expires Jun. 17, 2000

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STATE OF FLORIDA  
COUNTY OF Sarasota

SWORN to and SUBSCRIBED before me, this 24 day of April, 1998, by Barbara ~~Magn~~ Schwartz, Secretary, of Maganchem Corporation, a New York corporation, on behalf of the corporation. She is personally known to me or has produced NY Dr. License 811-178-842 as identification.

Paula B. Coburn

Notary Public

My Commission expires:



PAULA B COBURN  
My Commission CC561846  
Expires Jun. 17, 2000

ATTEST:

Barbara H. Schwartz

Barbara H. Schwartz, Secretary  
(Corporate Seal)

Maganchem Corporation,  
a New York corporation

By:

Robert G. Schwartz  
Robert G. Schwartz, President

STATE OF FLORIDA  
COUNTY OF Sarasota

SWORN to and SUBSCRIBED before me, this 24 day of April, 1998, by Robert G. Schwartz, President of Maganchem Corporation, a Florida corporation, on behalf of the corporation. He is personally known to me or has produced NY Dr. License 32-935-205 as identification.

Paula B. Coburn

Notary Public

My Commission expires:

STATE OF FLORIDA

COUNTY OF Sarasota



PAULA B COBURN  
My Commission CC561846  
Expires Jun. 17, 2000

SWORN to and SUBSCRIBED before me, this 24 day of April, 1998, by Barbara ~~Magn~~ Schwartz, Secretary, of Maganchem Corporation, a Florida corporation, on behalf of the corporation. She is personally known to me or has produced NY Dr. License 811-178-842 as identification.

Paula B. Coburn

Notary Public

My Commission expires:

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PAULA B COBURN  
My Commission CC561846  
Expires Jun. 17, 2000

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**AGREEMENT AND PLAN OF MERGER  
OF  
Magnachem Corporation, A NEW YORK CORPORATION  
INTO  
Magnachem Corporation, A FLORIDA CORPORATION**

THIS AGREEMENT AND PLAN OF MERGER, dated April 24, 1998, made by and between Magnachem Corporation, a New York corporation ("Magnachem-N.Y."), and Magnachem Corporation, a Florida corporation ("Magnachem-Fla.") (collectively the "Constituent Corporations").

**WITNESSETH:**

WHEREAS, Magnachem-N.Y. desires to merge with and into Magnachem-Fla., with Magnachem-Fla. being the surviving corporation (the "Merger") on the terms, and subject to the conditions, set forth in this Plan of Merger (the "Plan"); and

WHEREAS, Robert G. Schwartz and Barbara H. Schwartz, jointly own 100% percent of Magnachem-Fla.'s outstanding Common Stock; and

WHEREAS, the respective Boards of Directors of Magnachem-N.Y. and Magnachem-Fla. have determined that it is advisable that Magnachem-N.Y. be merged into Magnachem-Fla., on the terms and conditions set forth, in accordance with § 607.1107 of the Florida Business Corporation Act (the "Act") and §§ 901 and 907 of the New York Business Corporation Law (the "Law").

NOW, THEREFORE, in consideration of the promises and of the mutual agreements, covenants, and provisions contained herein, the parties agree as follows:

**ARTICLE I  
THE MERGER**

1. The term "Effective Date" shall mean the date on which the Articles of Merger are filed with the Secretary of State of Florida and the Secretary of State of New York, respectively.

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2. On the Effective Date, Magnachem-N.Y. shall be merged with and into Magnachem-Fla.. The separate existence of Magnachem-N.Y. shall cease at the Effective Date and the existence of Magnachem-Fla. shall continue unaffected and unimpaired by the Merger with all the rights, privileges, immunities, and franchises, of a public as well as of a private nature, and subject to all the duties and liabilities of corporations organized under the laws of the State of Florida.

3. The Plan of Merger has been approved by the respective Boards of both companies in accordance with New York and Florida law. All of the shareholders of Magnachem-N.Y. and Magnachem-Fla. have executed written consents to the Merger which are attached hereto as Exhibit A and incorporated herein.

## ARTICLE II EFFECTS OF THE MERGER

At the Effective Date, Magnachem-Fla. shall possess all the rights, privileges, immunities, and franchises, of both a public and private nature, of Magnachem-N.Y., and shall be responsible and liable for all liabilities and obligations of Magnachem-N.Y., all as more particularly set forth in the Act.

