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**HACKNEY ♦ MILLER**  
A PROFESSIONAL ASSOCIATION

**ATTORNEYS & COUNSELORS AT LAW**

HACKNEY, MILLER, CONA & PALAGE  
ADMIRALTY OFFICE TOWER TWO  
4400 PGA BOULEVARD, SUITE 505  
PALM BEACH GARDENS, FLORIDA 33410  
Telephone (561) 627-0677  
Facsimile (561) 625-4685  
INTERNET: www.cyberjurist.com

ROBERT C. HACKNEY

DONALD W. MILLER  
(Also admitted in New Jersey)

FRANK A. CONA  
(Admitted in New Jersey  
and Pennsylvania only)  
Admitted to practice before the  
U.S. Patent & Trademark Office

MICHAEL D. PALAGE  
(Also admitted in Pennsylvania)

OF COUNSEL

KENNETH B. WHEELER, LL.M. Tax

February 26, 1998

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Division of Corporations  
Attention: New Filings  
409 East Gaines Street  
Tallahassee, FL 32399

Re: Perfect Golf Company

Dear Sir or Madam:

Enclosed please find Articles of Incorporation of Perfect Golf Company along with a check in the amount of \$70.00 to cover the fee for this filing.

If you have any questions regarding this matter, please do not hesitate to contact me.

Sincerely,

*Linda Pancari*  
Linda Pancari

Enclosure

**FILED**  
99 MAR - 1 AM 10:46  
SECRETARY OF STATE  
TALLAHASSEE, FLORIDA

T.A. - 3/4/99



ARTICLES OF INCORPORATION  
OF  
PERFECT GOLF COMPANY

THE UNDERSIGNED, acting as incorporator of a corporation under the Florida General Corporation Act, adopts the following Articles of Incorporation for such corporation.

ARTICLE I

The name of this corporation is Perfect Golf Company.

ARTICLE II

The duration of this corporation is perpetual.

ARTICLE III

The purpose or purposes for which this corporation is organized are:

- a. To create, manufacture, market and distribute technologically advanced golf equipment and related activities.
- b. To acquire by purchase, exchange, gift, bequest, subscription or otherwise, and to hold, own, mortgage, pledge, hypothecate, sell, assign, transfer, exchange or otherwise dispose of or deal in or with its own corporate securities or stock or other securities, including without limitations, any shares of stock, bonds, debentures, notes, mortgages, or other instruments representing rights or interests therein or any property or assets created or issued by any person, firm, association or corporation, or any government or subdivisions, agencies or instrumentalities thereof; to make payment therefore in any lawful manner or to issue in exchange therefore its own securities or to use its unrestricted or intention that the purposes specified in each of the paragraphs of this Article III shall be regarded as independent purposes and powers.
- c. To do each and every thing necessary, suitable or proper for the accomplishment of any of the purposes or the attainment of any one or more of the subjects herein enumerated, or which may at any time appear conducive to or expedient for the protection or benefit of this corporation, and to do said acts as fully and to the same extent as natural persons might, or could do, in any part of the world as principals, agents, partners, trustees or otherwise, either alone or in conjunction with any other persons, association or corporation.
- d. To transact any and all lawful business for which corporations may be incorporated under the Florida General Corporation Act.
- e. The foregoing clauses shall be construed both as purposes and powers, and shall not be held to limit or restrict in any manner the general powers of the corporation, and the enjoyment and exercise thereof, as conferred by Laws of the State of Florida; and it is the intention that the

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purposes and powers specified in each of the paragraphs of this Article III shall be regarded as independent purposes and powers.

