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BASIC AMENDMENT
SAFIRE AIRCRAFT COMPANY

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**AMENDED AND RESTATED ARTICLES OF INCORPORATION
OF
SAFIRE AIRCRAFT COMPANY**

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TALLAHASSEE, FLORIDA

Pursuant to the provisions of Sections 607.1003 and 607.1007 of the Florida Business Corporation Act, SAFIRE AIRCRAFT COMPANY, a Florida corporation (the "Corporation") certifies that:

These Amended and Restated Articles of Incorporation contain amendments requiring the approval of the holders of shares of the common stock of the Corporation, and the shareholders of the Corporation approved such amendments by written consent effective as of January 1, 2003. The number of votes cast in favor of this amendment was sufficient for approval by the holders of the common stock of the Corporation.

The text of the Articles of Incorporation of the Corporation is hereby amended and restated in its entirety, effective as of the date of filing of these Amended and Restated Articles of Incorporation with the Secretary of State of Florida, to read as follows:

**AMENDED AND RESTATED
ARTICLES OF INCORPORATION
OF
SAFIRE AIRCRAFT COMPANY**

ARTICLE I - NAME

The name of this corporation is SAFIRE AIRCRAFT COMPANY

ARTICLE II - PRINCIPAL OFFICE

The address of the principal office of this corporation is 15001 N.W. 42nd Avenue, Bldg. 47, Miami, Florida 33054.

ARTICLE III - REGISTERED AGENT

The name and street address of the registered agent of the Corporation is: Peninsula Registered Agents, Inc., 200 S. Biscayne Blvd. - 43rd Floor, Miami, Florida 33137

ARTICLE IV - BOARD OF DIRECTORS

The affairs of the Corporation shall be managed by a Board of Directors consisting of not less than one director. The number of directors may be either increased or decreased from time to time as provided in the bylaws, but shall never be less than one.

ARTICLE V - CAPITAL STOCK

1. Authorized Shares. The aggregate number, class and par value of shares which the Corporation is authorized to issue is 125,000,000 shares, consisting of:

- a. 100,000,000 shares of common stock with a par value of \$0.0001 per share (the "Common Stock"); and
- b. 25,000,000 shares of preferred stock with a par value of \$0.01 per share (the "Preferred Stock").

Except as otherwise required by law or the bylaws of the Corporation, each outstanding share of Common Stock shall be entitled to one vote for each matter submitted to a vote of shareholders, with no cumulative voting rights. Each share of Common Stock shall have equal rights on dissolution, corporate distribution and for all other corporate purposes.

2. Authority of Board. The preferences and relative, participating or other rights of the Preferred Stock, and the qualifications, limitations or restrictions thereof are as follows:

a. The Preferred Stock may be issued from time to time in one or more classes or series, the shares of each class or series to have such designations and powers, preferences and rights, qualifications, limitations and restrictions thereof as are stated and expressed herein and in the resolution or resolutions providing for the issue of such class or series adopted by the Board of Directors as hereinafter prescribed.

b. Authority is hereby expressly granted to and vested in the Board of Directors to authorize the issuance of the Preferred Stock from time to time in one or more classes or series, to determine and take necessary proceedings fully to effect the issuance and redemption of any such Preferred Stock, and, with respect to each class or series of the Preferred Stock, to fix and state by the resolution or resolutions from time to time adopted providing for the issuance thereof the following:

- i. whether or not the class or series is to have voting rights, full or limited, or is to be without voting rights;
- ii. the preferences and relative, participating, optional or other special rights, if any, with respect to any class or series;
- iii. whether or not the shares of any class or series shall be redeemable and if redeemable the redemption price or prices, and the time or times at which and the terms and conditions upon which, such shares shall be redeemable and the manner of redemption;
- iv. whether or not the shares of a class or series shall be subject to the operation of retirement or sinking funds to be applied to the purchase of

