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PLEASE REPLY TO:

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TALLAHASSEE OFFICE:
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April 7, 2000

VIA FEDERAL EXPRESS

Florida Department of State
Division of Corporations
409 East Gaines Street
Tallahassee, Florida 32399

RE: Atlantic Telephone Company, Inc.

Dear Sir/Madam:

Enclosed herewith please find the original and one copy of:

1. Amendment of Articles of Incorporation
2. Minutes of First Meeting of Board of Directors
3. Waiver of Notice of Special Meeting of the Board of Directors
4. Atlantic Telephone Company, Inc. Board of Director Resolution
5. Notice of Special Meeting of the Board of Directors
(Proposed Amendment to Articles of Incorporation)
6. Resolution of Board of Directors

along with our firm check in the amount of \$78.75 for filing. Please date stamp the date received on the face of this letter and return same to me in the enclosed envelope provided. Thank you for your courtesy.

*Amend
4-18-00
DWS*

Sincerely,

David W. Steen

David W. Steen */s/*

DWS/sac
Encls.

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FILED
00 APR 10 AM 10:19
DIVISION OF STATE
TALLAHASSEE, FLORIDA

FILED

AMENDMENT OF ARTICLES OF INCORPORATION
OF
ATLANTIC TELEPHONE COMPANY, INC.

00 APR 10 AM 10:19

SECRETARY OF STATE
TALLAHASSEE, FLORIDA

RESOLVED, that Article 4 of the Articles of Incorporation of the Corporation, as amended to the date of the filing of this Amendment of Articles of Incorporation, is hereby amended as follows:

4. **CAPITAL STOCK:** The Corporation is authorized to issue two classes of shares, designated "Common Stock" and "Preferred Stock," respectively. The number of shares of Common Stock authorized to be issued is 20,000,000 shares. The number of shares of Preferred Stock authorized to be issued is 2,000,000 shares, of which 1,000,000 shares are designated as Series A Preferred Stock (the "Series A Preferred"). 10,000,000 shares shall be held in reserve for conversion in the event of any default in payments to Preferred Shareholders. 1,000,000 shares shall constitute the employees' stock option pool.

The powers, preferences and rights, and the qualifications, limitations or restrictions thereof, in respect to the Common Stock and the Series A Preferred shall be as follows:

1. Dividend Rights. The holders of the Series A Preferred shall be entitled to receive dividends monthly for each share of Series A Preferred held by them in an amount equal to the greater of (i) \$0.05 or (ii) .00000001 (one-millionth of one percent) of the gross receipts of the Corporation for the previous calendar month, prior and in preference to payment of any dividend with respect to the Common Stock. These dividends shall be made by monthly declaration of the Board of Directors of the Corporation. No dividend or distribution shall be declared or paid on any Common Stock unless the preferred dividends described above have first been declared and paid. The right to dividends on shares of Series A Preferred under this paragraph shall be cumulative.

2. Liquidation Preference. In the event of any liquidation, dissolution, or winding up of the Corporation, either voluntary or involuntary, distributions to the shareholders of the Corporation shall be made in the following manner:

2.1 Series A Preferred. The holders of each share of Series A Preferred then outstanding shall be entitled to be paid, out of the assets and funds of the Corporation legally available therefor, prior and in preference to any payment or distribution (or any setting apart of any payment or distribution) on any shares of Common Stock, an amount per share equal to \$1.00 (as adjusted for stock dividends, stock splits and the like) with respect to the Series A Preferred plus all declared but unpaid dividends on the Series A Preferred. If upon any liquidation, dissolution or winding up of the Corporation, the assets and funds of the Corporation shall be insufficient to permit the payment to holders of the Series A Preferred of their full preferential amount described in this subsection, then all of the remaining assets and funds of the Corporation

legally available for distribution shall be distributed among the holders of the then outstanding Series A Preferred pro rata, in proportion to the preferential amount each such holder is otherwise entitled to receive.

