

P98000058948

Florida Department of State
Division of Corporations
Public Access System

Electronic Filing Cover Sheet

Note: Please print this page and use it as a cover sheet. Type the fax audit number (shown below) on the top and bottom of all pages of the document.

(((H05000206379 3)))

Note: DO NOT hit the REFRESH/RELOAD button on your browser from this page. Doing so will generate another cover sheet.

To: Division of Corporations
Fax Number : (850)205-0380

File first

From: Account Name : CORPDIRECT AGENTS, INC.
Account Number : 110450000714
Phone : (850)222-1173
Fax Number : (850)224-1640

0380.41729

RECEIVED
05 AUG 29 AM 8:00
DIVISION OF CORPORATIONS

BASIC AMENDMENT
HEALTH EXPRESS USA, INC.

05 AUG 29 PM 12:13
FILED
SECRETARY OF STATE
TALLAHASSEE, FLORIDA

Certificate of Status	0
Certified Copy	1
Page Count	06
Estimated Charge	\$43.75

Electronic Filing Menu

Corporate Filing

Public Access Help

Amend

H05000206379 3

**ARTICLES OF AMENDMENT
 CERTIFICATE OF DESIGNATION
 OF THE
 SERIES A CONVERTIBLE PREFERRED STOCK
 (Par Value \$0.01 Per Share)
 OF
 HEALTH EXPRESS USA, INC.**

FILED
 05 AUG 29 PM 12:13
 SECRETARY OF STATE
 TALLAHASSEE, FLORIDA

The undersigned, a duly authorized officer of Health Express USA, Inc., a Florida corporation (the "Company"), in accordance with the provisions of Section 607.0602 of the Florida Business Corporation Act, **DOES HEREBY CERTIFY** that the following resolution was duly adopted by the Board of Directors by unanimous written consent pursuant to Section 607.0821 of the Florida Business Corporation Act on June 17, 2005:

WHEREAS, that on June 17, 2005, the Board of Directors approved the designation of Series A Convertible Preferred Stock, par value of \$0.01 (the "Series A Preferred Stock"), to consist of up to One Hundred Thousand (100,000) shares, and fixed the powers, designations, preferences, and relative, participating, optional and other special rights of the shares of such Series A Preferred Stock;

WHEREAS, no shares of Series A Preferred Stock have been issued and the Board of Directors has determined that it is in the best interests of the Company to fix the powers, designations, preferences and relative, participating, optional and other special rights for the Series A Preferred Stock;

RESOLVED that the Series A Preferred Stock shall have the following powers, designations, preferences and relative, participating, optional and other special rights:

SECTION 1

DESIGNATION AND RANK

1.1. Designation. This resolution shall provide for a single series of Preferred Stock, the designation of which shall be "Series A Convertible Preferred Stock", par value \$0.01 per share. The number of authorized shares constituting the Series A Preferred Stock is One Hundred Thousand (100,000). The Series A Preferred Stock will have no liquidation preference as set forth in Section 3.1 below.

1.2. Rank. With respect to the payment of dividends and other distributions on the capital stock of the Company, including the distribution of the assets of the Company upon liquidation, the Series A Preferred Stock shall be equal to the common stock of the Company, par value \$0.001 per share (the "Common Stock"), and junior to all other series of preferred stock.

H05000206379 3

SECTION 2

DIVIDEND RIGHTS

2.1. Dividends or Distributions. The holders of Series A Preferred Stock shall be entitled to receive dividends or distributions on a pro rata basis according to their holdings of shares of Series A Preferred Stock on an as converted basis as provided in Section 4 hereof when and if dividends are declared on the Common Stock of the Company by the Board of Directors of the Company. Dividends shall be paid in cash or property, as determined by the Board of Directors.

SECTION 3

LIQUIDATION RIGHTS

3.1. Liquidation Preference. The Series A Preferred Stock Shall have no liquidation preference.

SECTION 4

CONVERSION RIGHTS

4.1. Conversion. Each share of Preferred Stock shall be convertible, at the option of the respective holder thereof, subject to the limitations set forth below, at any time at the office of the Corporation or at such other additional office or offices, if any, as the Board of Directors may designate, into 19,500 fully paid and non-assessable shares of Common Stock (the "Conversion Price").

4.2. Adjustments. The Conversion Price of the Series A Preferred Stock as described in Section 4.1 above shall be adjusted from time to time as follows:

(a) In the event the Company shall declare a distribution payable in securities of other entities or persons, evidences of indebtedness issued by the Company or other entities or persons, assets (excluding cash dividends) or options or rights not referred to in Sections 4.2(a) above, 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 Company into which their shares of Series A Preferred Stock are convertible as of the record date fixed for the determination of the holders of shares of Common Stock of the Company entitled to receive such distribution or if no such record date is fixed, as of the date such distribution is made.

