

P99000045188



UCC FILING & SEARCH SERVICES, INC.
526 East Park Avenue
Tallahassee, FL 32301
(850) 681-6528

HOLD

**FOR PICKUP BY
UCC SERVICES**

OFFICE USE ONLY (Document #)

772512

500003074205--5
-12/20/99--01001--004
*****43.75 *****43.75

CORPORATION NAME(S) AND DOCUMENT NUMBER(S) (if known):

Sneakers.Com Inc.

Amend

☐ Walk In

☐ Pick Up Time

☒ Certified Copy

☐ Mail Out

☐ Certificate of State

☐ Will Wait

☐ Certificate of Good Standing

☐ Photocopy

☐ ARTICLES ONLY

☐ ALL CHARTER DOCUMENTS

RUSH

NEW FILINGS	
<input type="checkbox"/>	Profit
<input type="checkbox"/>	NonProfit
<input type="checkbox"/>	Limited Liability
<input type="checkbox"/>	Domestication
<input type="checkbox"/>	Other

AMENDMENTS	
<input checked="" type="checkbox"/>	Amendment
<input type="checkbox"/>	Resignation of R.A. Officer/Director
<input type="checkbox"/>	Change of Registered Agent
<input type="checkbox"/>	Dissolution/Withdrawal
<input type="checkbox"/>	Merger

OTHER FILINGS	
<input type="checkbox"/>	Annual Report
<input type="checkbox"/>	Fictitious Name
<input type="checkbox"/>	Name Reservation

REGISTRATION/QUALIFICATION	
<input type="checkbox"/>	Foreign
<input type="checkbox"/>	Limited Partnership
<input type="checkbox"/>	Reinstatement
<input type="checkbox"/>	Trademark
<input type="checkbox"/>	Other

☐ Certificate of FICTITIOUS NAME

☐ FICTITIOUS NAME SEARCH

☐ CORP SEARCH

Ordered By: _____

Date: _____

ADK
12/20/99

FILED
99 DEC 17 PM 4:23
TALLAHASSEE, FLORIDA
RECEIVED
99 DEC 17 PM 3:10
TALLAHASSEE, FLORIDA
DIVISION OF CORPORATIONS

**ARTICLES OF AMENDMENT
TO THE
ARTICLES OF INCORPORATION OF
SNEAKERS.COM, INC.**

99 DEC 17 PM 4:23
FILED
SECRETARY OF STATE
TALLAHASSEE, FLORIDA

*Pursuant to the provisions of Section 607.1006 of the Florida Statutes, SNEAKERS.COM, INC.,
a Florida profit corporation, adopts the following articles of amendment to its
articles of incorporation.*

1. The name of the corporation is SNEAKERS.COM, INC. (the "Corporation").
2. The provisions in the Articles of Incorporation of the Corporation stating the designation, number, preferences, limitations, and relative rights of the shares of Series A Convertible Preferred Stock (the "Designation") are amended as set forth below. Paragraph D(v) of the Designation shall be amended to read in its entirety as follows:

(v) The Conversion Price in effect at any time and the number and kind of securities issuable upon conversion of the Series A Preferred Stock shall be subject to adjustment from time to time upon the happening of certain events as follows:

(a) In case the Corporation shall (i) declare a dividend or make a distribution on its outstanding shares of Common Stock in shares of Common Stock, (ii) subdivide or reclassify its outstanding shares of Common Stock into a greater number of shares, or (iii) combine or reclassify its outstanding shares of Common Stock into a smaller number of shares, the applicable Conversion Price in effect at the time of the record date for such dividend or distribution or of the effective date of such subdivision, combination or reclassification shall be adjusted so that it shall equal the price determined by multiplying the Conversion Price by a fraction, the denominator of which shall be the number of shares of Common Stock outstanding after giving effect to such action, and the numerator of which shall be the number of shares of Common Stock outstanding immediately prior to such action. Such adjustment shall be made successively whenever any event listed above shall occur.