2.2 Participation Rights. If there are any assets and funds of the Corporation remaining after the payment or distribution (or the setting aside for payment or distribution) to the holders of the Series A Preferred of their full preferential amounts described in Section 2.1, then all such remaining assets and funds of the Corporation legally available for distribution shall be distributed among the holders of the then outstanding Series A Preferred and Common Stock pro rata on an as-converted basis according to the number of shares of Common Stock held by such holders.

2.3 Merger or Consolidation. For purposes of this Section 2, a merger or consolidation of the Corporation with or into any other corporation or corporations, or the merger of any other corporation or corporations into the Corporation, in which consolidation or merger the shareholders of the Corporation receive distributions in cash or securities of another corporation or corporations as a result of such consolidation or merger, or a sale of all or substantially all of the assets of the Corporation, shall be treated as a liquidation, dissolution or winding up of the Corporation, unless the shareholders of this Corporation receive in such consolidation, merger or sale of assets more than fifty percent (50%) of the voting equity securities of the successor or surviving corporation.

3. Voting Rights.

(a) Except as required by law or pursuant to subparagraph (b) below or Section 6 hereof, the holders of Series A Preferred and the holders of Common Stock shall be entitled to notice of any shareholders' meeting and to vote together as a single class upon any matter submitted to the shareholders for a vote as follows: (i) the holders of the Series A Preferred shall have one vote for each full share of Common Stock into which their respective shares of Series A Preferred shall be convertible pursuant to Sections 4.3 and 4.4 on the record date for the vote, and (ii) the holders of Common Stock shall have one vote per share of common Stock.

(b) Notwithstanding Section 3(a) above, (i) the holders of the Series A Preferred voting as a separate class in the manner provided in subparagraph (a)(i) above, shall be entitled to select one (1) member of the Corporation's Board of Directors at each meeting or pursuant to each consent of the Corporation's shareholders for the election of directors, and to remove from office such directors and to fill any vacancy caused by the resignation, death or removal of such directors; (ii) the holders of Common Stock, voting as a separate class, shall be entitled to elect four (4) members of the Board of Directors at each meeting or pursuant to each consent of the Corporation's shareholders for the election of directors, and to remove from office such directors and to fill any vacancy caused by the resignation, death or removal of such directors; and (iii) the holders of Series A Preferred, voting as a separate class, shall be entitled to vote on the following matters, for which approval by the vote or written consent of the holders of not less than a majority of the Series A Preferred shares outstanding shall be required: (A) The execution of any

contract, the entering into any transaction, or the taking of any action by the Corporation which reasonably could materially diminish the Corporation's gross receipts or otherwise prevent or disable the Corporation from fulfilling its obligation to pay dividends to the holders of Series A Preferred pursuant to Section 1, provided that, unless written consents shall be obtained, the Corporation promptly shall, or the holders of ten percent (10%) or more of the outstanding shares of Series A Preferred at any time may, call a special meeting of the Series A Preferred shareholders for the purpose of voting upon such contract, transaction or action, and provided further that the approval of any such contract, transaction or action by the Series A Preferred shareholders may include a waiver of the right to receive such dividends as shall be specified in the shareholder written consent or resolution of approval; (B) Any control share acquisition with respect to shares of the Corporation for which shareholder approval shall be required pursuant to Section 607.0902 of the Florida Statutes, as it shall be from time to time amended; (C) Any amendment of the Corporation's Articles of Incorporation for which a separate vote of the Series A preferred as a class shall be required by Section 607.1004 of the Florida Statutes; (D) Any merger for which the approval of the shareholders of the Corporation shall be required by Sections 670.1102, 607.1107 or 607.1108 of the Florida Statutes; or (E) Any share exchange for which approval of the shareholders of the Corporation shall be required by Sections 607.1102 or 607.1107 of the Florida Statutes.

