

P98000047163  
HIGHLAND FOODS, INC.

1785 SHOWER TREE WAY  
WELLINGTON, FLORIDA 33414-5837  
Phone: (561) 793-6795  
Fax: (561) 793-4356

May 18, 1998

Department of State  
Division of Corporations  
P.O. Box 6327  
Tallahassee, Florida 32314

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-05/22/98-01041--007  
\*\*\*\*131.25 \*\*\*\*131.25

Subject: Highland Foods, Inc.

Dear Sir or Madame,

Enclosed, please find an original and copy of the Articles of Incorporation, for Highland Foods, Inc., a for-profit corporation, formed under the Florida Business Corporation Act.

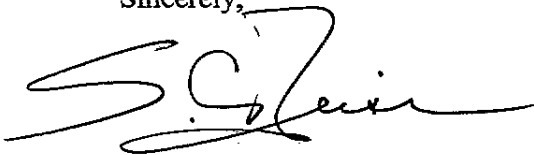
Also enclosed, please find a certificate of designation of registered agent signed by the registered agent and a check in the amount of One Hundred Thirty One Dollars and Twenty Five Cents (\$131.25) for the filing fee, Certified Copy and Certificate.

If you have any questions regarding the enclosures, please contact the undersigned.

Kindly, send the certified copy & certificate of the Articles of Incorporation to the undersigned, at the address listed below.

Thank you for your prompt attention to the above.

Sincerely,



Stephen C. Reiser  
1785 Shower Tree Way  
Wellington, Florida 33414-5837  
(561) 793-6795

cc: David R. Walker  
Norman D. Dudey  
Nathaniel J. Bickford, Esq.

FILED  
98 MAY 22 AM 11:55  
SECRETARY OF STATE  
TALLAHASSEE FLORIDA

**ARTICLES OF INCORPORATION  
OF  
HIGHLAND FOODS, INC.**

**FILED**  
98 MAY 22 AM 11:55  
SECRETARY OF STATE  
TALLAHASSEE FLORIDA

The undersigned incorporator, for the purpose of forming a corporation under the Florida Business Corporation Act, chapter 607, Florida Statutes, hereby adopts the following Articles of Incorporation:

**ARTICLE ONE**

**NAME**

1.01 The name of the corporation is: **Highland Foods, Inc.**

**ARTICLE TWO**

**PRINCIPAL OFFICE**

2.01 The address of the initial principal place of business of the Corporation is 1785 Shower Tree Way, Wellington, Florida 33414-5837

**ARTICLE THREE**

**CAPITAL STOCK**

**PREFERRED AND COMMON SHARES  
WITHOUT PAR VALUE**

3.01 The aggregate number of shares that the Corporation is authorized to issue is 5,000,000 shares, all of which shall be without par value. The shares are divided into two classes. The designation of each class, and the number of shares of each class are as follows:

| CLASS     | NUMBER OF SHARES |
|-----------|------------------|
| Common    | 4,000,000        |
| Preferred | 1,000,000        |

3.02 Voting Rights of Preferred Shares. The preferred shares shall be nonvoting shares.

3.03 Noncumulative Preferred Shares. The dividends on the preferred shares shall be noncumulative. The amount and payment terms of said dividends shall be determined by the Board of Directors.

3.04 Redemption of Preferred Shares. The Corporation shall have the right to redeem the preferred shares, in whole or in part, at the option of the Corporation, by the vote of the Board of Directors. The redemption terms and conditions of the preferred shares shall be determined by the Board of Directors.

## ARTICLE FOUR

### PURPOSE

4.01 The purposes for which the Corporation is organized are the further development of technology relating to the citrus industry, citrus processing, and the conversion of citrus processing wastes into high value added by-products and

4.02 Any other transaction and all business permitted under the laws of the United States of America and the State of Florida as presently in effect or as it may hereafter be amended.

## ARTICLE FIVE

### INITIAL REGISTERED AGENT AND ADDRESS

5.01 As set forth in the registered agent's written acceptance of his appointment, which is delivered to the Department of State together with these articles of incorporation, the Corporation's initial registered office is located at 1785 Shower Tree Way, Wellington, Florida 33414-5837. The Corporation's initial registered agent at that office is Stephen C. Reiser.

## ARTICLE SIX

### FOUNDERS/INCORPORATORS

6.01 The names and addresses of the Founders and Incorporators are:

| Name  | Address  |
|---|--|
| The Reiser Family Trust<br>Stephen C. Reiser, General Partner | 1785 Shower Tree Way<br>Wellington, Florida 33414-5837           |
| Norman D. Dudey   | 4511 N. W. 10th. Place<br>Gainesville, Florida 32605             |
| The Walker Family Trust<br>David R. Walker, General Partner   | 1700 McMullen Booth Road, #D-2<br>Clearwater, Florida 33759-2129 |

6.02 The following cannot be altered, amended, or repealed by either the shareholders or the Board of Directors of the Corporation, except by a Ninety Five (95%) Percent majority vote of the shareholders.