EO3000208160 9

redemption of such shares for retirement, and if such retirement or sinking fund or funds be established, the annual amount thereof and the terms and provisions relative to the operation thereof;

v. the dividend rate, whether dividends are payable in cash, stock of the Corporation, or other property, the conditions upon which and the times when such dividends are payable, the preference to or the relation to the payment of the dividends payable on any other class or classes or series of stock, whether or not such dividend shall be cumulative or noncumulative, and if cumulative, the date or dates from which such dividends shall accumulate;

vi. whether or not the shares of any class or series shall be convertible into, or exchangeable for, the shares of any other class or classes or of any other series of the same of any other class or classes of stock of the Corporation and the conversion price or prices or ratio or ratios or the rate or rates at which such conversion or exchange may be made, with such adjustments, if any, as shall be stated and expressed or provided for in such resolution or resolutions; and

vii. such other special rights and protective provisions with respect to any class or series as the Board of Directors may deem advisable.

The shares of each class or series of the Preferred Stock may vary from the shares of any other series thereof in any or all of the foregoing respects. The Board of Directors may increase the number of shares of the Preferred Stock designated for any existing class or series by a resolution adding to such class or series authorized and unissued shares of the Preferred Stock not designated for any other class or series. The Board of Directors may decrease the number of shares of the Preferred Stock not designated for any other class or series. The Board of Directors may decrease the number of shares of the Preferred Stock designated for any existing class or series by a resolution, subtracting from such series unissued shares of Preferred Stock designated for such class or series, and the shares so subtracted shall become authorized, unissued and undesignated shares of Preferred Stock.

3. Series A Preferred Stock. The Corporation hereby authorizes the issuance of and designates 1000 shares of Preferred Stock as Series A Preferred Stock, with the following powers, preferences, rights, qualifications, limitations, and restrictions.

a. Preference in Liquidation. The Series A Preferred Stock shall rank senior with respect to liquidation preference over the Common Stock. Accordingly, in the event of the Corporation's voluntary or involuntary liquidation, before any distribution of assets shall be made to the holders of the Common Stock, the holders of the Series A Preferred Stock shall be entitled to receive out of the Corporation's assets available for distribution to shareholders \$20,000 per share, plus all accrued unpaid dividends, if any. If, in the event of such liquidation, the Corporation's assets available for distribution to its shareholders shall be insufficient to permit full payment to the holders of the Series A Preferred Stock of the amounts to which they are entitled pursuant to the previous sentence, then such assets shall be distributed ratably among such holders in proportion to

EO3000208160 9

the respective amounts to which they are entitled pursuant to the previous sentence. A merger or consolidation of the Corporation with or into any other entity or a sale of all or substantially all of the assets of the Corporation shall not be treated as a liquidation, dissolution or winding up of the Corporation.

b. Dividends.

i. Regular. The holders of Series A Preferred Stock shall be entitled to a dividend of \$3,200 per share per year out of funds legally available therefor prior and in preference to payment of any dividend (other than dividends payable solely in Common Stock) with respect to the Common Stock. No dividend or distribution shall be declared or paid on any shares of the Corporation's common or preferred stock (other than dividends payable solely in Common Stock) unless the preferred dividends described above have first been paid. The right to dividends on shares of Series A Preferred Stock shall be cumulative. Dividends shall be paid on or before the 20th day after the end of each fiscal year.

ii. Special. In addition to the regular dividend described above, the holders of Series A Preferred Stock shall be entitled to a special dividend equal to 0.2% of each non-refundable deposit received by the Corporation for sales of aircraft beginning on the 90th day after the initial flight of an aircraft developed by the Corporation. This special dividend shall: (i) have preference to payment of any dividend (other than dividends payable solely in Common Stock) with respect to the Common Stock; and (ii) be paid simultaneously with the regular dividend.

c. Voting. Except as may be otherwise provided by law, the Series A Preferred Stock shall not have voting rights.

d. Conversion.

