

RECEIVED
00 MAR -6 AM 11:45
DIVISION OF CORPORATIONS

P99000068530

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.

((H00000010030 5)))

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 : GUNSTER, YOAKLEY, VALDES-FAULI & STEWART, P.A.-FT. LA
Account Number : 119990000012
Phone : (954) 468-1355
Fax Number : (954) 523-1722

BASIC AMENDMENT

LIFEFILS.COM, INC.

Certificate of Status	0
Certified Copy	1
Page Count	15/16
Estimated Charge	\$43.75

FILED
00 MAR -6 PM 1:57
SECRETARY OF STATE
TALLAHASSEE FLORIDA

Amendment

Electronic Filing Menu

Corporate Filing

Public Access Help

Fax Audit #H00000010030

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

FILED
00 MAR -6 PM 1:57
SECRETARY OF STATE
TALLAHASSEE FLORIDA

Pursuant to Section 607.0602 of the Florida Business Corporation Act (the "FBCA"), LifeFiles.com, Inc. (the "Corporation") hereby adopts the following Amendment to its Articles of Incorporation, as amended (the "Amendment"):

1. The name of the Corporation is LifeFiles.com, Inc.
2. The Amendment set forth below was duly adopted by the Board of Directors of the Corporation at a Special Meeting of the Directors on February 17, 2000 pursuant to Section 607.0820 of the FBCA and all of the holders of the Series A Preferred Stock by a unanimous written consent dated March 6, 2000 pursuant to Section 607.0704 of the FBCA and Article V of the Corporation's Articles of Incorporation, as amended. No other shareholder approval was required.
3. The Corporation's Articles of Incorporation shall be amended by replacing Paragraph 4 to Article V in its entirety with the following:
 - "4. That 789,649 shares of Preferred Stock shall hereinafter be designated as Series A, subject to the following terms (the "Series A Stock"):

1. Designation and Amount. The shares of a series of the Preferred Stock shall be designated as "\$2.00 Series A Preferred Stock" and the number of shares constituting such series shall be 500,000. The shares of a series of the Preferred Stock shall be designated as "\$2.95 Series A Preferred Stock" and the number of shares constituting such series shall be 84,746. The shares of a series of the Preferred Stock shall be designated as "\$3.42 Series A Preferred Stock" and the number of shares constituting such series shall be 102,339. The shares of a series of the Preferred Stock shall be designated as "\$3.90 Series A Preferred Stock" and the number of shares constituting

Fax Audit #H00000010030

Fax Audit #H00000010030

such series shall be 102,564. "Series A Preferred Stock" means all of the \$2.00 Series A Preferred Stock, the \$2.95 Series A Preferred Stock, the \$3.42 Series A Preferred Stock and the \$3.90 Series A Preferred Stock together.

2. Dividends. The holders of the Series A Preferred Stock shall be entitled to receive, out of funds legally available therefor, when and as declared by the Board of Directors of the Corporation, dividends at the rate of eight per cent (8%) (calculated as a percentage of the original issue price of (i) \$2.00 per share in the case of \$2.00 Series A Preferred Stock, (ii) \$2.95 per share in the case of \$2.95 Series A Preferred Stock, (iii) \$3.42 per share in the case of \$3.42 Series A Preferred Stock, and (iv) \$3.90 per share in the case of \$3.90 Series A Preferred Stock), per share per annum (subject to appropriate adjustments in the event of any stock dividend, stock split, combination or other similar recapitalization affecting such shares), payable in additional shares of Series A Preferred Stock (of the same series) or in cash, or if greater an amount equal to any dividend payment on the Common Stock of the Corporation, par value \$.01 per share ("Common Stock"), in preference and priority to any distribution on Common Stock or any other shares of capital stock of the Corporation other than the Series A Preferred Stock. The right of the holders of the Series A Preferred Stock to receive dividends shall not be cumulative, and no right shall accrue to holders of Series A Preferred Stock by reason of the fact that dividends on such shares are not declared or paid in any prior year.

