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10-28-1999



FORM PTO-1594

(Rev. 6-93)

OMB No. 0651-0011 (exp. 4/94)

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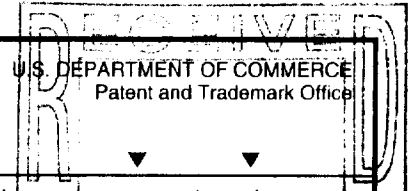
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U.S. DEPARTMENT OF COMMERCE
Patent and Trademark Office

TRADEMARKS ONLY

Tab settings



To the Honorable Commissioner of Patents and Trademarks: Please record the attached original documents or copy thereof.

1. Name of conveying party(ies):

DECK EXPRESS, INC.

- Individual(s)
- General Partnership
- Corporation-State Ontario, Canada
- Other
- Association
- Limited Partnership

Additional name(s) of conveying party(ies) attached? Yes No

3. Nature of conveyance:

- Assignment
- Security Agreement
- Other
- Merger
- Change of Name

Execution Date: October 16, 1999

2. Name and address of receiving party(ies)

Name: CARGOPRO, INC.

Internal Address: _____

Street Address: 85 S. Edgeware Dr.

City: St. Thomas, Ont. State: N5P 2H7 ZIP: Canada

- Individual(s) citizenship
- Association
- General Partnership
- Limited Partnership
- Corporation-State Ontario, Canada
- Other

If assignee is not domiciled in the United States, a domestic representative designation is attached: Yes No (copy of

(Designations must be a separate document from assignment) original

Additional name(s) & address(es) attached? Yes No

filed on
06/04/99.

4. Application number(s) or patent number(s):

A. Trademark Application No.(s)

75/721905

B. Trademark Registration No.(s)

Additional numbers attached? Yes No

5. Name and address of party to whom correspondence concerning document should be mailed:

Name: CERISTOPHER JOHN RUDY

Internal Address: Mark: CARGOPRO

Street Address: 209 HURON AVE STE 8

City: PORT HURCN State: MI ZIP: 48060

6. Total number of applications and registrations involved: 1

7. Total fee (37 CFR 3.41).....\$ 40.00

- Enclosed (ck. #812)
- Authorized to be charged to deposit account

8. Deposit account number:

(Attach duplicate copy of this page if paying by deposit account)

10/27/1999 MTHA11 00000179 75721905

DO NOT USE THIS SPACE

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(40.00 00)

9. Statement and signature.

To the best of my knowledge and belief, the foregoing information is true and correct and any attached copy is a true copy of the original document. This correspondence is mailed under 37 CFR 1.8 to the address below on the date below.

CHRISTOPHER JOHN RUDY
PTO Name of Person Signing # 31873

Christopher John Rudy
Signature

Oct. 19, 1999
Date

Total number of pages including cover sheet, attachments, and document:

22

Mail documents to be recorded with required cover sheet information to:

Commissioner of Patents & Trademarks, Box Assignments
Washington, D.C. 20231

TRADEMARK

REEL: 001981 FRAME: 0279

EJ706692405US



06-04-1999

U.S. Patent & TMOIC/TM Mail Report 440

Rec'd (Asst. Comm'r Tms.)
Box News App/Fee

\$245⁰⁰ (Org. ch. #1557)

TRADEMARK/SERVICE MARK APPLICATION...
(double-sided) / s/o.

Drawing of mark, attached thereto
Specimen " " " "

DESIGNATION OF DOMESTIC REPRESENTATIVE / s/o.

Cover letter dated June 4, 1999

Re: Deck Express, Inc.
I-T-U appl'n.
Mark CARGOPRO.

— CR 6/4/99
12025173

IN THE UNITED STATES PATENT AND TRADEMARK OFFICE

Assistant Commissioner for Trademarks
2900 Crystal Drive
Arlington, VA 22202-3513

DESIGNATION OF DOMESTIC REPRESENTATIVE

CARGOPRO

Identify the mark

Serial No.

Intent-to-use application filed concurrently herewith

Deck Express, Inc.