i. By the Holders. The Series A Preferred Stock may, at the option of the holders thereof, be converted, in whole, as hereinafter provided at any time at the option of the holders into shares of the Common Stock. The shares of Common Stock into which the Series A Preferred Stock may be converted shall be hereafter referred to as "Series A Conversion Shares". Each share of Series A Preferred Stock shall be convertible into 5000 Series A Conversion Shares. Holders of Series A Preferred Stock may exercise conversion rights by delivery to the Corporation of (i) the certificate or certificates for the shares of Series A Preferred Stock to be converted, duly endorsed in blank, and (ii) a written notice stating that they elect to convert shares and stating the name or names (with addresses) in which the certificate or certificates for shares of Common Stock are to be issued (the "Series A Conversion Notice"). Conversion of a share of Series A Preferred Stock shall be deemed to have been effected immediately prior to the close of business on the date of the Series A Conversion Notice, and the Corporation shall take all action necessary to cause the holders of Series A Preferred Stock to become, as of the close of business on that date, the holders of

H03000208160 9

record of Series A Conversion Shares. The issuance of securities upon the conversion of shares of Series A Preferred Stock shall be made without charge to the holders thereof. As promptly as practicable and in no event more than five days after the date on which the Series A Conversion Notice shall have been delivered as aforesaid, the Corporation, at its expense, shall deliver to the holders of Series A Preferred Stock, at the address set forth in the Series A Conversion Notice, duly executed stock certificates for the Series A Conversion Shares so acquired, in such denominations (not to exceed the aggregate number of shares so acquired) as the holders thereof request, each registered in the name of the holders thereof, as designated by the holders thereof. The Corporation covenants and agrees that all Series A Conversion Shares which may be issued upon the exercise of the rights represented by each share of Series A Preferred Stock will, upon issuance, be validly issued and outstanding, fully paid and non-assessable and free from all taxes, liens and charges with respect to the issue thereof. The Corporation covenants and agrees that it will at all times have authorized and reserved a sufficient number of shares of its Common Stock to provide for the exercise of the rights represented by each share of Series A Preferred Stock. Any taxes or charges imposed as a result of the issuance of Common Stock in exchange for shares of Series A Preferred Stock in a name other than that of the registered holder of such share of Series A Preferred Stock shall be paid by such holder; all other taxes or charges so imposed shall be paid by the Corporation.

ii. By the Corporation. Series A Preferred Stock shall be converted during the 20 day period (the "Mandatory Series A Conversion Period") commencing on the date that the Corporation shall have registered shares of its capital stock with the Securities and Exchange Commission under the Securities Act of 1933, as amended, in an underwritten public offering. Each share of Series A Preferred Stock shall be convertible into 5000 Series A Conversion Shares. Before the seventh day of the Mandatory Series A Conversion Period the Corporation shall notify the holders of Series A Preferred Stock in writing that their shares are to be converted and instructing them to deliver their certificate or certificates for their shares of Series A Preferred Stock to the Corporation. Irrespective of delivery, said shares shall be deemed cancelled and converted on the last day of the Mandatory Series A Conversion Period. As promptly as practicable and in no event more than five days after the end of the Mandatory Series A Conversion Period, the Corporation, at its expense, shall deliver to the holders of Series A Preferred Stock duly executed stock certificates for the Series A Conversion Shares so acquired, each registered in the name of the holders thereof.

4. The Corporation hereby authorizes the issuance of and designates 1000 shares of Preferred Stock as Series B Preferred Stock, with the following powers, preferences, rights, qualifications, limitations, and restrictions.

a. Preference in Liquidation. The Series B Preferred Stock shall rank senior with respect to liquidation preference over the Common Stock but junior to its Series A

H03000208160 9

H03000208160 9

Preferred Stock. Accordingly, in the event of the Corporation's voluntary or involuntary liquidation, before any distribution of assets shall be made to the holders of the Common Stock, the holders of the Series B Preferred Stock shall be entitled to receive out of the Corporation's assets available for distribution to shareholders \$50,000 per share, plus all accrued unpaid dividends, if any. If, in the event of such liquidation, the Corporation's assets available for distribution to its shareholders shall be insufficient to permit full payment to the holders of the Series B Preferred Stock of the amounts to which they are entitled pursuant to the previous sentence, then such assets shall be distributed ratably among such holders in proportion to the respective amounts to which they are entitled pursuant to the previous sentence. A merger or consolidation of the Corporation with or into any other entity or a sale of all or substantially all of the assets of the Corporation shall not be treated as a liquidation, dissolution or winding up of the Corporation.