#### ARTICLE IV - STOCK

- (i) The aggregate number of shares which the corporation is authorized to issue is 16,200,000 shares, of which 10,000,000 shares of the par value of \$.01 per share shall be designated as "Common Shares" and 5,000,000 of the par value of \$.01 shall be designated as "Class B Common Shares" and 200,000 of the par value of \$.01 shall be designated as "Class D Common Shares" and 1,000,000 of the par value of \$.01 shall be designated as "Preferred Shares".
- (ii) Except with respect to the rights of Class B Common Shares as provided in paragraph (iii) and subparagraph A.(2), the board of directors has the authority, without first obtaining approval of the stockholders of the corporation, or any class thereof:
  - (a) To grant rights or options to subscribe for or purchase, and issue, shares of authorized and unissued stock of the corporation of any class now or hereafter authorized, to any persons, including officers and directors of the corporation, upon such terms and conditions as the board may deem appropriate.
  - (b) To make distributions to its shareholders out of its capital surplus, and to purchase its own shares out of its unreserved and unrestricted capital surplus, upon such terms as the board may deem appropriate.
  - (c) To the extent permitted by the applicable laws of the state of Florida, to guarantee or assume liability for the payment of the principal of, or dividends or interest on, or sinking fund payments in respect to, stocks, bonds, debentures, warrants, rights, scrip, notes, evidence of indebtedness, or other securities or obligations of any kind by whomsoever issued; and to the extent permitted by law, to guarantee or assume liability for the performance of any other contract or obligation, made or issued by any domestic or foreign corporation, partnership, association, trustee, group, individual or entity.
- (iii) No holder of shares of the corporation of any class now or hereafter authorized has any preferential or pre-emptive right to subscribe for, purchase or receive any shares of the corporation of any class now or hereafter authorized, or any options or warrants for such shares, or any securities convertible into or exchangeable for such shares, which may at any time be issued, sold or offered for sale by the corporation; except that no Class B Common Shares are to be issued, sold or offered for sale by the corporation without approval of the holders of a majority of the issued and outstanding Class B Common Shares, and the holders of Class B Common Shares have pre-emptive rights as provided by law, with respect to Class B Common Shares only.
- (iiii) No holder of shares of the corporation of any class now or hereafter authorized shall be entitled to cumulative voting.

#### A. Common and Class B Common Shares.



The Common Shares and the Class B Common Shares are identical in all respects and have equal rights and privileges, except as otherwise provided in this certificate.

The relative rights, preferences and limitations of the shares of each class are as follows:

(1) Dividends.

Except as provided in subparagraph (2), no dividends shall be paid during any fiscal year of the corporation to the holders of Class B Common Shares, unless and until the corporation shall have paid the holders of Common Shares a dividend of not less than five cents per share during such year, and in addition, unless the corporation shall also pay the holders of Common Shares a dividend per share at least equal to the dividend per share paid to the holders of the Class B Common Shares during such year. The corporation may pay dividends to holders of Common Shares in excess of dividends paid, or without paying dividends, to holders of Class B Common Shares. The dividend preference provided herein for Common Shares shall not be cumulative.

(2) Shares Distribution.

If at any time a distribution is to be paid in Class B Common Shares or Common Shares (a "share distribution"), such share distribution may be declared and paid only as follows:

- (A) so long as no Common Shares have been issued or are outstanding, Common Shares may be paid to holders of Class B Common Shares; or
- (B) Common Shares may only be paid to holders of Common Shares and Class B Common Shares may only be paid to holders of Class B Common Shares and whenever a share distribution is paid, the same number of shares shall be paid in respect of each outstanding Class B or Common Share.

The corporation shall not combine or subdivide shares of either of such classes without at the same time making a proportionate combination or subdivision of shares of the other such classes.

(3) Voting.

The holders of Class B Common Shares shall have exclusive voting power prior to the issuance of Common Shares and thereafter voting power shall be divided between such classes as follows:

- (A) With respect to the election of directors, holders of Common Shares voting as a separate class shall be entitled to elect that number of directors which constitutes 25% of the authorized number of members of the board of directors and, if such 25% is not a whole number, then the holders of Common Shares shall be entitled to elect the nearest higher whole number of directors that is at least 25% of such membership. Holders of Class B Common Shares voting as a separate class shall be entitled to elect the remaining directors.