So long as each of the above three Founders/Incorporators or their heirs/successors shall own any of the common voting shares of the Corporation, they shall be elected to the Board of Directors of the Corporation and to the Board of Directors of any other related subsidiary Corporation that processes bulk citrus or undertakes the development & commercialization of technology relating to the citrus industry and/or the development of by-products from the citrus processing wastes.

If any of the Three Founders or their heirs are not directly employed by the Corporation but they are serving on one or more of the Board of Directors in accordance with the above, then they shall each be entitled to a salary for such service. This salary shall be at least Fifty Thousand (\$50,000) dollars per annum, for each Director.

## ARTICLE SEVEN

### DIRECTORS

7.01 The initial Board of Directors of the Corporation shall consist of the following three (3) members and may be increased in the future.

7.02 The names and addresses of the members of the first Board of Directors are:

| Name              | Address  |
|-------------------|--|
| Stephen C. Reiser | 1785 Shower Tree Way<br>Wellington, Florida 33414-5837           |
| Norman D. Dudey   | 4511 N. W. 10th. Place<br>Gainesville, Florida 32605             |
| David R. Walker   | 1700 McMullen Booth Road, #D-2<br>Clearwater, Florida 33759-2129 |

## ARTICLE EIGHT

### MANAGEMENT OF THE CORPORATION

8.01 For the management of the business and for the conduct of the affairs of the Corporation, and in further definition, limitation and regulation of the powers of the Corporation and of its directors and shareholders, it is further provided:

8.02 The election of directors of this Corporation need not be by written ballot.

8.03 The Board of Directors of the Corporation is expressly authorized and empowered to make, alter or repeal By-Laws, subject to the power of the shareholders to alter or repeal By-Laws made by the Board of Directors.

8.04 A director may only be removed from the Board of Directors upon good cause being shown and proven. A super-majority vote, instead of a mere majority vote of the shareholders, is required to remove a director.

## ARTICLE NINE

### LIABILITY OF THE DIRECTORS

9.01 The personal liability of the directors of the Corporation is hereby eliminated to the fullest extent permitted by the provisions of the Florida Business Corporation Act, chapter 607, Florida Statutes, as the same may be amended and supplemented.

## ARTICLE TEN

### INDEMNIFICATION

10.01 The Corporation shall indemnify all of its directors, officers, employees and agents to the fullest extent permitted by the provisions of the Florida Business Corporation Act, chapter 607.0850 Florida Statutes, as the same may be amended and supplemented.

10.02 The Corporation shall indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative (other than an action by or in the right of the Corporation) by reason of the fact that he is or was a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise, against expenses (including attorneys' fees), judgments, fines and amounts paid in settlement actually and reasonably incurred by him in connection with such action, suit or proceeding if he acted in good faith and in a manner he reasonably believed to be in or not opposed to the best interests of the Corporation, and, with respect to any criminal action or proceeding, had no reasonable cause to believe his conduct was unlawful. The termination of any action, suit or proceeding by judgment, order, settlement, conviction, or upon a plea of nolo contendere or its equivalent shall not, of itself, create a presumption that the person did not act in good faith and in a manner which he reasonably believed to be in or not opposed to the best interests of the Corporation, and, with respect to any criminal action or proceeding, had reasonable cause to believe that his conduct was unlawful.

10.03 The Corporation shall indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending or completed action or suit by or in the right of the Corporation to procure a judgment in its favor by reason of the fact that he is or was a director, officer, employee or agent of the Corporation, or is or was serving at the request of the Corporation as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise against expenses (including attorneys' fees) actually and reasonably incurred by him in connection with the defense or settlement of such action or suit if he acted in good faith and in a manner he reasonably believed to be in or not opposed to the best interests of the Corporation and except that no indemnification shall be made in respect of any claim, issue or matter as to which such person shall have been adjudged to be liable to the Corporation unless and only to the extent that the Court of Chancery or the court in which such action or suit was brought shall determine upon application that, despite the adjudication of liability but in view of all the circumstances of the case, such person is fairly and reasonably entitled to indemnity for such expenses which the Court of Chancery or such other court shall deem proper.

10.04 To the extent that a director, officer, employee or agent of the Corporation has been successful on the merits or otherwise in defense of any action, suit or proceeding referred to in Section 10.02 and 10.03 of this Article, or in defense of any claim, issue or matter therein, he shall be indemnified against expenses (including attorneys' fees) actually and reasonably incurred by him in connection therewith.