3. Liquidation, Dissolution or Winding Up.

(a) Preference. In the event of any liquidation, dissolution or winding up of the Corporation, either voluntary or involuntary, the holders of Series A Preferred Stock shall be entitled to receive, prior and in preference to any distribution of any of the assets or surplus funds of the Corporation to the holders of Common Stock by reason of their ownership thereof, the amount of (i) \$2.00 per share in the case of \$2.00 Series A Preferred Stock, (ii) \$2.95 per share in the case of \$2.95 Series A Preferred Stock, (iii) \$3.42 per share in the case of \$3.42 Series A Preferred Stock, and (iv) \$3.90 per share in the case of \$3.90 Series A Preferred Stock, for each share of Series A Preferred Stock then held by them, and, in addition, an amount equal to all declared but unpaid dividends on that series of the Series A Preferred Stock (collectively, the "Liquidation Payments"). If the assets and funds thus distributed among the holders of the Series A Preferred Stock are insufficient to permit the payment to such holders of Liquidation Payments, then the entire assets and funds of the Corporation legally available for distribution shall be distributed among the holders of Series A Preferred Stock in proportion to the number of shares of Series A Preferred Stock held by each such holder.

(b) Remaining Assets. At least thirty (30) days before any liquidation, dissolution or winding up of the Corporation, the Corporation will provide the holders of Series A Preferred Stock with written notice of its intention to take such action and provide all information and access to the Corporation's books and records in order to assist the holders of Series A Preferred Stock to make

Fax Audit #H00000010030

Fax Audit #H00000010030

a decision whether to exercise its Conversion Rights prior to the liquidation, dissolution or winding up. In the event the Corporation fails to provide the requirements in the previous sentence, or in the event, for any reason, the Corporation fails to seek the consent of the holders of Series A Preferred Stock provided in Subsection 4(c) hereof, then after the payment of all preferential amounts required to be paid to the holders of Series A Preferred Stock upon the dissolution, liquidation, or winding up of the Corporation, all of the remaining assets and funds of the Corporation available for distribution to its stockholders shall be distributed ratably among the holders of the Series A Preferred Stock and the Common Stock, with each share of Series A Preferred Stock being deemed, for such purpose, to be equal to the number of shares of Common Stock, including fractions of a share, into which such share of Series A Preferred Stock is convertible immediately prior to the close of business on the business day fixed for such distribution.

(c) Merger or Consolidation. The merger or consolidation of the Corporation into or with another corporation which results in the exchange of outstanding shares of the Corporation for securities or other consideration issued or paid or caused to be issued or paid by such other corporation or an affiliate thereof (except if such merger or consolidation does not result in the transfer of more than 50 percent of the voting securities of the Corporation), or the sale of all or substantially all the assets of the Corporation, shall be deemed to be a liquidation, dissolution or winding up of the Corporation for purposes of this Section, unless a majority of the Series A Preferred Stock then outstanding vote otherwise. The amount deemed distributed to the holders of Series A Preferred Stock upon any such merger or consolidation shall be the cash or the value of the property, rights and/or securities distributed to such holders by the acquiring person, firm or other entity. The value of such property, rights or other securities shall be determined in good faith by the Board of Directors of the Corporation.

4. Voting.

(a) Together with Common Stock. Each holder of outstanding shares of Series A Preferred Stock shall be entitled to the number of votes equal to the number of whole shares of Common Stock into which the shares of Series A Preferred Stock held by such holder are convertible as of the record date (as provided for in Section 5 hereof and subject to adjustment from time to time pursuant to Section 5 hereof), at each meeting of stockholders of the Corporation (and written actions of stockholders in lieu of meetings) with respect to any and all matters presented to the stockholders of the Corporation for their action or consideration. Except as provided by law, by the provisions of Subsection 4(b) or 4(c) below, or by the provisions establishing any other series of Preferred Stock, holders of Series A Preferred Stock and of any other outstanding series of Preferred Stock shall vote together with the holders of Common Stock as a single class.

