

P98000085203

Florida Department of State
Division of Corporations
Public Access System
Katherine Harris, Secretary of State

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.

((H00000000072 9)))

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) 922-4000

From:
Account Name : CLOVERLEAF CAPITAL ADVISORS, LLC
Account Number : I19990000230
Phone : (407) 905-9699
Fax Number : (407) 905-9695

RECEIVED

00 JAN -3 PM 12:42

DIVISION OF CORPORATIONS

SECRETARY OF STATE
TALLAHASSEE, FLORIDA

00 JAN -3 PM 1:00

FILED

BASIC AMENDMENT
CAPITAL MARKETS GROUP, INC.

Certificate of Status	0
Certified Copy	1
Page Count	08
Estimated Charge	\$43.75

AMEND
1/4

Fax Audit No. 1100000000072 9

Capital Markets Group, Inc.

**CERTIFICATE OF DESIGNATION OF
SERIES A SENIOR SERIES A PREFERRED STOCK
SETTING FORTH THE POWERS, PREFERENCES,
RIGHTS, QUALIFICATIONS, LIMITATIONS AND
RESTRICTIONS OF SUCH SERIES OF PREFERRED STOCK**

FILED
00 JAN -3 PM 1:00
SECRETARY OF STATE
TALLAHASSEE, FLORIDA

Pursuant to Sections 607.1001 and 607.1002 of the Florida Business Corporation Act, **Capital Markets Group, Inc.**, a Florida corporation (the "Company"), does hereby certify that:

Pursuant to the authority conferred upon the Board of Directors of the Company by the Certificate of Incorporation of the Company, the Board of Directors of the Company on December 31, 1999 adopted the following resolution creating a series of preferred stock designated as Series A Senior Preferred Stock, and such resolution has not been modified and is in full force and effect on the date hereof:

RESOLVED that, pursuant to the authority vested in the Board of Directors of the Company in accordance with the provisions of the Certificate of Incorporation, a series of the class of authorized preferred stock, of the Company is hereby created and that the designation and number of shares thereof and the voting powers, preferences and relative, participating, optional and other special rights of the shares of such series, and the qualifications, limitations and restrictions thereof are as follows:

Series A Preferred Stock. A series of the Preferred Stock, designated the Series A Redeemable Preferred Stock (herein the "Series A Preferred Stock"), is hereby established. The aggregate number of shares of the Series A Preferred Stock shall be 1,500 and the stated value of such stock shall be One Thousand Dollars (\$1,000) per share; provided, that upon redemption, repurchase, or other reacquisition of shares of the Series A Preferred Stock, the number of shares of such Series A Preferred Stock and the number of shares of authorized Preferred Stock shall automatically be reduced by such number of shares that have been redeemed, repurchased or reacquired. The foregoing notwithstanding, during such period in which shares of the Corporation's Series A Preferred Stock are outstanding, the Corporation shall not issue other series of Preferred Stock having dividend rights, powers, rights, privileges or preferences upon liquidation that are superior to the Series A Preferred Stock. The preferences, powers, rights and privileges and the qualifications, limitations and restrictions of the Series A Preferred Stock are as follows:

a. **Dividend Rights.** The holders of the Series A Preferred Stock shall be entitled to receive, out of any funds legally available therefor, dividends at the rate of \$127.50 per share (the "Dividend") per annum

Fax Audit No. H00000000072 9

from the date of issuance which shall accrue quarterly in equal increments of \$31.88 on January 1, April 1, July 1 and October 1 of each year (each a "Dividend Accrual Date") commencing April 1, 2000, which Dividend shall be payable on the first business day that is ten (10) days following each such Dividend Accrual Date (each such date being a "Dividend Payment Date") which dividends shall be payable in preference and priority to any payment of any cash dividend on Common Stock and any shares of any other class or series of preferred or other form of capital stock of the Corporation (such Common Stock and other stock being collectively referred to as "Junior Stock"), when and as declared by the Board of Directors of the Corporation. Such dividends shall accrue and be deemed to accrue whether or not earned or declared, and shall be cumulative so that if such dividends on the Series A Preferred Stock shall not have been paid, or declared and set apart for payment, the deficiency shall be fully paid or declared and set apart for payment before any dividend shall be paid or declared or set apart for any shares of Junior Stock and before any purchase or acquisition of any shares of Junior Stock is made by the Corporation. All such dividends to the holders of the then outstanding Series A Preferred Stock shall be preferred so that the amount thereof shall be fully paid before any dividend or other distribution shall be paid or set apart for any Junior Stock. Accrued, but unpaid, Dividends shall bear interest at fourteen percent (14%) per annum, compounded annually. In the event the Corporation shall fail to pay a dividend to the holders of the Series A Preferred Stock within ten (10) days of the Dividend Payment Date, in addition to any other remedies available to the holders of the Series A Preferred Stock the Corporation shall pay to such holders a penalty equal to ten percent (10%) of the scheduled dividend payment. Notwithstanding the foregoing, the holders of Series A Preferred Stock of the Corporation shall have the right to cause the Corporation to make the Dividend in the form of Common Stock of the Corporation rather than cash (the "In-Kind Dividend") by delivering a written notice of such election to the Corporation not less than ten (10) days prior to the Dividend Payment Date. To determine the number of shares of Common Stock to be issued under the preceding sentence, the Corporation shall issue to holder that number of shares of Common Stock equal to the amount of the Dividend then payable divided by 0.75 (the "Divisor"). The holders of such In-Kind Dividend rights shall have the following additional rights:

(1) Issuance of Certificates: Time Conversion Effected.

Upon receipt of the written notice referred to in the preceding paragraph, the Corporation shall issue and deliver, or cause to be issued and delivered, on or before the Dividend Payment Date, to the holder, registered in such name or names as such holder may direct, a certificate or certificates for the number of whole shares of Common Stock issuable to evidence the In-Kind Dividend. To the extent permitted by law, the In-Kind Dividend shall be deemed to have been effected as of the close of business on the Dividend Accrual Date.

(2) Adjustment of Price For Stock Splits and other Subdivision and Combinations. In case the Corporation shall at any time

Fax Audit No. H00000000072 9

subdivide (by any stock split, stock dividend or otherwise) its outstanding shares of Common Stock into a greater number of shares, or shall declare a dividend or make any other distribution upon any stock of the Corporation payable in Common Stock (except for dividends or distributions upon the Common Stock), or shall otherwise issue Common Stock for no consideration, then the Divisor shall be adjusted appropriately and equitably.

In case the Corporation shall take a record of the holders of its Common Stock for the purpose of entitling them to receive a dividend or other distribution payable in Common Stock then such record date shall be deemed to be the date of the issue or sale of the shares of Common Stock deemed to have been issued or sold upon the declaration of such dividend or the making of such other distribution or the date of the granting of such right of subscription or purchase, as the case may be.

(3) Notice of Adjustment. Upon any Adjustment, then and in each such case the Corporation shall give written notice thereof, by delivery in person, certified or registered mail, return receipt requested, telecopier or telex, addressed to each holder of shares of Series A Preferred Stock at the address of such holder as shown on the books of the Corporation, which notice shall state the adjustment resulting from such Adjustment, setting forth in reasonable detail the method upon which such calculation is based.

(4) Stock to be Reserved. The Corporation will at all times reserve and keep available out of its authorized Common Stock, solely for the purpose of issuance of the In-Kind Dividend as herein provided, such number of shares of Common Stock as shall then be issuable to the holders of In-Kind Dividend rights. The Corporation covenants that all shares of Common Stock which shall be so issued shall be duly and validly issued and fully paid and nonassessable and free from all taxes, liens and charges with respect to the issue thereof. The Corporation will take all such action as may be necessary to assure that all such shares of Common Stock may be so issued without violation of any applicable law or regulation, or of any requirement of any national securities exchange upon which the Common Stock may be listed. The Corporation will not take any action which results in any adjustment if the total number of shares of Common Stock issued and issuable after such action upon issuance and the In-Kind Dividend would exceed the total number of shares of Common Stock then authorized by the Articles of Incorporation.

(5) Issue Tax. The issuance of certificates for shares of Common Stock upon issuance of the In-Kind Dividend shall be made without charge to the holders thereof for any issuance tax in respect thereof, provided that the Corporation shall not be required to pay any

Fax Audit No. H00000000072 9

tax which may be payable in respect of any transfer involved in the issuance and delivery of any certificate in a name other than that of the holder of the In-Kind Dividend rights.

b. **Liquidation Rights.** In the event of the liquidation, dissolution or winding up of the Corporation, whether voluntary or involuntary, the holders of each share of Series A Preferred Stock then outstanding shall be entitled to be paid out of the assets of the Corporation available for distribution to its shareholders, before any payment or declaration and setting apart for payment of any amount shall be made in respect of the Junior Stock, an amount equal to One Thousand Dollars (\$1,000) per share, plus all accrued and unpaid dividends and interest on the Series A Preferred Stock (no less and no more) and any unpaid penalties. If the assets of the Corporation available for distribution to its stockholders shall be insufficient to pay in full all amounts to which the holders of the Series A Preferred Stock are entitled, the amount available for distribution shall be shared pro rata by the holders of such series. For the purposes of this section b., the sale, transfer or lease of all or substantially all its assets shall constitute and be deemed a liquidation, dissolution, or winding up of the Corporation.