(b) In case the Corporation shall fix a record date for the issuance of rights or warrants to all holders of its Common Stock entitling them to subscribe for or purchase shares of Common Stock (or securities convertible into Common Stock) at a price (the "Subscription Price") (or

having a conversion price per share) less than the Conversion Price on such record date, the Conversion Price shall be adjusted so that the same shall equal the price determined by multiplying the Conversion Price in effect immediately prior to the date of such issuance by a fraction, the numerator of which shall be the sum of the number of shares of Common Stock outstanding on the record date mentioned below and the number of additional shares of Common Stock which the aggregate offering price of the total number of shares of Common Stock so offered (or the aggregate conversion price of the convertible securities so offered) would purchase at the Conversion Price in effect immediately prior to the date of such issuance, and the denominator of which shall be the sum of the number of shares of Common Stock outstanding on such record date and the number of additional shares of Common Stock offered for subscription or purchase (or into which the convertible securities so offered are convertible). Such adjustment shall be made successively whenever such rights or warrants are issued and shall become effective immediately after the record date for the determination of shareholders entitled to receive such rights or warrants; and to the extent that shares of Common Stock are not delivered (or securities convertible into Common Stock are not delivered) after the expiration of such rights or warrants the Conversion Price shall be readjusted to the Conversion Price which would then be in effect had the adjustments made upon the issuance of such rights or warrants been made upon the basis of delivery of only the number of shares of Common Stock (or securities convertible into Common Stock) actually delivered.

(c) In case the Corporation shall hereafter distribute to the holders of its Common Stock evidences of its indebtedness or assets (excluding cash dividends or distributions and dividends or distributions referred to in Subparagraph D(v)(a) above) or subscription rights or warrants (excluding those referred to in Subparagraph D(v)(b) above), then in each such case the Conversion Price in effect thereafter shall be determined by multiplying the Conversion Price in effect immediately prior thereto by a fraction, the numerator of which shall be the total number of shares of Common Stock outstanding multiplied by the current market price per share of Common Stock (as defined in Subparagraph D(v)(h) below), less the fair market value (as determined by the Corporation's Board of Directors) of said assets or evidences of indebtedness so distributed or of such rights or warrants, and the denominator of which shall be the total number of shares of Common Stock outstanding multiplied by such current market price per share of Common Stock. Such adjustment shall be made successively whenever such a record date is fixed. Such adjustment shall be made whenever any such distribution is

made and shall become effective immediately after the record date for the determination of shareholders entitled to receive such distribution.

(d) In case the Corporation shall issue shares of its Common Stock (excluding shares issued (a) in any of the transactions described in Subparagraph D(v)(a) above, (b) to any of the Corporation's employee's consultants, advisors, officers or directors or to any strategic and/or joint venture partners of the Corporation (or any affiliate thereof) or (c) upon exercise of any rights, options or warrants issued to any of the Corporation's employees, consultants, advisors, officers or directors, (d) upon exercise, conversion or exchange of any securities exercisable, convertible or exchangeable for Common Stock which are issued and/or granted to the Corporation's strategic and/or joint venture partners, (e) upon exercise of options granted pursuant to any plan, agreement or arrangement duly adopted by the Corporation, if such shares would otherwise be included in this Subparagraph D(v)(d), (f) upon exercise of options and warrants outstanding at July 28, 1999, or conversion of the Series A Preferred Stock, (g) to shareholders of any corporation which merges into the Corporation in proportion to their stock holdings of such corporation immediately prior to such merger, upon such merger, or (h) issued in a bona fide public offering pursuant to a firm commitment underwriting, but only if no adjustment is required pursuant to any other specific subsection of this Subparagraph D(v) with respect to the transaction giving rise to such rights) for a consideration per share (the "Offering Price") less than the Conversion Price, the Conversion Price shall be adjusted immediately thereafter so that it shall equal the price determined by multiplying the Conversion Price in effect immediately prior thereto by a fraction, the numerator of which shall be the sum of the number of shares of Common Stock outstanding immediately prior to the issuance of such additional shares and the number of shares of Common Stock which the aggregate consideration received (determined as provided in Subparagraph D(v)(g) below) for the issuance of such additional shares would purchase at the Conversion Price in effect immediately prior to the date of issuance, and the denominator of which shall be the number of shares of Common Stock outstanding immediately after the issuance of such additional shares. Such adjustment shall be made successively whenever such an issuance is made.