(b) Actions Affecting Preferred Stock. The Corporation shall not amend, alter or repeal preferences, rights, powers or other terms of the Series A Preferred Stock so as to affect adversely the Series A Preferred Stock, without the written consent or affirmative vote of the holders of at least

Fax Audit #H00000010030

Fax Audit #H00000010030

a majority of the then outstanding shares of Series A Preferred Stock, given in writing or by vote at a meeting, consenting or voting (as the case may be) separately as a class. For this purpose, without limiting the generality of the foregoing, the authorization or issuance of any series of Preferred Stock which is on a parity with or has preference or priority over the Series A Preferred Stock as to the right to receive either dividends or amounts distributable upon liquidation, dissolution or winding up of the Corporation shall be deemed to affect adversely the Series A Preferred Stock.

(c) Voting as a Single Class. The consent of the holders of not less than a majority of the outstanding Series A Preferred Stock, voting separately as a single class, in person or by proxy, either in writing without a meeting or at a special or annual meeting of shareholders called for the purpose, shall be necessary for the Corporation to (i) amend, alter or repeal any provision in the Corporation's Articles of Incorporation, as amended (excluding any amendment or restatement of the Articles of Incorporation solely for the purpose of defining the rights of unissued series of previously authorized Preferred Stock), (ii) increase or decrease the authorized number of shares of Series A Preferred Stock, (iii) redeem or repurchase any of the shares of Common Stock or Series A Preferred Stock (other than pursuant to equity incentive agreements with service providers giving the Corporation the right to repurchase shares upon the termination of services), (iv) effect a liquidation, dissolution or winding up of the Corporation, (v) sell all or a substantial portion of the Corporation's assets or effect a merger or consolidation with another entity, or (vi) any other transaction resulting in the acquisition of a majority of the then outstanding voting stock of the Corporation by another corporation or entity; provided however, that if any action in (iv), (v) or (vi) above is approved by a majority of the Common Stock and yet the consent of a majority of the outstanding Series A Preferred Stock is denied at a special or annual meeting of shareholders duly called for the purpose, the Corporation shall be entitled to redeem the Series A Preferred Stock on the terms and as provided in Section 6 hereof.

(d) Election of Directors. At each election of directors, the holders of the Series A Preferred Stock, voting as a separate class, shall be entitled to elect one member of the board of directors (the "Series A Director"). All other directors shall be elected by the holders of Common Stock. Vacancies in the board of directors may be filled by a majority of the remaining directors, though less than a quorum, except that a vacancy created by the removal of a director by the vote or written consent of the stockholders or by court order may be filled by only the vote of a majority of the outstanding shares entitled to vote thereon represented at a duly held meeting at which a quorum is present, or by majority written consent of all shares entitled to vote thereon; however the holders of Series A Preferred Stock shall have the exclusive right to replace a Series A Director.

5. Optional Conversion.

The holders of the Series A Preferred Stock shall have conversion rights as follows (the "Conversion Rights"):

Fax Audit #H00000010030

Fax Audit #H00000010030

(a) Right to Convert. Each share of Series A Preferred Stock shall be convertible, at the option of the holder thereof, at any time and from time to time, into such number of fully paid and nonassessable shares of Common Stock as is determined by dividing (i) \$2.00 by the Conversion Price (as defined below) in effect at the time of conversion in the case of the \$2.00 Series A Preferred Stock, (ii) \$2.95 by the Conversion Price in effect at the time of conversion in the case of the \$2.95 Series A Preferred Stock, (iii) \$3.42 by the Conversion Price in effect at the time of conversion in the case of the \$3.42 Series A Preferred Stock, and (iv) \$3.90 by the Conversion Price in effect at the time of conversion in the case of the \$3.90 Series A Preferred Stock. The Conversion Price at which shares of Common Stock shall be deliverable upon conversion of Series A Preferred Stock without the payment of additional consideration by the holder thereof (the "Conversion Price") shall initially be (i) \$2.00 in the case of the \$2.00 Series A Preferred Stock, (ii) \$2.95 in the case of the \$2.95 Series A Preferred Stock, (iii) \$3.42 in the case of the \$3.42 Series A Preferred Stock, and (iv) \$3.90 in the case of the \$3.90 Series A Preferred Stock. Such initial Conversion Price, and the rate at which shares of Series A Preferred Stock may be converted into shares of Common Stock, shall be subject to adjustment as provided below.