c. **Voting Rights.** In addition to any other vote or consent required by the laws of the State of Florida, the Corporation will not, without the affirmative votes or written consent of the holders of at least sixty six and two-thirds percent (66 2/3%) of the outstanding shares of Series A Preferred Stock (with each share of Series A Preferred Stock being entitled to one vote):

(1) In any manner, including by amendment of its Articles of Incorporation or By-laws, alter or change the powers, rights, preferences or privileges or the qualifications, limitations or restrictions of the Series A Preferred Stock;

(2) Create, authorize or issue a new class or series (or change or reclassify a class or series of shares with junior, subordinate or inferior rights into a class or series of shares) having rights, preferences or privileges prior, superior or on parity with the shares of Series A Preferred Stock or increase the rights, preferences, privileges or number of any class or series having rights, preferences or privileges on dissolution that are prior, superior or on parity with those of the Series A Preferred Stock;

(3) Increase or decrease the aggregate number of authorized shares of Series A Preferred Stock; effect an exchange or reclassification or create a right of exchange, or all or part of the shares of Series A Preferred Stock into shares of another class, effect an exchange or reclassification or create a right of exchange, of all or part of the shares of another class or series into the shares of Series A Preferred Stock, change the shares of all or part of the Series A

Fax Audit No. H00000000072 9

Preferred Stock into a different number of shares of Series A Preferred Stock;

(4) Repurchase redeem or otherwise acquire any shares of the Corporation's capital stock other than the Series A Preferred Stock;

(5) Liquidate, dissolve or wind-up the affairs of the Corporation or merge or consolidate the Corporation with any other entity or sell or encumber all or substantially all of the Corporation's assets or issue in one or a series of related transactions shares representing more than fifty percent (50%) of the aggregate voting power of all classes and series of the Corporation's voting stock; or

(6) Declare or pay any dividend or other distribution with respect to Junior Stock.

d. **Directors.** In additions to the rights specified above and any other rights provided in the Corporation's By-laws or the laws of the State of Florida, the holders of the Series A Preferred Stock shall have the right at all times to elect one member to the Board of Directors of the Corporation. The right to elect one director accorded to the holders of the Series A Preferred Stock may be exercised either at a special meeting of the holders of Series A Preferred Stock, or at a special meeting of the stockholders of the Corporation, or by written consent of such holders in lieu of a meeting which such holders shall have the right to execute from time to time irrespective of the call of any special meeting of the stockholders. The director to be elected by the holders of the Series A Preferred Stock shall serve for terms extending from the date of his election and qualification until the time of the next succeeding annual meeting of the stockholders and until his successor has been elected and qualified.

e. **Redemption.**

(1) **Redemption at Corporation's Option.**

(a) At any time after the date of the issuance of the Series A Preferred Stock, the Corporation shall have the right and option, on any Dividend Payment Date, to redeem or repurchase all or any portion of the shares of Series A Preferred Stock upon payment in cash to the holders of the shares to be redeemed or repurchased all accrued and unpaid dividends and unpaid penalties with respect to the shares to be redeemed or repurchased, and the sum of One Thousand Dollars (\$1,000) per share.

Prior to redeeming or repurchasing the Series A Preferred Stock, the Corporation shall give at least thirty (30) days but no more than ninety (90) days prior written notice to the holders of the Series A Preferred Stock specifying the Corporation's intent to redeem or repurchase such shares. At any time during the such notice period, the holders of the Series

Fax Audit No. H00000000072 9

A Preferred Stock may exercise the conversion rights described in subparagraph f.

(b) Upon receipt of a written notice from the Corporation that it plans to redeem or repurchase the Series A Preferred Stock, a holder of Series A Preferred Stock shall, on or before the date of redemption, deliver to the Corporation during regular business hours, at the principal office of the Corporation, the certificate or certificates for the Series A Preferred Stock to be redeemed or repurchased, duly endorsed or assigned in blank or to the Corporation (if required by it). If the notice of redemption shall have been duly given, on or before the date of redemption, the funds necessary for such redemption shall be deposited by the Corporation with a bank or trust company designated by the Board of Directors and having capital and surplus of at least \$50,000,000 in trust for the benefit of the holders of the Series A Preferred Stock so called for redemption. On the date of redemption, the Corporation shall issue and deliver to each holder of shares to be redeemed or repurchased, or upon the order of such holders, a check in respect to the aggregate price of the shares so redeemed or repurchased. The Corporation shall not be obligated to deliver a check to any holder of Series A Preferred Stock who fails to deliver such holder's certificate(s) for such stock, duly endorsed (or an executed affidavit of lost stock certificate), provided that from and after the date set for redemption, providing that the Corporation has deposited funds necessary for redemption with a bank or trust company as hereinbefore provided, such shares of Series A Preferred Stock shall be deemed to have been redeemed and the sole right of any holder thereof shall be to receive a check in payment therefor upon tender of such holder's certificate(s) duly endorsed (or lost stock affidavits).