(e) In case the Corporation shall issue any securities exercisable, convertible into or exchangeable for its Common Stock (excluding (i) the issuance of any Series A Preferred Stock, (ii) securities issued in transactions described in Subparagraphs D(v)(a) and (c) above,

(iii) rights, options and/or warrants issued to any of the Corporation's employee's, consultants, advisors, officers or directors (iv) securities issued to any strategic and/or joint venture partners of the Corporation (or any affiliate thereof) or (v) pursuant to any plan agreement or arrangement duly adopted by the Corporation, if such securities would otherwise be included in this subparagraph (D)(v)(e)) for a consideration per share of Common Stock (the "Exchange Price") initially deliverable upon exercise, or conversion or exchange of such securities (determined as provided in Subparagraph D(v)(g) below) less than the Conversion Price, the Conversion Price shall be adjusted immediately thereafter so that it shall equal the price determined by multiplying the Conversion Price in effect immediately prior thereto by a fraction, the numerator of which shall be the sum of the number of shares of Common Stock outstanding immediately prior to the issuance of such securities and the number of shares of Common Stock which the aggregate consideration received (determined as provided in Subparagraph D(v)(g) below) for such securities would purchase at the Conversion Price in effect immediately prior to the date of issuance, and the denominator of which shall be the sum of the number of shares of Common Stock outstanding immediately prior to such issuance and the maximum number of shares of Common Stock of the Corporation deliverable upon conversion of or in exchange for such securities at the initial conversion or exchange price or rate. Such adjustment shall be made successively whenever such an issuance is made.

(f) Whenever the Conversion Price payable upon conversion of the Shares is adjusted pursuant to Subparagraphs D(v)(a), (b), (c), (d), and (e) above, the number of Conversion Shares purchasable upon conversion of the Shares shall simultaneously be adjusted by multiplying the number of Conversion Shares initially issuable upon conversion of the Shares by the Conversion Price in effect on the date hereof and dividing the product so obtained by the Conversion Price, as adjusted.

(g) For purposes of any computation respecting consideration received pursuant to Subparagraphs D(v)(d) and (e) above, the following shall apply:

(i) in the case of the issuance of shares of Common Stock for cash, the consideration shall be the amount of such cash, provided that in no case shall any deduction be made for any commissions, discounts or other expenses incurred by the Corporation for any underwriting of the issue or otherwise in connection therewith;

(ii) in the case of the issuance of shares of Common Stock for a consideration in whole or in part other than cash, the consideration other than cash shall be deemed to be the fair market value thereof as determined in good faith by the Board of Directors of the Corporation (irrespective of the accounting treatment thereof), whose determination shall be conclusive; and

(iii) in the case of the issuance of securities exercisable, or convertible into or exchangeable for shares of Common Stock, the aggregate consideration received therefor shall be deemed to be the consideration received by the Corporation for the issuance of such securities plus the additional minimum consideration, if any, to be received by the Corporation upon the exercise, conversion or exchange thereof (the consideration in each case to be determined in the same manner as provided in clauses (i) and (ii) of this Subparagraph D(v)(g)).

(h) For the purpose of any computation under Subparagraph D(v)(c) above, the current market price per share of Common Stock at any date shall be deemed to be the higher of (a) the average of the prices for 30 consecutive business days before such date or (b) the price on the business day immediately preceding such date determined as follows:

(i) If the Common Stock is listed on a national securities exchange or admitted to unlisted trading privileges on such exchange or listed for trading on the Nasdaq National Market, the current market value shall be the last reported sale price of the Common Stock on such exchange or market on the last business day prior to the date of conversion or if no such sale is made on such day, the average closing bid and asked prices for such day on such exchange or market; or

(ii) If the Common Stock is not so listed or admitted to unlisted trading privileges, but is traded on the Nasdaq SmallCap Market, the current market value shall be the average of the closing bid and asked prices for such day on such market and if the Common Stock is not so traded, the current market value shall be the mean of the last reported bid and asked prices reported by the National Quotation Bureau, Inc. on the last business day prior to the date of conversion; or