## ARTICLE III TERMS OF THE TRANSACTION; CONVERSION OF AND PAYMENT FOR SHARES

The manner and basis of converting shares of Magnachem-N.Y.'s Common Stock into shares of Magnachem-Fla. Stock shall be as follows:

1. Each share of Magnachem-N.Y.'s common stock (the "Magnachem-N.Y. Common Stock") issued and outstanding on the Effective Date and all rights in respect thereof, shall, by virtue of the Merger and without any action on the part of the holders, be converted into one (1) share of the presently authorized and unissued shares of the common stock of Magnachem-Fla. (the "Magnachem-Fla. Common Stock"); provided that no fractional share of Magnachem-Fla. Common Stock shall be issued or exchanged for shares of Magnachem-N.Y. Common Stock. Notwithstanding the foregoing, each share of Magnachem-N.Y. Common Stock held by

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Magnachem-Fla. shall, by virtue of the Merger and without any action on the part of Magnachem-Fla., be cancelled simultaneously with the effectiveness of the Merger.

2. Former holders of Magnachem-N.Y. Common Stock who would be entitled to receive fractional shares of Magnachem-Fla. Common Stock on the Effective Date shall receive cash in an amount determined by the net book value.

3. As soon as practicable after the Effective Date, a letter of transmittal providing instructions for surrendering certificates for cancellation and to be used for transmitting certificates for cancellation shall be delivered to all of the shareholders of Magnachem-N.Y..

#### ARTICLE IV DISSENTERS' RIGHTS

Shareholders of Magnachem-N.Y. who would be entitled to vote on the Merger and who wish to dissent, are entitled, if the shareholder complies with the provisions of the Act regarding the rights of dissenting shareholders, to be paid the fair value of such shareholder's shares.

#### ARTICLE V ASSIGNMENT

If at any time Magnachem-Fla. shall consider or be advised that any further assignment or assurances in law are necessary or desirable to vest, perfect, or confirm or record in Magnachem-Fla. the title to any property or rights of Magnachem-N.Y., or to otherwise carry out the provisions of this Plan, the proper officers and directors of Magnachem-N.Y. as of the Effective Date shall execute and deliver any and all proper deeds, assignments, and assurances in law, and do all things necessary or proper to vest, perfect, or confirm title to such property or rights in Magnachem-Fla..

#### ARTICLE VI EXPENSES

Magnachem-N.Y. shall pay all expenses of accomplishing the Merger.

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## ARTICLE VII AMENDMENT

At any time before the filing with the New York Secretary of State of the Articles of Merger to be filed in connection with this Plan, the Directors of Magnachem-N.Y. may amend this Plan. If the Articles of Merger already have been filed with the Secretary of State, amended Articles of Merger shall be filed with the Secretary of State, but only if such amended Articles of Merger can be filed before the Effective Date.

## ARTICLE VIII TERMINATION

If for any reason consummation of the Merger is inadvisable in the opinion of the Board of Directors of either company, this Plan may be terminated at any time before the Effective Date by resolution of the Board of Directors of either company. Upon termination as provided in this Plan, this Plan shall be void and of no further effect, and there shall be no liability by reason of this Plan or the termination of this Plan on the part of Magnachem-N.Y. or Magnachem-Fla., or their directors, officers, employees, agents, or shareholders.

## ARTICLE IX TAX EFFECTS

The Boards of Directors of both Magnachem-N.Y. and Magnachem-Fla. have structured this Plan of Merger to comply with the provisions of Section 368(a)(1)(F). It is the intent of both Boards that Magnachem-Fla. will assume the federal tax identity of Magnachem-N.Y. upon the Effective Date, and accordingly, that Magnachem-Fla. will succeed to the federal tax identification number, "S corporation" election, tax accounting period, and all other tax attributes of Magnachem-N.Y. to the fullest extent permitted by law.


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IN WITNESS WHEREOF, the parties have set their hands this 24 day of April, 1998

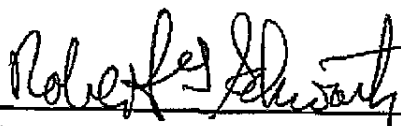
**MAGNACHEM-N.Y.:**

**Magnachem Corporation**  
a New York corporation

By:   
Robert G. Schwartz, President

**MAGNACHEM-FLA.:**

**Magnachem Corporation**  
a Florida corporation

By:   
Robert G. Schwartz, President

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JOINT UNANIMOUS WRITTEN CONSENT OF THE SHAREHOLDERS AND DIRECTORS  
TO ACTION TAKEN IN LIEU OF SPECIAL MEETING OF  
THE SHAREHOLDERS AND THE BOARD  
OF DIRECTORS OF  
MAGNACHEM CORPORATION, A NEW YORK CORPORATION  
AND  
MAGNACHEM CORPORATION, A FLORIDA CORPORATION