(b) Fractional Shares. No fractional shares of Common Stock shall be issued upon conversion of the Series A Preferred Stock. In lieu of fractional shares, the Corporation shall pay cash equal to such fraction multiplied by the then effective Conversion Price.

(c) Mechanics of Conversion.

(i) In order to convert shares of Series A Preferred Stock into shares of Common Stock, the holder shall surrender the certificate or certificates for such shares of Series A Preferred Stock at the office of the transfer agent (or at the principal office of the Corporation if the Corporation serves as its own transfer agent), together with written notice that such holder elects to convert all or any number of the shares represented by such certificate or certificates. Such notice shall state such holder's name or the names of the nominees in which such holder wishes the certificate or certificates for shares of Common Stock to be issued. If required by the Corporation, certificates surrendered for conversion shall be endorsed or accompanied by a written instrument or instruments of transfer, in form satisfactory to the Corporation, duly executed by the registered holder or his or its attorney duly authorized in writing. The date of receipt of such certificates and notice by the transfer agent or the Corporation shall be the conversion date ("Conversion Date"). The Corporation shall, as soon as practicable after the Conversion Date, issue and deliver at such office to such holder, or to his nominees, a certificate or certificates for the number of shares of Common Stock to which such holder shall be entitled, together with cash in lieu of any fraction of a share.

(ii) The Corporation shall at all times during which the Series A Preferred Stock shall be outstanding, reserve and keep available out of its authorized but unissued stock, for the purpose of effecting the conversion of the Series A Preferred Stock, such number of its duly

Fax Audit #H00000010030

Fax Audit #H00000010030

authorized shares of Common Stock as shall from time to time be sufficient to effect the conversion of all outstanding Series A Preferred Stock. Before taking any action which would cause an adjustment reducing the Conversion Price below the then par value of the shares of Common Stock issuable upon conversion of the Series A Preferred Stock, the Corporation will take any corporate action which may, in the opinion of its counsel, be necessary in order that the Corporation may validly and legally issue fully paid and nonassessable shares of Common Stock at such adjusted Conversion Price.

(iii) All shares of Series A Preferred Stock, which shall have been surrendered for conversion as herein provided shall no longer be deemed to be outstanding and all rights with respect to such shares, including the rights, if any, to receive dividends, notices and to vote, shall immediately cease and terminate on the Conversion Date, except only the right of the holders thereof to receive shares of Common Stock in exchange therefor. Any shares of Series A Preferred Stock so converted shall be retired and canceled and shall not be reissued, and the Corporation may from time to time take such appropriate action as may be necessary to reduce the number of shares of authorized Series A Preferred Stock accordingly.

(iv) If the conversion is in connection with an underwritten offer of securities registered pursuant to the Securities Act of 1933, as amended, the conversion may at the option of any holder tendering Series A Preferred Stock for conversion be conditioned upon the closing with the underwriter of the sale of securities pursuant to such offering, in which event the person(s) entitled to receive the Common Stock issuable upon such conversion of the Series A Preferred Stock shall not be deemed to have converted such Series A Preferred Stock until immediately prior to the closing of the sale of securities.

(d) Adjustments to Conversion Price for Diluting Issues.

(i) Special Definitions. For purposes of this Subsection 5(d), the following definitions shall apply:

(A) "Option" shall mean rights, options or warrants to subscribe for, purchase or otherwise acquire Common Stock or Convertible Securities, excluding rights, options, warrants or restrictive stock grants granted prior to February 1, 2000 to employees, directors or consultants of the Corporation pursuant to the 1999 Incentive Plan of the Corporation, 15,000 shares under a stock option previously granted to a consultant and 800,000 shares under option agreements previously granted to Daniel H. McMurtrie.

(B) "Original Issue Date" shall mean the date on which the first share of Series A Preferred Stock is first issued.

(C) "Convertible Securities" shall mean any evidences of indebtedness,

Fax Audit #H00000010030

Fax Audit #H00000010030

shares or other securities directly or indirectly convertible into or exchangeable for Common Stock.