4. Conversion to Common Stock. The Series A Preferred shall be convertible into Common Stock of the Corporation pursuant to Sections 4.2 and 4.5 as follows:

4.1 Definitions. For purposes of this Section 4 the following definitions shall apply:

4.1.1 "Original Issue Date" shall mean the first date on which the Corporation issues any shares of Series A Preferred.

4.1.2 "Conversion Price" shall mean the price, determined pursuant to Section 4.3, at which shares of Common Stock shall be deliverable upon conversion of the Series A Preferred in the event of conversion pursuant to Section 4.4.

4.1.3 "Current Conversion Price" shall mean the Conversion Price immediately before the occurrence of any event, that, pursuant to Section 4.4, causes an adjustment to the Conversion Price.

4.1.4 "Convertible Securities" shall mean any indebtedness or shares of stock convertible into or exchangeable for Common Stock, including the Series A Preferred.

4.1.5 "Options" shall mean any rights, warrants or options to subscribe for, purchase or otherwise acquire or receive Common Stock or Convertible Securities.

4.2 Automatic Conversion Upon Non-Payment of Dividend. In the event that any dividend to which the holders of the Series A Preferred shall be entitled under Section 1 shall remain unpaid for a period of ninety (90) days, each share of Series A Preferred shall automatically, and without the need of any further action, be convert into whichever of the

following shall result in the greater number of shares of Common Stock outstanding as the result of such conversion and belonging to the former holders of the Series A Preferred: (i) ten (10) fully-paid and nonassessable shares of Common Stock, or (ii) such number of fully-paid and nonassessable shares of Common Stock that, upon such conversion of all of the shares of Series A Preferred which shall be outstanding into Common Stock, the holders of such shares of Common Stock shall beneficially own 51 percent of the outstanding shares of Common Stock of the Company.

4.3 Initial Conversion Price. Any conversion pursuant to Section 4.5 shall occur at the applicable Conversion Price. Each share of Series A Preferred shall be converted into the number of shares of Common Stock that results from dividing the Conversion Price in effect at the time of conversion for Series A Preferred into \$1.00. The Conversion Price of the Series A Preferred shall initially be \$1.00 per share of Common Stock (the "Initial Conversion Price").

The Conversion Price shall be subject to adjustment from time to time in certain instances as hereinafter provided.

No adjustments with respect to conversion shall be made on account of any dividends that may be declared but unpaid on the Series A Preferred surrendered for conversion, but no dividends shall thereafter be declared and paid on the Common Stock unless such unpaid dividends have first been paid to the holders entitled to payment at the time of conversion of the Series A Preferred.

4.4 Adjustments to Conversion Price. The Conversion Price in effect from time to time for the Series A Preferred shall be subject to adjustment in certain cases as follows:

4.4.1 Adjustments to Conversion Price for Diluting Issues.

(i) Special Definitions. For purposes of this Section 4.4.1, the following definitions shall apply:

(1) "Additional Shares of Common Stock" shall mean all shares of Common Stock issued (or, pursuant to Section 4.4.1(iii), deemed to be issued) by the Corporation after the Original Issue Date, other than shares of Common Stock issued (or, pursuant to Section 4.4.1 (iii), deemed to be issued) or issuable at any time:

(A) Upon conversion of the Series A Preferred into Common Stock;

(B) After the date hereof to officers, directors, and employees of, and consultants to, the Corporation pursuant to plans, arrangements or agreements approved by the Board of Directors;

(C) As a dividend or distribution on the Series A Preferred or any event for which adjustment is made pursuant to subparagraph (D) hereof;

(D) In connection with an equipment financing or leasing arrangement or loan arrangement or in connection with a strategic partnering transaction approved by the Board of Directors of the Company; or

(E) By way of dividend or other distribution on shares of Common Stock excluded from the definition of Additional Shares of Common Stock by the foregoing clauses (A), (C) or this clause (E) or on shares of Common Stock so excluded.