Name of applicant

May 24, 1999

Date of signature

Christopher John Rudy

(Name of domestic representative)

whose postal address is 209 Huron Ave., Ste. 8

Port Huron, MI 48060

is hereby designated applicant's representative upon whom notice or process in proceedings affecting the mark may be served

(Signature of applicant)

John Organ
President

CHANGE OF NAME

Whereas DECK EXPRESS, INC., a corporation of the Province of Ontario, Canada, of 820 Cabell St., London, Ontario N5Z 1P7, Canada, has applied for registration of the mark

CARGOPRO

in the United States Patent and Trademark Office by application number 75/721,905 filed on June 4, 1999; and

Whereas the said DECK EXPRESS, INC. has since changed its name and address;

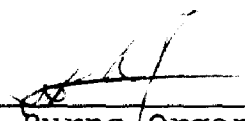
Now therefore, be it known that the new and current, changed name and address of the said DECK EXPRESS, INC. is

CARGOPRO, INC.
85 S. Edgeware Dr.
St. Thomas, Ontario N5P 2H7
Canada

and that the said CARGOPRO, INC. is a corporation of the Province of Ontario, Canada. And, attached hereto are true copies of the Articles of Incorporation for the said DECK EXPRESS, INC., and of the Articles of Amendment for the said CARGOPRO, INC., which show the same.

Having authority to execute this paper and bind the foregoing corporate entity, and stating that all statements made herein of my own knowledge are true and that all statements made herein on information and belief are believed to be true, and being warned that willful false statements and the like so made may jeopardize the validity of this application and any registration granted upon the same, I, the undersigned, set my hand and seal on this

10 day of January, 1999 A.D.



John Burns | Organ (L.S.)
President

Attachments: Copy of Articles of Incorporation
Copy of Articles of Amendment

For Ministry of Industry, Trade and Commerce / À l'usage exclusif du ministère de l'Industrie, du Commerce et des Affaires Consommateurs

Ontario Corporation Number / Numéro de la compagnie en Ontario

1142056

CERTIFICATE

This is to certify that those articles are effective on

CERTIFICAT

Ce certificat certifie que les présents statuts entrent en vigueur le

SEPTEMBER 13 SEPTEMBRE, 1995

Signature of Director / Directeur Business Corporations Act / Loi de sur les compagnies

1

Trans Code, Line No, Stat, Comp Type, Method Incorp, Share, Notice Req'd, Jurisdiction

ARTICLES OF INCORPORATION / STATUTS CONSTITUTIFS

Form 1 Business Corporations Act / Formule numéro 1 Loi sur les compagnies

1 The name of the corporation is / Dénomination sociale de la compagnie

DECK EXPRESS INC.

2 The address of the registered office is / Adresse du siège social

820 CABELL STREET

(Street & Number or R.R. Number & if Multi-Office Building give Room No.) / (Rue et numéro ou numéro de la R.R. et, s'il s'agit d'un édifice à bureau, numéro du bureau)

LONDON, ONTARIO

N 5 Z 1 B 7

(Name of Municipality or Post Office) / (Nom de la municipalité ou du bureau de poste)

(Postal Code) / (Code postal)

CITY OF LONDON

THE COUNTY OF MIDDLESEX

(Name of Municipality, Geographic Township) / (Nom de la municipalité, du canton)

in / dans le/la

(County, District or Regional Municipality) / (Comté, district, municipalité régionale)

3 Number (or minimum and maximum number) of directors is / Nombre (ou nombres minimal et maximal) d'administrateurs

The minimum number of directors is one (1) and the maximum number of directors is ten (10).

4 The first director(s) is/are: / Premier(s) administrateur(s):

First name, initials and last name / Prénom, initiales et nom de famille

Residence address, giving Street & No. or R.R. No., Municipality and Postal Code / Adresse personnelle, y compris la rue et le numéro, le numéro de la R.R., le nom de la municipalité et le code postal

Resident Canadian State / Résident Canadien / Oui/Non

ROBERT A. DARBISHIRE

17-2010 WAVELL STREET LONDON, ONTARIO N5V 4P8

YES

BEVERLY MCNICOL

11 RATHGAR STREET LONDON, ONTARIO N5Z 1Y3

YES

5. Restrictions, if any on business the corporation may carry on or on powers the corporation may exercise.

Limites s'il y a lieu, imposées aux activités commerciales ou aux pouvoirs de la compagnie.

NONE

6. The classes and any maximum number of shares that the corporation is authorized to issue.

Catégories et nombre maximal, s'il y a lieu, d'actions que la compagnie est autorisée à émettre:

The Corporation is authorized to issue an unlimited number of shares of one class which shall be described as "common shares" and unlimited number of shares of a second class which shall be described as "preference shares" or "special shares".

