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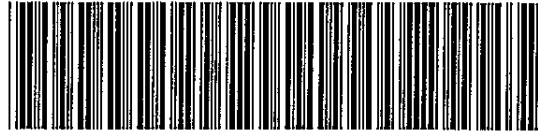
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Saguaro Holdings Corporation

5710 LBJ Freeway, Suite 215
Dallas, TX 75240
(972) 490-8625 Office (972) 490-1503 Fax

February 23, 2004

VIA UPS Overnight

*Secretary of State of Florida
409 E. Gains St.
Tallahassee, FL 32399
Office: 850-245-6050*

Re: Saguaro Holdings Corporation Articles of Amendment

Ladies and Gentlemen:

Saguaro Holdings Corporation is filing the Articles of Amendment pursuant to amendment rule 607.0602 of the Florida General Corporation Act; attached you will find:

1. Our firm check in the amount of \$35.00 made payable to the Department of State of Florida; and
2. The Articles of Amendment for the Certificate of Determination of Preferred Shares Designation.

To evidence the filing, please file-stamp the copy of this letter and return to our office in the overnight package provided to the address listed above.

Should you have any questions, please do not hesitate to contact the undersigned. Thank you for your assistance.

Sincerely,


Chasity Kempf, *Director of Operations*
Saguaro Holdings Corporation

(Enclosures follow)

ARTICLES OF AMENDMENT
CERTIFICATE OF DETERMINATION
OF PREFERENCES OF
PREFERRED SHARES DESIGNATED
"SERIES B CONVERTIBLE PREFERRED STOCK"
OF
SAGUARO HOLDINGS CORP.
A FLORIDA CORPORATION

The undersigned, Jason Freeman, President, and Scott Gregory, Vice President, hereby certify that:

- (i) They are the duly elected and acting President and Vice President, respectively, of Saguaro Holdings Corporation, a Florida corporation (the "Company").
- (ii) Pursuant to authority given by the Company's Articles of Incorporation, the Board of Directors has duly adopted the following recitals and resolutions on the 13th day of January, 2004.
- (iii) Saguaro Holdings Corp (the "Company") is filing pursuant to amendment rule 607.0602 in the Florida General Corporation Act.

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SECRETARY OF STATE
ALLAHBACH, FLORIDA

WHEREAS, the Articles of Incorporation of the Company provide for a class of shares known as Series B Convertible Preferred Stock, which has a par value of \$.001 per share, at \$1.00 per share issuable from time to time; and

WHEREAS, the Board of Directors of this Company is authorized to determine or alter the rights, preferences, privileges and restrictions granted to or imposed upon any wholly unissued preferred stock, to fix the number of shares constituting any such class, and to determine the designations, or any of them; and

WHEREAS, this Company has previously issued shares of Class A preferred stock, and the Board of Directors of the Company desire, pursuant to its authority as aforesaid, to determine and fix the rights, preferences, privileges and restrictions relating to separate classes of said preferred stock to be respectively designated "Class B Convertible Preferred Stock" totaling 2,500,000 shares (the "Series B Convertible Preferred Stock").

NOW, THERETOFORE, BE IT RESOLVED, that the Board of Directors hereby fixes and determines the designation of the number of shares constituting, and the rights, preferences, privileges and restrictions relating to, the Series B Preferred Stock as follows:

1. Designation and Number of Shares. The Class B Preferred Stock shall be designated "Class B Convertible Preferred Stock" which has a par value of \$.001 per share, at \$1.00 per share, and the number of shares constituting the Class B Preferred Stock shall be 2,500,000 shares.
2. Dividend Rights. Saguaro Holdings Corp will issue 2,500,000 shares of SGUJ Class B Convertible Preferred Stock, which has a par value of \$.001, at \$1.00 per share. The SGUJ (or the "Company") Class B Convertible Preferred Stock will receive a preferred dividend paid quarterly of ten percent (10%) per annum of the Company's Gross Revenues, pro ratably to each shareholder.
3. Conversion Rights. The shares of the SGUJ Class B Preferred Stock at the option of the preferred shareholders may be converted into common stock of the Company; or after the return of the preferred shareholders original investment (payout), at the option of the Company, be converted into common stock of the company; and shall: (a) After 18 months and up to 36 months from date of subscription: 1 SGUJ common share for 2 SGUJ preferred shares (1:2) pro ratably; or (b) After 36 months and up to 48 from date of subscription: 1 SGUJ common share for 1 and 1/2 SGUJ preferred shares (1:1 1/2) pro ratably; or (c) After 48 months from the date of subscription: 1 SGUJ common share for 1 SGUJ preferred share (1:1) pro ratably; or (d) After 60 months from the close of the Offering, all SGUJ preferred shares convert at 1 for 1 and dividends will cease; and (e) the Class B Convertible Preferred shareholders will not be affected by forward or reverse splits of the common stock.
4. Early Conversion Penalties. If the Company forces conversion before 60 months, the Company shall issue an additional 25% penalty in common stock.

FURTHER RESOLVED, that the President or any Vice President, and the Secretary, the Chief Financial Officer, the Treasurer or any Assistant Secretary or Assistant Treasurer of this Company are each authorized to execute, verify and file a certificate of determination of preferences in accordance with Florida law.

IN WITNESS WHEREOF, the undersigned have executed this Certificate of Determination as of January 13, 2004.

By: 

Jason Freeman – President & Director

By: 

Scott Gregory – Vice President & Director