b. Redemption.

i. By the Corporation. The Corporation shall have the right to redeem all or any part of the Series B Preferred Stock at any time beginning on July 1, 2003 at a redemption price equal to \$55,000 per share, plus accrued unpaid dividends, if any, to the redemption date.

ii. By the Holders. Any holder of Series B Preferred Stock may cause the Corporation to redeem the shares of Series B Preferred Stock held by such holder, in whole or in part, in the event of a change in control of the Corporation or at any time beginning 90 days after first flight of an S-26 aircraft. The redemption price shall be \$50,000 per share plus accrued unpaid dividends, if any, to the redemption date. A change in control means a transfer of greater than 50% of the shares of Common Stock.

c. Dividends. The holders of Series B Preferred Stock shall be entitled to dividends of \$6000 per share per year out of funds legally available therefor prior and in preference to payment of any dividend (other than dividends payable solely in Common Stock) with respect to the Common Stock but only after payment of dividends on the Series A Preferred Stock. No dividend or distribution shall be declared or paid on any shares of the Common Stock (other than dividends payable solely in Common Stock) unless the preferred dividends described above have first been paid. The right to dividends on shares of Series B Preferred Stock shall be cumulative. Dividends shall be paid on or before the 20th day after the end of each fiscal year.

d. Voting. Except as may be otherwise provided by law, the Series B Preferred Stock shall not have voting rights.

e. Conversion. The Series B Preferred Stock may, at the option of each holder thereof, be converted, in whole, as hereinafter provided, at any time at the option of each holder into shares of the Common Stock. The shares of Common Stock into which the Series B Preferred Stock may be converted shall be hereafter referred to as "Series B Conversion Shares". Each share of Series B Preferred Stock shall be

H03000208160 9

convertible into 10,000 Series B Conversion Shares. Holders of Series B Preferred Stock may exercise conversion rights by delivery to the Corporation of (i) the certificate or certificates for the shares of Series B Preferred Stock to be converted, duly endorsed in blank, and (ii) a written notice stating that they elect to convert shares and stating the name or names (with addresses) in which the certificate or certificates for shares of Common Stock are to be issued (the "Series B Conversion Notice"). Conversion of a share of Series B Preferred Stock shall be deemed to have been effected immediately prior to the close of business on the date of the Series B Conversion Notice, and the Corporation shall take all action necessary to cause the holders of Series B Preferred Stock to become, as of the close of business on that date, the holders of record of Series B Conversion Shares. The issuance of securities upon the conversion of shares of Series B Preferred Stock shall be made without charge to the holders thereof. As promptly as practicable and in no event more than five days after the date on which the Series B Conversion Notice shall have been delivered as aforesaid, the Corporation, at its expense, shall deliver to the holders of Series B Preferred Stock, at the address set forth in the Series B Conversion Notice, duly executed stock certificates for the Series B Conversion Shares so acquired, in such denominations (not to exceed the aggregate number of shares so acquired) as the holders thereof request, each registered in the name of the holders thereof, as designated by the holders thereof. The Corporation covenants and agrees that all Series B Conversion Shares which may be issued upon the exercise of the rights represented by each share of Series B Preferred Stock will, upon issuance, be validly issued and outstanding, fully paid and non-assessable and free from all taxes, liens and charges with respect to the issue thereof. The Corporation covenants and agrees that it will at all times have authorized and reserved a sufficient number of shares of its Common Stock to provide for the exercise of the rights represented by each share of Series B Preferred Stock. Any taxes or charges imposed as a result of the issuance of Common Stock in exchange for shares of Series B Preferred Stock in a name other than that of the registered holder of such shares of Series B Preferred Stock shall be paid by such holder; all other taxes or charges so imposed shall be paid by the Corporation.

IN WITNESS WHEREOF, the undersigned has executed these Amended and Restated Articles of Incorporation this 21st day of May, 2003.

By: 
 Camilo Solomon, Chief Executive Officer

H03000208160 9