(2) **Redemption at Holder's Option.**

(a) The holders of the Series A Preferred Stock have the option (the "Put Option") to require the Corporation to redeem or repurchase the outstanding shares of Series A Preferred Stock held by such holders under the provisions of an Investor Rights Agreement dated as of December 31, 1999, a copy of which is maintained at the Corporation's principal office. In the event that notwithstanding having funds legally available to repurchase its stock, the Corporation shall fail to redeem and repurchase to a holder of Series A Preferred Stock within one hundred twenty (120) days of the exercise of the Put Option, the holders of a majority of the Series A Preferred Stock then outstanding shall have the right to require the liquidation of the Corporation in accordance with the laws of the State of Florida (such right, the "Liquidation Right"). In the event the holders of the Series A Preferred Stock exercise such Liquidation Right, then the holders of the Series A Preferred Stock shall be entitled to vote on all matters relating thereto, shall vote together with the Common Stock as a single class, and the aggregate votes of the Series A Preferred Stock shall be equal to twice the number of votes of any class of capital stock then outstanding, including the Common Stock.

Fax Audit No. H00000000072 9

(b) The holders of the Series A Preferred Stock from whom shares of Series A Preferred Stock shall be redeemed or repurchased by the Corporation shall, on or before the date of each such redemption or repurchase pursuant to the immediately preceding paragraph, deliver to the Corporation during regular business hours, at the principal office of the Corporation, the certificate or certificates for the number of shares of Series A Preferred Stock to be redeemed or repurchased, duly endorsed or assigned in blank or to the Corporation, if required by it. If notice by a holder of the Series A Preferred Stock requiring purchase by the Corporation shall have been duly given, on or before the date of such redemption or repurchase, the funds necessary for such purpose shall be deposited by the Corporation with a bank or trust company as designated by the Board of Directors and having capital and surplus of at least \$50,000,000 in trust for the benefit of the holders of the Series A Preferred Stock to be redeemed or repurchased. on each date of redemption or repurchase, the Corporation shall issue and deliver to and upon the order of each holder of shares of Series A Preferred Stock redeemed or repurchased on such date, a check in respect of the aggregate price for the number of shares so redeemed or repurchased.

f. **Redemption Of Junior Stock.** As long as shares of Series A Preferred Stock are outstanding, the Corporation shall not redeem any shares of Common Stock or other Junior Stock.

Common Stock.

a. **Relative Rights of Preferred Stock and Common Stock.** All preferences, powers, rights and privileges, and qualifications, limitations, or restrictions of the Common Stock are expressly made subject to and subordinate to those that are or may be fixed with respect to the Preferred Stock.

b. **Dividend Rights.** The Corporation shall not make any dividend payments upon the Common Stock as long as any shares of Series A Preferred Stock are outstanding.

c. **Liquidation Rights.** In the event of any liquidation, dissolution or winding up of the Corporation, whether voluntary or involuntary, the rights of the holders of the Common Stock shall be subordinate to the rights of the holders of the Preferred Stock, as more specifically described above, and assets shall not be deemed available for distribution unless and until the liquidation preference of the Preferred Stock has been satisfied.

The foregoing was authorized by the entire Board of Directors and the Shareholders of the Corporation by written consent effective December 31, 1999 and the number of votes cast by the Directors and Shareholders was sufficient for approval.

Fax Audit No. 1000000000729

IN WITNESS WHEREOF, Capital Markets Group, Inc. through its designated officer has caused this Certificate to be duly executed in its corporate name as of December 31, 1999.

Capital Markets Group, Inc.

By: SK
Steven King, President

STATE OF FLORIDA)
COUNTY OF SARASOTA)

On this 31st day of December, 1999, before me, a Notary Public in and for the State and County aforesaid, personally appeared Steven King, who either is known to me personally or who supplied _____ as identification, acknowledged to the fact that he is the President of CAPITAL MARKETS GROUP, INC. and that he executed as said officer and director the foregoing Articles of Amendment of said Corporation as his act and deed and as the act and deed of said corporation.

WITNESS my hand and seal of office on the date and year first aforesaid.



Emily Velez
NOTARY PUBLIC

Notary Public Commission expires:
[notarial seal]