(D) "Additional Shares of Common Stock" shall mean all shares of Common Stock issued (or, pursuant to Subsection 5(d)(iii) below, deemed to be issued) by the Corporation after the Original Issue Date, other than Key Employee Shares (as defined below) and other than shares of Common Stock issued or issuable:

- (1.) as a dividend or distribution on Series A Preferred Stock;
- (2.) by reason of a dividend, stock split, split-up or other distribution on shares of Common Stock excluded from the definition of Additional Shares of Common Stock by the foregoing clause (1);
- (3.) upon the exercise of options, rights, warrants or restrictive stock grants excluded from the definition of "Option" in Subsection 5(d)(i)(A); or
- (4.) upon conversion of shares of Series A Preferred Stock.

(E) "Key Employee Shares" shall mean up to one hundred thousand (100,000) rights, options or warrants to acquire shares of Common Stock issued to directors or key employees of or consultants to the Corporation under the 1999 Incentive Plan of the Corporation at consideration per share less than the applicable Conversion Price in effect on the date of, and immediately prior to, the date of grant.

(F) "Rights to Acquire Common Stock" (or "Rights") shall mean all rights issued by the Corporation to acquire Common Stock whatever by exercise of a warrant, option or similar call or conversion of any existing instruments, in either case for consideration fixed, in amount or by formula, as of the date of issuance.

(ii) No Adjustment of Conversion Price. No adjustment of the number of shares of Common Stock into which the Series A Preferred Stock is convertible shall be made, by adjustment in the applicable Conversion Price thereof: (a) unless the consideration per share (determined pursuant to Subsection 5(d)(v)) below for an Additional Share of Common Stock issued or deemed to be issued by the Corporation is less than the applicable Conversion Price in effect on the date of, and immediately prior to, the issue of such additional shares, or (b) if prior to such issuance, the Corporation receives written notice from the holders of at least a majority of the then outstanding shares of the series of the Series A Preferred Stock to be affected agreeing that no such adjustment shall be made as the result of the issuance of Additional Shares of Common Stock.

(iii) Issue of Securities Deemed Issue of Additional Shares of Common Stock. If the Corporation at any time or from time to time after the Original Issue Date shall issue any

Fax Audit #H00000010030

Fax Audit #H00000010030

Options or Convertible Securities or other Rights to Acquire Common Stock, then the maximum number of shares of Common Stock (as set forth in the instrument relating thereto without regard to any provision contained therein for a subsequent adjustment of such number) issuable upon the exercise of such Options, Rights or, in the case of Convertible Securities, the conversion or exchange of such Convertible Securities, shall be deemed to be Additional Shares of Common Stock issued as of the time of such issue, provided that Additional Shares of Common Stock shall not be deemed to have been issued unless the consideration per share (determined pursuant to Subsection 5(d)(v) hereof) of such Additional Shares of Common Stock would be less than the applicable Conversion Price in effect on the date of and immediately prior to such issue, or such record date, as the case may be, and provided further that in any such case in which Additional Shares of Common Stock are deemed to be issued:

(A) No further adjustment in the Conversion Price shall be made upon the subsequent issue of shares of Common Stock upon the exercise of such Rights or conversion or exchange of such Convertible Securities;

(B) Upon the expiration or termination of any unexercised Option or Right, the Conversion Price shall not be readjusted; and

(C) In the event of any change in the number of shares of Common Stock issuable upon the exercise, conversion or exchange of any Option, Right or Convertible Security, including, but not limited to, a change resulting from the antidilution provisions thereof, the Conversion Price then in effect shall forthwith be readjusted to such Conversion Price as would have obtained had the adjustment that was made upon the issuance of such Option, Right or Convertible Security not exercised or converted prior to such change been made upon the basis of such change, but no further adjustment shall be made for the actual issuance of Common Stock upon the exercise or conversion of any such Option, Right or Convertible Security.

(iv) Adjustment of Conversion Price upon Issuance of Additional Shares of Common Stock. If the Corporation shall at any time after the Original Issue Date issue Additional Shares of Common Stock (including Additional Shares of Common Stock deemed to be issued pursuant to Subsection 5(d)(iii), but excluding shares issued as a dividend or distribution as provided in Subsection 5(f) or upon a stock split or combination as provided in Subsection 5(e)), for a consideration per share ("Ratchet Price") less than the applicable Conversion Price in effect on the date of and immediately prior to such issue, then and in such event, such Conversion Price shall be reduced, concurrently with such issue to price equal to the Ratchet Price.