(ii) No Adjustment of Conversion Price. No adjustment in the Conversion Price of a particular share of Series A Preferred shall be made in respect of the issuance of Additional Shares of Common Stock unless the consideration per share for an Additional Share of Common Stock issued or deemed to be issued by the Corporation is less than the Conversion Price in effect on the date of, and immediately prior to, such issue, for such share of Series A Preferred.

(iii) Deemed Issue of Additional Shares of Common Stock. Except as otherwise provided in Section 4.4.1(i) or (ii), in the event the Corporation at any time or from time to time after the Original Issue Date shall issue any Options or Convertible Securities or shall fix a record date for the determination of holders of any class of securities entitled to receive any such Options or Convertible Securities, then the maximum number of shares (as set forth in the instrument relating thereto without regard to any provisions contained therein for a subsequent adjustment of such number) of Common Stock issuable upon the exercise of such Options or, in the case of Convertible Securities and Options therefor, 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 or, in case such a record date shall have been fixed, as of the close of business on such record date, provided that in any such case in which Additional Shares of Common Stock are deemed to be issued:

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

(2) If such Options or Convertible Securities by their terms provide, with the passage of time or otherwise, for any increase in the consideration payable to the Corporation, or decrease in the number of shares of Common Stock issuable, upon the exercise, conversion or exchange thereof, the Conversion Price computed upon the original issue thereof (or upon the occurrence of a record date with respect thereto), and any subsequent adjustments based thereon, shall, upon any such increase or decrease becoming effective, be recomputed to reflect such increase or decrease insofar as it affects such Options or the rights of conversion or exchange under such Convertible Securities;

(3) Upon the expiration of any such Options or any rights of conversion or exchange under such Convertible Securities which shall not have been exercised, the Conversion Price computed upon the original issue thereof (or upon the occurrence of a record date with respect thereto), and any subsequent adjustments based thereon, shall, upon such expiration, be recomputed as if:

(A) In the case of Convertible Securities or Options for Common Stock, the only Additional Shares of Common Stock issued were shares of Common Stock, if any, actually issued upon the exercise of such Options or the conversion or exchange of such Convertible Securities and the consideration received therefor was the consideration actually received by the Corporation for the issue of all such Options, whether or not exercised, plus the consideration actually received by the Corporation upon such exercise, or for the issue of all such Convertible Securities which were actually converted or exchanged, plus the additional consideration, if any, actually received by the Corporation upon such conversion or exchange; and

(B) In the case of Options for Convertible Securities, only the Convertible Securities, if any, actually issued upon the exercise thereof were issued at the time of issue of such Options, and the consideration received by the Corporation for the Additional Shares of Common Stock deemed to have been then issued was the consideration actually received by the Corporation for the issue of all such Options, whether or not exercised, plus the consideration received by the Corporation upon the issue of the Convertible Securities with respect to which such Options were actually exercised; and

(4) No readjustment pursuant to clause (2) or (3) above shall have the effect of increasing the Conversion Price to an amount which exceeds the lower of (i) the Conversion Price on the Original Issue Date, or (ii) such lower Conversion Price as would have resulted from any issuance of Additional Shares of Common Stock (including Additional Shares of Common Stock deemed to be issued pursuant to Section 4.4.1(iii)) between the Original Issue Date and such readjustment date.

(iv) Adjustment of Series A Conversion Price Upon Issuance of Additional Shares of Common Stock. In the event the Corporation shall issue Additional Shares of Common Stock (including Additional Shares of Common Stock deemed to be issued pursuant to Section 4.4.1(iii)) without consideration or for a consideration per share less than the Conversion price in effect with respect to the Series A Preferred on the date of and immediately prior to such issue, then and in such event, the Conversion Price with respect to the Series A Preferred shall be reduced, concurrently with such issue, to a price (calculated to the nearest tenth of a cent) determined by multiplying such Conversion Price by a fraction, the numerator of which shall be the number of shares of Common Stock outstanding immediately prior to such issue plus the number of shares of Common Stock which the aggregate consideration received by the Corporation for the total number of Additional Shares of Common Stock so issued would purchase at such Conversion Price; and the denominator of which shall be the number of shares of Common Stock outstanding immediately prior to such issue plus the number of such Additional Shares of Common Stock so issued; provided that, for purposes of this subsection (iv), all shares of Common Stock issuable upon conversion of all outstanding shares of Series A Preferred and all outstanding Convertible Securities, and upon exercise of all outstanding Options, shall be deemed to be outstanding.