- (B) The holders of Common Shares shall be entitled to vote as a separate class on the removal, with or without cause, of any director elected by the holders of Common Shares and the holders of Class B Common Shares shall be entitled to vote as a separate class on the removal, with or without cause, of any director elected by the holders of Class B Common Shares.
- (C) The holders of the Common Shares and the holders of the Class B Common Shares shall be entitled to vote as separate classes only (i) when required by law to do so irrespective of the limitations placed herein on the voting rights of such shareholders, or (ii) where a separate class vote is required by specific provision therefor in this certificate of incorporation or in the bylaws of the corporation. Holders of Common Shares and Class B Common Shares shall vote as a single class, as provided for in paragraph A.(3)(E) of this certificate, in order to amend these articles of incorporation so as to increase or decrease the aggregate number of authorized shares of Common Stock, or Class D Common Shares, or Preferred Stock.
- (D) Any vacancy in the office of a director elected by the holders of the Common Shares may be filled by a vote of such holders voting as a separate class and any vacancy in the office of a director elected by the holders of the Class B Common Shares may be filled by a vote of such holders voting as a separate class or, in the absence of a shareholder vote, in the case of a vacancy in the office of a director elected by either class, such vacancy may be filled by the remaining directors as provided in the bylaws. Any director elected by the board of directors to fill a vacancy shall serve until the next annual meeting of shareholders and until his or her successor has been elected and has qualified. If permitted by the bylaws, the board of directors may increase the number of directors and any vacancy so created by be filled by the board of directors; provided that, so long as the holders of Common Shares have the rights provided in paragraphs A.(3)(A) and A.(3)(D) of this certificate in respect of the last preceding annual meeting of shareholders, the board of directors may be so enlarged by the board of directors only to the extent that at least 25% of the enlarged board consists of directors elected by the holders of the Common Shares or by persons appointed to fill vacancies created by the death, resignation or removal of persons elected by the holders of the Common Shares.
- (E) The holders of Class B and Common Shares shall in all matters not specified in Sections (A), (B), (C) and (D) of this subparagraph (3) vote together as a single class; provided that the holders of Common Shares shall have one-tenth vote per share and the holders of Class B Common Shares shall have one vote per share.
- (F) The Common Shares will not have the rights to elect directors set forth in paragraphs A.(3)(A) and A.(3)(D) of this certificate if, on the record date for any shareholder meeting at which directors are to be elected, the number of issued and outstanding Common Shares is less than 10% of the aggregate number of issued and outstanding Common Shares and Class B Common Shares. In such case, all directors to be elected at such meeting shall be elected by holders of Common Shares and Class B Common Shares voting together as a single class, provided that, with respect to said election, the holders of Common Shares shall have one-tenth vote per shares and holders of Class B Common Shares shall have one vote per share.



- (G) Notwithstanding, anything in this subparagraph (3) to the contrary, at any time when no Class B Common Shares are issued and outstanding the holders of Common Shares shall have exclusive voting power on all matters.

(4) Conversion.

Each holder of record of Class B Common Shares may at any time or from time to time, in such holder's sole discretion and at such holder's option, convert any whole number or all of such holder's Class B Common Shares into fully paid and non-assessable Common Shares at the rate (subject to adjustment as hereinafter provided) of one Common Shares for each Class B Common Shares surrendered for conversion. Any such conversion may be effected by any holder of Class B Common Shares surrendering such holder's certificate or certificates for the Class B Common Shares to be converted, duly endorsed, at the office of the corporation or any transfer agent for the Class B Common Shares, together with a written notice to the corporation at such office that such holder elects to convert all or a specified number of Class B Common Shares and stating the name or names in which such holder desires the certificate or certificates for such Common Shares to be issued. Promptly thereafter, the corporation shall issue and deliver to such holder or such holder's nominee or nominees, a certificate or certificates for the number of Common Shares to which such holder shall be entitled as aforesaid. Such conversion shall be deemed to have been made at the close of business at the date of such surrender and the person or persons entitled to receive the Common Shares issuable on such conversion shall be treated for all purposes as the record holder or holders of such Common Shares on that date.