(v) Determination of Consideration. For purposes of this Subsection 5(d), the consideration received by the Corporation for the issue of any Additional Shares of Common Stock shall be computed as follows:

Fax Audit #H00000010030

Fax Audit #H00000010030

(A) Cash and Property. Such consideration shall:

- (1.) insofar as it consists of cash, be computed at the aggregate of cash received by the Corporation, excluding amounts paid or payable for accrued interest or accrued dividends;
- (2.) insofar as it consists of property other than cash, be computed at the fair market value thereof at the time of such issue, as determined in good faith by the Board of Directors; and
- (3.) in the event Additional Shares of Common Stock are issued together with other shares or securities or other assets of the Corporation for consideration which covers both, be the proportion of such consideration so received, computed as provided in clauses (1.) and (2.) above, as determined in good faith by the Board of Directors.

(B) Options, Rights and Convertible Securities. The consideration per share received by the Corporation for Additional Shares of Common Stock deemed to have been issued pursuant to Subsection 5(d)(iii), relating to Options, Rights and Convertible Securities, shall be determined by dividing

the total amount, if any, received or receivable by the Corporation as consideration for the issue of such Options, Rights or Convertible Securities, plus the minimum aggregate amount of additional consideration (as set forth in the instruments relating thereto, without regard to any provision contained therein for a subsequent adjustment of such consideration) payable to the Corporation upon the exercise of such Options, Rights or the conversion or exchange of such Convertible Securities, by

the maximum number of shares of Common Stock (as set forth in the instruments relating thereto, without regard to any provision contained therein for a subsequent adjustment of such number) issuable upon the exercise of such Options or the conversion or exchange of such Convertible Securities.

(e) Adjustment for Stock Splits and Combinations. If the Corporation shall at any time or from time to time after the Original Issue Date effect a subdivision of the outstanding Common Stock, the Conversion Price then in effect immediately before that subdivision shall be

Fax Audit #H00000010030

Fax Audit #H00000010030

proportionately decreased. If the Corporation shall at any time or from time to time after the Original Issue Date combine the outstanding shares of Common Stock, the Conversion Price then in effect immediately before the combination shall be proportionately increased. Any adjustment under this paragraph shall become effective at the close of business on the date the subdivision or combination becomes effective.

(f) Adjustment for Certain Dividends and Distributions. In the event the Corporation at any time, or from time to time after the Original Issue Date shall make or issue, a dividend or other distribution payable in Additional Shares of Common Stock, then and in each such event the Conversion Price shall be decreased as of the time of such issuance, by multiplying the Conversion Price by a fraction:

the numerator of which shall be the total number of shares of Common Stock issued and outstanding immediately prior to the time of such issuance, and

the denominator of which shall be the total number of shares of Common Stock issued and outstanding immediately prior to the time of such issuance plus the number of shares of Common Stock issuable in payment of such dividend or distribution.

(g) Adjustments for Other Dividends and Distributions. In the event the Corporation at any time or from time to time after the Original Issue Date shall make or issue a dividend or other distribution payable in securities of the Corporation other than shares of Common Stock, then and in each such event provision shall be made so that the holders of shares of the Series A Preferred Stock shall receive upon conversion thereof in addition to the number of shares of Common Stock receivable thereupon, the amount of securities of the Corporation that they would have received had their Series A Preferred Stock been converted into Common Stock on the date of such event and had thereafter, during the period from the date of such event to and including the conversion date, retained such securities receivable by them as aforesaid during such period given application to all adjustments called for during such period, under this paragraph with respect to the rights of the holders of the Series A Preferred Stock.