10.05 Any indemnification under Sections 10.02 and 10.03 of this Article (unless ordered by a court) shall be made by the Corporation only as authorized in the specific case upon a determination that indemnification of the director, officer, employee or agent is proper in the circumstances because he has met the applicable standard of conduct set forth in Section 10.02 and 10.03 of this Article. Such determination shall be made (1) by the Board of Directors by a majority vote of a quorum consisting of directors who were not parties to such action, suit or proceeding, or (2) if such a quorum is not obtainable, or, even if obtainable a quorum of disinterested directors so directs, by independent legal counsel in a written opinion, or (3) by the shareholders.

10.06 Expenses incurred by an officer or director in defending a civil or criminal action, suit or proceeding may be paid by the Corporation in advance of the final disposition of such action, suit or proceeding upon receipt of an undertaking by or on behalf of such director or officer to repay such amount if it shall ultimately be determined that he is not entitled to be indemnified by the Corporation as authorized in this Article. Such expenses incurred by other employees and

agents may be so paid upon such terms and conditions, if any, as the Board of Directors deems appropriate.

10.07 The indemnification and advancement of expenses provided by or granted pursuant to the other paragraphs of this Article shall not be deemed exclusive of any other rights to which those seeking indemnification or advancement of expenses may be entitled under any By-Law, agreement, vote of shareholders or disinterested directors or otherwise, both as to action in his official capacity and as to action in another capacity while holding such office.

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

10.09 For purposes of this Article, references to "the Corporation" shall include, in addition to the resulting corporation, any constituent corporation (including any constituent of a constituent) absorbed in a consolidation or merger which, if its separate existence had continued, would have had power and authority to indemnify its directors, officers, and employees or agents, so that any person who is or was a director, officer, employee or agent of such constituent corporation, or is or was serving at the request of such constituent corporation as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise, shall stand in the same position under this Article with respect to the resulting or surviving corporation as he would have with respect to such constituent corporation if its separate existence had continued.

10.10 For purposes of this Article, references to "other enterprises" shall include employee benefit plans; references to "fines" shall include any excise taxes assessed on a person with respect to any employee benefit plan; and references to "serving at the request of the Corporation" shall include any service as a director, officer, employee or agent of the Corporation which imposes duties on, or involves services by, such director, officer, employee or agent with respect to an employee benefit plan, its participants or beneficiaries; and a person who acted in good faith and in a manner he reasonably believed to be in the interest of the participants and beneficiaries of an employee benefit plan shall be deemed to have acted in a manner "not opposed to the best interests of the Corporation" as referred to in this Article.

10.11 The indemnification and advancement of expenses provided by, or granted pursuant to, this Article shall, unless otherwise provided when authorized or ratified, continue as to a person who has ceased to be a director, officer, employee or agent and shall inure to the benefit of the heirs, executors and administrators of such a person.

IN WITNESS WHEREOF, the undersigned has executed these Articles of Incorporation this 18th. day of May, 1998.



Stephen C. Reiser  
Incorporator

## **CERTIFICATE OF DESIGNATION OF REGISTERED AGENT/REGISTERED OFFICE**

PURSUANT TO THE PROVISIONS OF SECTION 607.0501, FLORIDA STATUTES, THE UNDERSIGNED CORPORATION, ORGANIZED UNDER THE LAWS OF THE STATE OF FLORIDA, SUBMITS THE FOLLOWING STATEMENT IN DESIGNATING THE REGISTERED OFFICE/REGISTERED AGENT, IN THE STATE OF FLORIDA.

1. The name of the Corporation is: **Highland Foods, Inc.**
2. The name and address of the registered agent and office is:

Stephen C. Reiser  
1785 Shower Tree Way  
Wellington, Florida 33414-5837

HAVING BEEN NAMED AS REGISTERED AGENT AND TO ACCEPT SERVICE OF PROCESS FOR THE ABOVE STATED CORPORATION AT THE PLACE DESIGNATED IN THIS CERTIFICATE, I HEREBY ACCEPT THE APPOINTMENT AS REGISTERED AGENT AND AGREE TO ACT IN THIS CAPACITY. I FURTHER AGREE TO COMPLY WITH THE PROVISIONS OF ALL STATUTES RELATING TO THE PROPER AND COMPLETE PERFORMANCE OF MY DUTIES, AND I AM FAMILIAR WITH AND ACCEPT THE OBLIGATIONS OF MY POSITION AS REGISTERED AGENT.



Stephen C. Reiser

May 18, 1998

**FILED**  
98 MAY 22 AM 11:55  
SECRETARY OF STATE  
TALLAHASSEE FLORIDA