Effective as of April 24, 1998

The undersigned, constituting all of the Directors and all of the shareholders of Magnachem Corporation, a New York corporation (the "N.Y. Company") and all of the Directors and all of the shareholders of Magnachem Corporation, a newly formed Florida corporation (the "Fla. Company"), waiving all requirements of notice, consent to the corporate actions specified below (this "consent") and adopt the following resolutions, in lieu of holding a formal special meeting of the directors and the shareholders of each such corporations, pursuant to §607.0704 and §607.0821 of the Florida Business Corporation Act and § 615 of the New York Business Corporation Act:

WHEREAS, the N.Y. Company has been operated as an "S Corporation" with its principal business office located in the State of New York since 1980; and

WHEREAS, the principal business office of the N.Y. Company was recently re-located to Florida, and as a result, the Board of Directors and the shareholders of the N.Y. Company believe that it would be in the best interests of the N.Y. Company to be re-incorporated under the laws of the State of Florida; and

WHEREAS, because the N.Y. Company operates as an S Corporation, the Board of Directors and the shareholders of the N.Y. Company believe that it would be in the best interest of the N.Y. Company to achieve the re-incorporation in Florida in a transaction which qualifies as a tax-free reorganization under Section 368(a)(1)(F) of the Internal Revenue Code of 1986, as amended, in order to preserve the existing "S election," accounting year, and other various tax attributes of the N.Y. Company; and

WHEREAS, the Fla. Company was incorporated by the shareholders of the N.Y. Company for the sole purpose of acting as the surviving corporation of a merger between the N.Y. Company and the Fla. Company in order to achieve the desired re-incorporation under Florida law; and

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WHEREAS, for these and other various reasons, the Boards of Directors and all of the shareholders of both the N.Y. Company and the Fla. Company consider it advisable and in the best interests of such corporations and their shareholders to merge the N.Y. Company with and into the Fla. Company (the "Merger").

NOW, THEREFORE, BE IT RESOLVED, that all prior actions of the officers of the N.Y. Company in connection with the Merger are hereby approved, ratified and confirmed in all respects by the Board of Directors and the Shareholders of the N.Y. Company.

RESOLVED FURTHER, that all prior actions of the officers of the Fla. Company in connection with the Merger are hereby approved, ratified and confirmed in all respects by the Board of Directors and the Shareholders of the Fla. Company.

RESOLVED FURTHER, that the Articles of Merger and the Plan of Merger relating to the Merger attached hereto are hereby approved by the Board of Directors of both the N.Y. Company and the Fla. Company, respectively.

RESOLVED FURTHER, that the officers of the both the N.Y. Company and the Fla. Company are hereby authorized by their respective Boards of Directors and Shareholders to take such further actions and to execute such documents or instruments as they deem necessary or desirable in order to effectuate the intention of these resolutions, including, without limitation, the execution and filing of the Articles of Merger and/or the Plan of Merger (substantially in the forms attached hereto) with appropriate governmental authorities.

The foregoing corporate action shall have the effect and validity as though duly taken by unanimous action of all Directors of the N.Y. Company and all Directors of the Fla. Company, at a meeting of each of said Boards of Directors, respectively, duly called and legally held on April, \_\_1998.


IN WITNESS WHEREOF, the undersigned, constituting all of the directors of the N.Y. Company, all of the directors of the Fla. Company, all of the Shareholders of the N.Y. company, and all of the Shareholders of the Fla. Company, approve, authorize, effectuate and implement the actions taken pursuant to this Consent effective as of the date shown at the beginning of this Consent.

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BY THE BOARD OF DIRECTORS  
OF MAGNACHEM CORPORATION,  
A NEW YORK CORPORATION

  
Robert G. Schwartz, Director

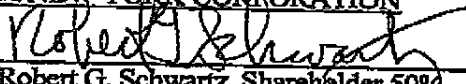
  
Barbara M. Schwartz, Director

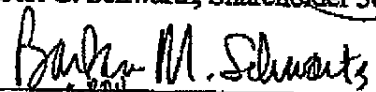
BY THE BOARD OF DIRECTORS  
OF MAGNACHEM CORPORATION,  
A FLORIDA CORPORATION

  
Robert G. Schwartz, Director


  
Barbara M. Schwartz, Director


BY ALL OF THE SHAREHOLDERS:  
OF MAGNACHEM CORPORATION  
A NEW YORK CORPORATION

  
Robert G. Schwartz, Shareholder 50%

  
Barbara M. Schwartz, Shareholder 50%

BY ALL OF THE SHAREHOLDERS:  
OF MAGNACHEM CORPORATION  
A FLORIDA CORPORATION

  
Robert G. Schwartz, Shareholder 100% as  
tenant by entirety with Barbara H. Schwartz

  
Barbara M. Schwartz, Shareholder 100% as  
tenant by entirety with Robert G. Schwartz

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