(h) Adjustment for Reclassification, Exchange, or Substitution. If the Common Stock issuable upon the conversion of the Series A Preferred Stock shall be changed into the same or a different number of shares of any class or classes of stock, whether by capital reorganization, reclassification, or otherwise (other than a subdivision or combination of shares or stock dividend provided for above, or a reorganization, merger, consolidation, or sale of assets provided for below), then and in each such event the holder of each share of Series A Preferred Stock shall have the right thereafter to convert such share into the kind and amount of shares of stock and other securities and property receivable upon such reorganization, reclassification, or other change, by holders of the number of shares of Common Stock into which such shares of Series A Preferred Stock might have

Fax Audit #H00000010030

Fax Audit #H00000010030

been converted immediately prior to such reorganization, reclassification, or change, all subject to further adjustment as provided herein.

(i) Adjustment for Merger or Reorganization, etc. In case of any consolidation or merger of the Corporation with or into another corporation or the sale of all or substantially all of the assets of the Corporation to another corporation (other than a consolidation, merger or sale which is treated as a liquidation pursuant to Subsection 3(c)),

1. if the surviving entity shall consent in writing to the following provisions, then each share of Series A Preferred Stock shall thereafter be convertible into the kind and amount of shares of stock or other securities or property to which a holder of the number of shares of Common Stock of the Corporation deliverable upon conversion of such Series A Preferred Stock would have been entitled upon such consolidation, merger or sale; and, in such case, appropriate adjustment (as determined in good faith by the Board of Directors) shall be made in the application of the provisions in this Section 5 set forth with respect to the rights and interest thereafter of the holders of the Series A Preferred Stock, to the end that the provisions set forth in this Section 5 (including provisions with respect to changes in and other adjustments of the Conversion Price) shall thereafter be applicable, as nearly as reasonably may be, in relation to any shares of stock or other property thereafter deliverable upon the conversion of any series of Series A Preferred Stock; or
2. if the surviving entity shall not so consent, then each holder of Series A Preferred Stock may, after receipt of notice specified in subsection (1), elect to convert such Stock into Common Shares as provided in this Section 5 or to accept the distributions to which he shall be entitled under Section 3(a) through 3(c), assuming holders of a majority of the Series A Preferred Stock have not voted, as per section 3(c), that the merger or consolidation shall not be deemed to be a liquidation.

(j) No Impairment. The Corporation will not, by amendment of its Articles of Incorporation or through any reorganization, transfer of assets, consolidation, merger, dissolution, issue or sale of securities or any other voluntary action, avoid or seek to avoid the observance or performance of any of the terms to be observed or performed hereunder by the Corporation, but will at all times in good faith assist in the carrying out of all the provisions of this Section 5 and in the taking of all such action as may be necessary or appropriate in order to protect the Conversion Rights of the holders of the Series A Preferred Stock against impairment.

Fax Audit #H00000010030

Fax Audit #H00000010030

(k) Certificate as to Adjustment. Upon the occurrence of each adjustment or readjustment of the Conversion Price pursuant to this Section 5, the Corporation at its expense shall promptly compute such adjustment or readjustment in accordance with the terms hereof and furnish to each holder of Series A Preferred Stock a certificate setting forth such adjustment or readjustment and showing in detail the facts upon which such adjustment or readjustment is based and shall file a copy of such certificate with its corporate records. The Corporation shall, upon the written request at any time of any holder of Series A Preferred Stock, furnish or cause to be furnished to such holder a similar certificate setting forth (1) such adjustments and readjustments, (2) the Conversion Price then in effect, and (3) the number of shares of Common Stock and the amount, if any, of other property which then would be received upon the conversion of Series A Preferred Stock. Despite such adjustment or readjustment, the form of each or all Series A Preferred Stock Certificates, if the same shall reflect the initial or any subsequent conversion price, need not be changed in order for the adjustments or readjustments to be valued in accordance with the provisions of this Certificate of Designation, which shall control.