(v) Determination of Consideration. For purposes of this Section 4.4.1, the consideration received by the Corporation for the issue of any Additional Shares of Common Stock shall be computed as follows:

(1) Cash and Property: Such consideration shall:

(A) Insofar as it consists of cash, be computed at the aggregate amount of cash received by the Corporation excluding amounts paid or payable for accrued interest or accrued dividends;

(B) Insofar as it consists of property other than cash, be computed at the fair value thereof at the time of such issue, as reasonably determined in good faith by the Board; provided, however, that in the event a holder of Series A Preferred disputes the determination of the Board, a nationally recognized investment banking or accounting firm shall be retained to make a final and binding determination, with half of the expense borne by the Corporation, and half of the expense borne by the objecting holders; and

(C) 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 (A) and (B) above, as reasonably determined in good faith by the Board; provided, however, that in the event a holder of Series A Preferred disputes the determination of the Board, a nationally recognized investment banking or accounting firm shall be retained to make a final and binding determination, with half of the expense borne by the Corporation, and half of the expense borne by the objecting holders.

(2) Options and Convertible Securities. The consideration per share received by the Corporation for Additional Shares of Common Stock deemed to have been issued pursuant to Section 4.4.1 (iii), relating to Options and Convertible Securities, shall be determined by dividing:

(A) The total amount, if any, received or receivable by the Corporation as consideration for the issue of such Options 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 or the conversion or such Convertible Securities, or in the case of Options for Convertible Securities, the such Options for Convertible Securities and the conversion or exchange of such Securities by

(B) 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.

4.4.2 Stock Splits, Dividends, Distributions and Combinations. In the event the Corporation should at any time or from time to time after the Original Issue Date fix a record date for the effectuation of a split or subdivision of the outstanding shares of Common

Stock or the determination of holders of Common Stock entitled to receive a dividend or other distribution payable in additional shares of Common Stock, Options or Convertible Securities, then, following such record date (or the date of such dividend, distribution, split or subdivision if no record date is fixed), the Conversion Prices for the Series A Preferred shall be appropriately decreased so that the number of shares of Common Stock issuable on conversion of each share of Series A Preferred shall be increased in proportion to such increase in the number of outstanding shares of Common Stock. If the number of shares of Common Stock outstanding at any time after the Original Issue Date is decreased by a combination of the outstanding shares of Common Stock, then, following the record date of such combination, the Conversion Prices for the Series A Preferred shall be appropriately increased so that the number of shares of Common Stock issuable on conversion of each share of Series A Preferred shall be decreased in proportion to such decrease in the number of outstanding shares of Common Stock.

4.4.3 Other Distributions. In the event the Corporation shall declare a distribution payable in securities of other persons, evidences of indebtedness issued by the Corporation or other persons, or assets (excluding cash dividends) then, in each such case for the purpose of this Section 4.4.3, the holders of the Series A Preferred shall be entitled to a proportionate share of any such distribution as though they were the holders of the number of shares of Common Stock of the Corporation into which their shares of Series A Preferred are convertible as of the record date fixed for the determination of the holders of Common Stock of the Corporation entitled to receive such distribution.