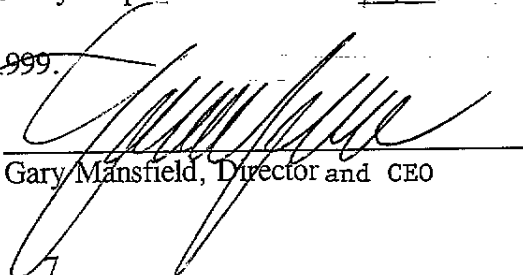
made pursuant to Subparagraph D(v)(a) above, the holders of Shares thereafter shall become entitled to receive any shares of the Corporation, other than Common Stock, thereafter the number of such other shares so receivable upon conversion of this Shares shall be subject to adjustment from time to time in a manner and on terms as nearly equivalent as practicable to the provisions with respect to the Common Stock contained in Subparagraphs D(v)(a) to (i), inclusive above.

(l) Reorganization of the Corporation. In case of any reclassification or capital reorganization, or in case of any consolidation or merger of the Corporation with or into another corporation (other than a merger with a subsidiary in which merger the Corporation is the continuing corporation and which does not result in any reclassification or capital reorganization) or in case of any sale, lease or conveyance to another corporation of the property of the Corporation as an entirety, the Corporation shall, as a condition precedent to such transaction, cause effective provisions to be made so that the holders of Shares shall have the right thereafter upon conversion of the Shares in accordance with the provisions of this Subparagraph D(v), to purchase the kind and amount of shares of stock and other securities and property receivable upon such reclassification, capital reorganization, consolidation, merger, sale or conveyance by a holder of the number of shares of Common Stock which might have been received upon conversion of the Shares immediately prior to such reclassification, consolidation, merger, sale or conveyance. Any such provision shall include a provision for adjustments which shall be as nearly equivalent as may be practicable to the adjustments provided for in these Articles. The above provisions of this paragraph shall similarly apply to successive reorganizations, reclassifications, consolidations, mergers, sales, transfers or other dispositions. Nothing herein shall be construed as to require the consent of the holder to any such reorganization, reclassification, consolidation, merger, sale, transfer or other disposition.

3. The foregoing amendment was approved by the holders of Series A Convertible Preferred Stock and the number of votes cast for the amendment was sufficient for approval.

4. The foregoing amendment was duly adopted on December 8, 1999.

Signed this 14 day of December, 1999.



Gary Mansfield, Director and CEO

(iii) If the Common Stock is not so listed or admitted to unlisted trading privileges and bid and asked prices are not so reported, the current market value shall be an amount, not less than book value thereof as at the end of the most recent fiscal year of the Corporation ending prior to the date of conversion, determined in such reasonable manner as may be prescribed by the Board of Directors of the Corporation.

(i) No adjustment in the Conversion Price shall be required unless such adjustment would require an increase or decrease of at least five cents (\$0.05) in such price; provided, however, that any adjustments which by reason of this Subparagraph D(v)(i) are not required to be made shall be carried forward and taken into account in any subsequent adjustment required to be made hereunder. All calculations under this Subparagraph D(v) shall be made to the nearest cent or to the nearest one-hundredth of a share, as the case may be. Anything in this Subparagraph D(v) to the contrary notwithstanding, the Corporation shall be entitled, but shall not be required, to make such changes in the Conversion Price, in addition to those required by this Subparagraph D(v)(i), as it shall determine, in its sole discretion, to be advisable in order that any dividend or distribution in shares of Common Stock, or any subdivision, reclassification or combination of Common Stock, hereafter made by the Corporation shall not result in any Federal Income tax liability to the holders of Common Stock or securities convertible into Common Stock (including Shares).

(j) Whenever the Conversion Price is adjusted, as herein provided, the Corporation shall promptly but no later than 15 days after any request for such an adjustment by the Holder, cause a notice setting forth the adjusted Conversion Price and adjusted number of Conversion Shares issuable upon conversion of the Series A Preferred Stock, and, if requested, information describing the transactions giving rise to such adjustments, to be mailed to the Holders at their last addresses appearing in the Corporation's Stock Register, and shall cause a certified copy thereof to be mailed to its transfer agent, if any. The Corporation may retain a firm of independent certified public accountants selected by the Board of Directors (who may be the regular accountants employed by the Corporation) to make any computation required by this Subparagraph D(v), and a certificate signed by such firm shall be conclusive evidence of the correctness of such adjustment.

(k) In the event that at any time, as a result of an adjustment