(l) Notice of Record Date. In the event:

1. that the Corporation declares a dividend (or any other distribution) on its Common Stock payable in Common Stock or other securities of the Corporation;
2. that the Corporation subdivides or combines its outstanding shares of Common Stock;
3. of any reclassification of the Common Stock of the Corporation (other than a subdivision or combination of its outstanding shares of Common Stock or a stock dividend or stock distribution thereon), or of any consolidation or merger of the Corporation into or with another corporation, or of the sale of all or substantially all of the assets of the Corporation; or
4. of the involuntary or voluntary dissolution, liquidation or winding up of the Corporation;

then the Corporation shall cause to be filed at its principal office or at the office of the transfer agent of the Series A Preferred Stock, and shall cause to be mailed to the holders of the Series A Preferred Stock at their last addresses as shown on the records of the Corporation or such transfer agent, at least ten days prior to the record date specified in (A) below or twenty days before the date specified in (B) below, a notice stating:

(A) the record date of such dividend, distribution, subdivision or combination, or, if a record is not to be taken, the date as of which the holders of Common Stock of

Fax Audit #H00000010030

Fax Audit #H00000010030

record to be entitled to such dividend, distribution, subdivision or combination are to be determined, or

(B) the date on which such reclassification, consolidation, merger, sale, dissolution, liquidation or winding up is expected to become effective, and the date as of which it is expected that holders of Common Stock of record shall be entitled to exchange their shares of Common Stock for securities or other property deliverable upon such reclassification, consolidation, merger, sale, dissolution or winding up.

6. Redemption. In the event the holders of a majority of Series A Preferred Stock vote against an initial public offering transaction or any event specified in items (iv) through (vi) of Section 4(c) hereof (the "Preference Vote"), the Corporation may redeem all Series A Preferred Stock (but not a portion), by providing written notice to the holders of record and tendering the call price within thirty (30) days after the Preference Vote, at a call price as follows: at (i) \$2.00 per share for \$2.00 Series A Preferred Stock plus any declared but unpaid dividends plus a 25% premium, through January 30, 2001, and during each subsequent year at a 25% premium to the previous year; (ii) \$2.95 per share for \$2.95 Series A Preferred Stock plus any declared but unpaid dividends plus a 25% premium, through January 30, 2001, and during each subsequent year at a 25% premium to the previous year; (iii) \$3.42 per share for \$3.42 Series A Preferred Stock plus any declared but unpaid dividends plus a 25% premium, through January 30, 2001, and during each subsequent year at a 25% premium to the previous year; and (iv) \$3.90 per share for \$3.90 Series A Preferred Stock plus any declared but unpaid dividends plus a 25% premium, through January 30, 2001, and during each subsequent year at a 25% premium to the previous year.

7. Mandatory Conversion.

(a) The Corporation may, at its option, require all (and not less than all) holders of shares of Series A Preferred Stock then outstanding to convert all of their shares of Series A Preferred Stock into shares of Common Stock, at the then effective conversion rate(s) pursuant to Section 5, upon the closing of the sale of shares of Common Stock at a price per share of not less than \$10 in a firmly underwritten public offering pursuant to an effective registration statement under the Securities Act of 1933, as amended, other than a registration relating solely to a transaction under Rule 145 under such Act (or any successor thereto) or to an employee benefit plan of the Corporation, underwritten by a reputable underwriter acceptable to the holders of a majority of the then outstanding Series A Preferred Stock, resulting in at least \$20,000,000 of gross proceeds to the Corporation.

(b) All holders of record of shares of Series A Preferred Stock then outstanding will be given at least 10 days' prior written notice of the date fixed and the place designated for mandatory or special conversion of all such shares of Series A Preferred Stock pursuant to this Section 7. Such notice will be sent by first class or registered mail, postage prepaid, to each record holder of Series A Preferred Stock at such holder's address last shown on the records of the transfer agent for the

Fax Audit #H00000010030

Fax Audit #H00000010030

Series A Preferred Stock (or the records of the Corporation, if it serves as its own transfer agent).

8. Amendment.

This Certificate of Designation constitutes an agreement between the Corporation and the holders of the Series A Preferred Stock. It may be amended only by vote of the Board of Directors of the Corporation and the holders of a majority of the outstanding shares of Series A Preferred Stock.

Fax Audit #H00000010030

Fax Audit #H00000010030

IN WITNESS WHEREOF, the Corporation has caused the foregoing Articles of Amendment to the Articles of Incorporation to be signed as of March 6, 2000.

LIFEFILES.COM, INC.

By: Diane E. Larkin
Diane E. Larkin, Secretary and C.F.O.

articles.030600.04

Fax Audit #H00000010030