4.3. Procedures for Conversion.

(a) In order to exercise conversion rights pursuant to Section 4.1(a) above, the holder of the Series A Preferred Stock to be converted shall deliver an irrevocable written notice of such exercise to the Company, at its principal office. The holder of any shares of Series A Preferred Stock shall, upon any conversion of such Series A Preferred Stock in accordance with this Section 4, surrender certificates representing the Series A Preferred Stock to the Company, at its

H05000206379 3

principal office, and specify the name or names in which such holder wishes the certificate or certificates for shares of Common Stock to be issued. In case such holder shall specify a name or names other than that of such holder, such notice shall be accompanied by payment of all transfer taxes (if transfer is to a person or entity other than the holder thereof) payable upon the issuance of shares of Common Stock in such name or names. As promptly as practicable, and, if applicable, after payment of all transfer taxes (if transfer is to a person or entity other than the holder thereof), the Company shall deliver or cause to be delivered certificates representing the number of validly issued, fully paid and nonassessable shares of Common Stock to which the holder of the Series A Preferred Stock so converted shall be entitled. Such conversion, to the extent permitted by law, shall be deemed to have been effected as of the date of receipt by the Company of any notice of conversion pursuant to Section 4.1(a) above, or, in the case of an automatic conversion pursuant to Section 4.1(b) above, upon the occurrence of any event specified therein. Upon conversion of any shares of Series A Preferred Stock, such shares shall cease to constitute shares of Series A Preferred Stock and shall represent only a right to receive shares of Common Stock into which they have been converted.

(b) In connection with the conversion of any shares of Series A Preferred Stock, no fractions of shares of Common Stock shall be issued, but the Company shall pay cash in lieu of such fractional interest in an amount equal to the product of the Conversion Price and such fractional interest, or shall round-up to the next higher share amount of common stock.

(c) As of the date hereof, the Company has no unissued shares of Common Stock. The Company shall take steps to increase the number of authorized shares of Common Stock so that at all times it shall reserve and keep available out of its authorized Common Stock the full number of shares of Common Stock of the Company issuable upon the conversion of all outstanding shares of Series A Preferred Stock. In the event that the Company does not have a sufficient number of shares of authorized but unissued Common Stock necessary to satisfy the full conversion of the shares of Series A Preferred Stock, then the Company shall call and hold a meeting of the shareholders within forty-five (45) days of such occurrence for the sole purpose of increasing the number of authorized shares of Common Stock. The Company's Board of Directors shall recommend to shareholders a vote in favor of such proposal and shall vote all shares held by them, in proxy or otherwise, in favor of such proposal. This remedy is not intended to limit the remedies available to the holders of the Series A Preferred Stock, but is intended to be in addition to any other remedies, whether in contract, at law or in equity.

4.4. Notices of Record Date. In the event that the Company shall propose at any time: (i) to declare any dividend or distribution upon any class or series of capital stock, whether in cash, property, stock or other securities; (ii) to effect any reclassification or recapitalization of its Common Stock outstanding involving a change in the Common Stock; or (iii) to merge or consolidate with or into any other corporation, or to sell, lease or convey all or substantially all of its property or business, or to liquidate, dissolve or wind up; then, in connection with each such event, the Company shall mail to each holder of Series A Preferred Stock:

(a) at least twenty (20) days' prior written notice of the date on which a record shall be taken for such dividend or distribution (and specifying the date on which the holders of the affected class or series of capital stock shall be entitled thereto) or for determining the rights to vote, if any, in respect of the matters referred to in clauses (ii) and (iii) in Section 4.4 above; and

H05000206379 3

(b) in the case of the matters referred to in Section 4.4 (ii) and (iii) above, written notice of such impending transaction not later than twenty (20) days prior to the shareholders' meeting called to approve such transaction, or twenty (20) days prior to the closing of such transaction, whichever is earlier, and shall also notify such holder in writing of the final approval of such transaction. The first of such notices shall describe the material terms and conditions of the impending transaction (and specify the date on which the holders of shares of Common Stock shall be entitled to exchange their Common Stock for securities or other property deliverable upon the occurrence of such event) and the Company shall thereafter give such holders prompt notice of any material changes. The transaction shall in no event take place sooner than twenty (20) days after the Company has given the first notice provided for herein or sooner than ten (10) days after the Company has given notice of any material changes provided for herein.

SECTION 5

VOTING RIGHTS

5.1. General. Except as otherwise provided herein or required by law, the holders of Series A Preferred Stock and the holders of Common Stock shall vote together and not as separate classes, and the Preferred Stock shall be counted on "as converted" basis.

SECTION 6

MISCELLANEOUS

6.1. Headings of Subdivisions. The headings of the various Sections hereof are for convenience of reference only and shall not affect the interpretation of any of the provisions hereof.

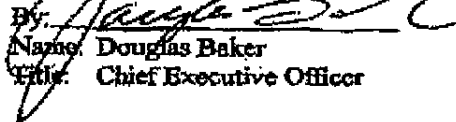
6.2. Severability of Provisions. If any right, preference or limitation of the Series A Preferred Stock set forth herein (as this resolution may be amended from time to time) is invalid, unlawful or incapable of being enforced by reason of any rule of law or public policy, all other rights, preferences and limitations set forth in this resolution (as so amended) which can be given effect without the invalid, unlawful or unenforceable right, preference or limitation shall, nevertheless, remain in full force and effect, and no right, preference or limitation herein set forth shall be deemed dependent upon any other such right, preference or limitation unless so expressed herein.

H05000206379 3

IN WITNESS WHEREOF, the Company has caused this Certificate of Designation to be signed, under penalties of perjury, by Douglas Baker, its President.

Dated: June 17, 2005

HEALTH EXPRESS USA, INC.

By: 
Name: Douglas Baker
Title: Chief Executive Officer

H05000206379 3