4.4.4 Recapitalizations. If at any time or from time to time there shall be a recapitalization of the Common Stock (other than an event provided for in Sections 4.2, 4.4.1, 4.4.2 or 4.4.3 hereof), provision shall be made so that the holders of Series A Preferred shall thereafter be entitled to receive upon conversion of shares of the Series A Preferred the number of shares of stock or other securities or property of the Corporation or otherwise, to which a holder of Common Stock deliverable upon conversion would have been entitled on such recapitalization. In any such case, appropriate adjustment shall be made in the application of the provisions of this Section 4 with respect to the rights of the holders of Series A Preferred after the recapitalization to the end that the provisions of this Section 4 (including adjustment of the respective Conversion Prices then in effect and the number of shares purchasable upon conversion of shares of Series A Preferred) shall be applicable after that event as nearly equivalent as may be practicable.

4.4.5 Successive Changes. The above provisions of this section 4 shall similarly apply to successive issuances, deemed issuances, dividends or other distributions, or other transactions after the Original Issue Date.

4.4.6 No Impairment The Corporation will not, without the consent of the holders of then outstanding Series A Preferred as required under Section 5 below, by amendment of its Articles of Incorporation or through any reorganization, recapitalization, 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 4 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 Series A Preferred against impairment.

4.4.7 Miscellaneous Conversion Price Matters. The Corporation shall at all times reserve and keep available out of its authorized but unissued Common Stock the full number of shares of Common Stock deliverable upon conversion of all of the then outstanding Series A Preferred and shall, at its own expense, take all such actions and obtain all such permits and orders as may be necessary to enable the Corporation lawfully to issue such Common Stock upon the conversion of such Series A Preferred.

4.4.8 No Fractional Shares. No fractional shares shall be issued upon conversion of shares of Series A Preferred into Common Stock and if the conversion would result in the issuance of a fraction of a share of Common Stock, the Corporation shall, in lieu of such fractional share, pay the holder a sum in cash equal to the fair market value of such fraction on the date of conversion (as determined in good faith by the Board of Directors of the Corporation).

4.4.9 Certificate as to Adjustments. Upon the occurrence of each adjustment or readjustment of the Conversion Price of the Series A Preferred pursuant to this Section 4, the Corporation, at its expense shall compute such adjustment or readjustment in accordance with the terms hereof and prepare and furnish to each holder of Series A Preferred a certificate setting forth such adjustment or readjustment and showing in detail the facts upon which such adjustment or readjustment is based. The Corporation shall, upon the written request at any time of any holder of Series A Preferred, furnish or cause to be furnished to such holder a like certificate setting forth (i) such adjustment and readjustment, (ii) the Current Conversion Price at the time in effect, and (iii) the number of shares of Common Stock and the amount, if any, of other property which at the time would be received upon the conversion of a share of Series A Preferred.

4.4.10 No Adjustment. No adjustment of the Conversion Price for the Series A Preferred shall be made in an amount less than one percent of the then existing Conversion Price, provided that any adjustments which are not required to be made by reason of this sentence shall be carried forward and shall be taken into account in any subsequent adjustment made hereunder.

4.5 Automatic Conversion In Connection with Registered Offering.

4.5.1.1 Event of Automatic Conversion. Each share of Series A Preferred shall automatically be converted into Common Stock of the Corporation at the then effective Conversion price upon the closing of a firmly underwritten public offering pursuant to an effective registration statement filed pursuant to the Securities Act pursuant to which Common Stock is sold to the public by the Corporation (other than a registration statement with respect to either (x) an employee benefit plan, or (y) a transaction described in Rule 145 under the Securities Act) at a per share public offering price of not less than \$10.00 and an aggregate public offering price of at least \$100,000,000.

4.5.1.2 Registration Right. The registration statement which shall be filed and become effective for purposes of Section 4.5.1.1 shall include and register, without charge or cost to the holders of Series A Preferred, the issuance of the shares of Common Stock into which the shares of Series A Preferred shall be converted pursuant to Section 4.5.1.1.