Authorized but unissued Common Shares, to the extent that such shares may be necessary to meet any exercise of the conversion privilege of issued and outstanding Class B Common Shares, shall be held by the corporation, without the necessity of a declaration by the directors, in reserve, to be issued only in satisfaction of the conversion privilege of the issued and outstanding Class B Common Shares. No Class B Common Shares may be issued unless the authorized by unissued and unreserved shares of Common Shares are sufficient to satisfy the conversion privilege which will exist with respect to such Class B Common Shares when issued.

No fraction of a Common Share shall be issued on conversion of any Class B Common Share but, in lieu thereof, the corporation shall pay in cash therefor the pro-rata fair market value of any such fraction. Such fair market value shall be based, in the case of publicly traded securities, on the last sale price for such securities on the business day next prior to the date such fair market value is to be determined (or, in the event no sale is made on that day, the average of the closing bid and asked prices for that day on the principal stock exchange on which Common Shares are traded or, if the Common Shares are not then listed on any national securities exchange, the average of the closing bid and asked prices for the day quoted by the NASDAQ System), or, in the case of other property, the fair market value on such day determined by a qualified independent appraiser expert in evaluating such property and appointed by the board of directors of the corporation. Any such determination of fair market value shall be final and binding on the corporation and on each holder of Class B Common Shares.

(5) Liquidation.

The issued and outstanding Common Shares shall have preference in the assets of the corporation over the Class B Common Shares upon the voluntary or involuntary liquidation of the corporation, but only to the extent that the holders of Common Shares shall be paid the par value of such shares prior to any distribution being made to the holders of Class B Common Shares, and thereafter the holders of Common Shares shall receive no further distribution unless and until distributions to the holders of Class B



Common Shares shall be made equal to the preferential distribution required for Common Shares, and to any other distributions thereafter made to Common Shares.

B. Class D Common Shares.

The number of authorized Class D Common Shares may never exceed an amount equal to two percent (2%) of the number of authorized Common Shares. Class D Common Shares have no dividend or liquidation rights. Holders of Class D Common Shares are entitled to the same voting rights as holders of Common Shares. Class D Common Shares may be converted into Common Shares not later than 1800 days from the date of original issue. The board of directors, by resolution authorizing the issuance of Class D Common Shares, may designate "advantaged earlier conversion", however, the maximum "advantaged earlier conversion" may not be for more than a ten-to-one ratio if voluntary, and if mandatory, not more than a one-to-one ratio. Class D Common Shares are not transferable.

C. Preferred Shares.

The board of directors, by resolution, has the authority to grant rights to subscribe for or purchase and issue in one (1) or more series, Preferred Shares, having such preferences, rights, and limitations as therein set forth. The voting powers, if any, of a holder of one Preferred Share, may not exceed the voting rights of one Common Share.

(6) Indemnification.

The corporation shall indemnify any and all of its directors or officers or former directors or officers or any person who may have served at its request as a director or officer of another corporation in which it owns shares of capital stock or of which it is a creditor against expenses actually and necessarily incurred by them in connection with the defense of any action, suit or proceeding in which they, or any of them, are made parties, or a party, by reason of being or having been directors or officers or a director or officer of the corporation, or of such other corporation, except in relation to matters as to which any such director or officer or former director or officer or person shall be adjudged in such action, suit or proceeding to be liable for negligence or misconduct in the performance of duty. Such indemnification shall not be deemed exclusive of any other rights to which those indemnified may be entitled, under any bylaw, agreement, vote of stockholders, or otherwise.

ARTICLE V - AMENDMENT

The corporation reserves the right to amend, alter, change or repeal any provision contained in this certificate of incorporation, in the manner now or hereafter prescribed by statute, and all rights conferred upon shareholders herein are granted subject to this reservation.