4.5.2 Effects of Automatic Conversion. On and after the date of an automatic conversion pursuant to Section 4.5.1, the shares of Series A Preferred evidenced thereby shall be deemed to be no longer outstanding, and all rights with respect thereto shall forthwith cease and terminate, except only the rights of the holder (i) to receive the shares of Common Stock to which such holder shall be entitled upon conversion thereof, (ii) to receive the amount of cash payable in respect of any fractional share of Common Stock to which he shall be entitled, and (iii) with respect to dividends declared but unpaid on the Series A Preferred prior to such conversion date. Any holder of Series A Preferred who shall present such holder's certificate therefor for surrender to the Corporation or its transfer agent upon such conversion shall be entitled to receive a certificate for the number of shares of Common Stock into which the shares of Series A Preferred surrendered were converted on such conversion date. Upon such presentation, the Corporation shall promptly issue and deliver, or cause to be issued and delivered, to such holder a certificate for the number of shares of Common Stock into which such holders of shares of Series A Preferred shall have been converted.

5. Protective Provisions.

5.1 In addition to any other rights provided by law and except as otherwise provided herein, so long as any shares of Series A Preferred shall be outstanding, the Corporation shall not, without first obtaining the affirmative vote or written consent of the holders of at least a majority of the outstanding shares of the Series A Preferred, voting together as a single class:

(a) Amend or repeal any provision of, or add any provision to, the Corporation's Articles of Incorporation or Bylaws if such action would materially and adversely alter or change the preferences, rights, privileges or powers of, or the restrictions provided for the benefit of the Series A Preferred, or increase or decrease the number of shares of Series A Preferred or Common Stock authorized hereby;

(b) Authorize or issue shares of any class or series of stock having any rights, preferences (including those with respect to redemption, liquidation preference, voting or dividends) senior to or on a parity with any series of Series A Preferred as to dividend rights or liquidation preferences; or

(c) Repurchase or redeem any shares of Series A Preferred; or

(d) Effect any sale, lease, assignment, transfer or other conveyance (other than the grant of a mortgage or security interest in connection with the indebtedness for borrowed money from banks and other non-affiliated financial institutions) of all or substantially all the assets of the Corporation or any of its subsidiaries, or merge into or with or consolidate with any other corporation (other than a merger or consolidation with a wholly-owned subsidiary or which

would result in the voting securities of the Corporation outstanding immediately prior thereto continuing to represent 50% or more of the voting securities of the Corporation immediately thereafter).

5.2 In the event that, prior to any conversion of the Series A Preferred pursuant to Section 4, the corporation shall offer for sale (a) any shares of its Preferred Stock which shall be convertible into or exchangeable for or convertible into shares of such Common Stock, or (b) in a private offering, shares of its Common Stock, each holder of Series A Preferred shall be entitled preemptively to purchase shares of Preferred Stock or Common Stock, as the case may be, in such offering, at a discount of twenty percent (20%) from the per share price at which such shares shall otherwise be offered, up to such number of shares as shall be sufficient to maintain such holder's percentage of ownership (on an as then convertible or exchangeable basis) of the Common Stock of the Corporation.

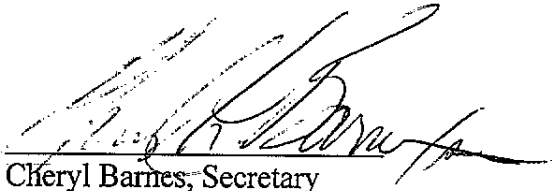
6. Residual Rights. Subject to the rights of any series of Series A Preferred which may in the future come into existence, all rights accruing to the outstanding shares of the Corporation not expressly provided for to the contrary herein shall be vested with the Common Stock.

7. Effective date. This Amendment shall be deemed adopted by the corporation as of April 3, 2000, or when filed with the Florida Department of State.

8. Shareholder Approval The amendment was approved by the shareholders. The number of votes cast for the amendment was sufficient for approval.

9. In furtherance of the stock issue described in paragraph number 4, above, the original stock issue shall be split by the ratio of 1 share of Common Stock to 200,000 shares of Common Stock.

Dated this 7 day of April, 2000


Cheryl Barnes, Secretary