ARTICLE VI - INITIAL OFFICE AND AGENT



The street address of this corporation's initial registered office in Florida is 4400 PGA Blvd., Suite 505, Palm Beach Gardens, FL 33410 and the name of its initial registered agent at that address is ROBERT C. HACKNEY. The principal address and the registered office address are the same.

#### ARTICLE VII - DIRECTORS

The number of directors constituting the initial board of Directors of this corporation is three (3). The names and addresses of the persons to serve as the initial Directors until the first annual meeting of Shareholders, or until their successors are elected and qualifies, are:

<u>Name</u>	<u>Address</u>
Clark Collins	896 Sandalwood Place Jensen Beach, FL 34957
Donald W. Miller	4400 PGA Blvd., Suite 505 Palm Beach Gardens, FL 33410
Robert C. Hackney	4400 PGA Blvd., Suite 505 Palm Beach Gardens, FL 33410

#### ARTICLE VIII - INCORPORATORS

The name and address of the incorporator is:

<u>Name</u>	<u>Address</u>
Donald W. Miller	4400 PGA Blvd., Suite 505 Palm Beach Gardens, FL 33410

#### ARTICLE IX - COMMON DIRECTORS - TRANSACTIONS BETWEEN CORPORATIONS

No contract or other transaction between this corporation and one or more of its Directors or any other corporation, firm, association or entity in which one or more of its Directors are directors of officers or are financially interested, shall either be void or voidable because of such relationship or interest if:

- (a) the fact of such relationship or interest is disclosed or known to the Board of Directors or committee which authorizes, approves or ratified the contract or transaction by vote or consent sufficient for the purpose without counting the votes or consents of such interested Director; or
- (b) the fact of such relationship or interest is disclosed or known to the Shareholders entitled to vote and they authorize, approve or ratify such contract or transaction by vote or written consent; or




(c) the contract is fair and reasonable to the corporation.

Common or interested Directors may be counted in determining the presence of a quorum at a meeting of the Board of Directors or committee thereof which authorizes, approves or ratifies such contract or transactions.

ARTICLE X - BY LAWS

The By-Laws of the corporation shall be initially adopted by the Board of Directors, and may be changed or repealed by the affirmative vote of a majority of the Shareholders at any meeting thereof.

DATED THIS the 26<sup>th</sup> day of February, 1999.



Donald W. Miller, Esquire

(incorporator)

STATE OF FLORIDA

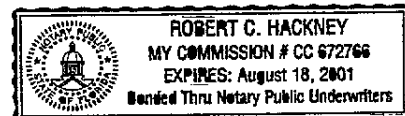
COUNTY OF PALM BEACH

The foregoing Articles of Incorporation were acknowledged before me by Donald W. Miller who produced his Florida Driver's License as identification this the 26<sup>th</sup> day of February, 1999 by:



Notary Public

State of Florida



My Commission Expires: \_\_\_\_\_



CERTIFICATE DESIGNATING PLACE OF  
BUSINESS OR DOMICILE FOR THE SERVICE  
OF PROCESS WITHIN THIS STATE NAMING,  
AGENT UPON WHOM PROCESS MAY BE SERVED

The following is submitted pursuant to Sections 48.091 (1) and 607.034, Florida Statutes:

Perfect Golf Company desiring to organize under the laws of the State of Florida being in the county of Palm Beach, at 4400 PGA Blvd., Suite 505, Palm Beach Gardens, FL 33410 has named Robert C. Hackney, Esquire, located at that same address as its initial registered agent to accept service of process within this state.

ACKNOWLEDGMENT:

Having been named to accept service of process for the above-stated corporation, at the initial registered office of the Corporation of this State, I hereby accept to act in this capacity and agree to comply with the provisions of said statute relative to keeping the registered office of the corporation open from 10:00 a.m. to noon each day, except Saturdays, Sundays and legal holidays, and to pose therein a sign designating the name of the corporation and the name of its registered agent.

Date: 2/26/99

By: 

Robert C. Hackney, Esquire

SECRETARY OF STATE  
TALLAHASSEE, FLORIDA

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