7. Rights, privileges, restrictions and conditions (if any) attaching to each class of shares and directors authority with respect to any class of shares which may be issued in series:

Droits, privilèges, restrictions et conditions, s'il y a lieu, rattachés à chaque catégorie d'actions et pouvoirs des administrateurs relatifs à chaque catégorie d'actions qui peut être émise en série:

The rights, privileges, restrictions and conditions attaching to the preference shares are as follows:

Definitions:

In these share conditions, the following words and phrases shall have the following meanings:

- (i) "redemption amount" of each preference share means the sum of \$100.00;
- (ii) "redemption price" of each preference share means the redemption amount plus an amount equal to all dividends which have at the relevant time been declared or accrued on the share but which have not then been paid (if any); and
- (iii) "Act" means that Business Corporations Act, (Ontario).

Voting Rights

1. Subject to the Act, the holders of the preference shares shall not, as such, be entitled to receive notice of or to attend any meeting of the shareholders of the Corporation or to vote at any such meeting, but shall be entitled to receive notice of and to attend, but not to vote at, any meeting of the shareholders called for the purpose of authorizing the dissolution of the Corporation or the sale, lease or exchange of all or substantially all the property of the Corporation other than in the ordinary course of business.

Preferential Dividend

2. Subject to the Act, the holders of the preference shares shall in each financial year of the Corporation in the discretion of the directors, but always in preference and priority to any payment of dividends on the common shares for that year, be entitled to non-cumulative dividends at the rate of \$9.00 per share, payable in one or more instalments. In any financial year, after providing for the full dividend on the preference shares the directors may, in their discretion, declare

dividends on the common shares in such amounts as they may determine. The holders of the preference shares shall not be entitled to any dividends other than as provided for in this section.

Redemption by Corporation

3. Subject to the Act, the Corporation may redeem the whole or any part of the issued preference shares on payment for each share to be redeemed of the redemption price. Unless all the holders of the preference shares to be redeemed have waived notice of such redemption, the Corporation shall give not less than 30 days' notice in writing of the redemption, specifying the date and place of redemption. If this notice is given or waived, and the redemption price is paid to such holders, or is deposited with any chartered bank or trust company in Canada, as specified in the notice, on or before the date fixed for redemption, dividends on the shares to be redeemed shall cease after the date fixed for redemption, and the holders of such shares shall from then on have no rights against the Corporation in respect of those shares except to receive payment of the redemption price.

Retraction

4. (a) Subject to the Act, a holder of any preference shares shall be entitled to require the Corporation to redeem the whole or any part of the preference shares registered in the name of the holder on the books of the Corporation.

(b) Notice - A holder of shares to be redeemed shall tender to the Corporation at its registered office a request in writing specifying (i) that the holder desires to have the whole or any part of the preference shares registered in his name redeemed by the Corporation and (ii) the business day, which shall be not less than 30 days after the day on which the request in writing is given to the Corporation, on which the holder desires to have the Corporation redeem shares (the "redemption date"), together with the share certificates, if any, representing the preference shares which the registered holder desires to have the Corporation redeem.

(c) Redemption procedure - On receipt of a request and share certificates, the Corporation shall, on the redemption date, redeem the shares by paying to the registered holder an amount equal to the redemption price. This

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payment shall be made by cheque payable at any branch in Canada of one of the Corporation's bankers for the time being. If a part only of the preference shares represented by any certificates is redeemed, a new certificate for the balance shall be issued by the Corporation.

(d) Cessation of rights - The preference shares shall be redeemed on the redemption date and from that date the shares shall cease to be entitled to dividends and their holders shall not be entitled to exercise any of the rights of shareholders in respect of the shares, unless payment of the redemption price is not made on the redemption date, in which case the rights of the holders of the shares shall remain unaffected.

Preference shares - Distribution Rights

5. In the event of the liquidation, dissolution or winding up of the Corporation, whether voluntary or involuntary, the holders of the preference shares shall be entitled to receive, before any distribution of any part of the assets of the Corporation among the holders of the common shares, an amount equal to the redemption price of their shares and no more.

8. The issue, transfer or ownership of shares is/is not restricted and the restrictions (if any) are as follows:

L'émission, le transfert ou la propriété d'actions est/n'est pas restreinte. Les restrictions, s'il y a lieu, sont les suivantes:

The transfer of shares of the Corporation is to be restricted as follows:

- (1) No shares shall be transferred without the express consent of the majority of the directors to be signified by resolution and passed by the Board.

9. Other provisions, if any, are:

Autres dispositions, s'il y a lieu:

- (1) The number of shareholders of the Corporation is limited to fifty (50); two (2) or more persons holding one or more shares jointly are counted as a single shareholder.
- (2) Any invitation to the public to subscribe shares, debentures or debenture stocks of the Corporation is prohibited.
- (3) That subject to the provisions of the Business Corporations Act, the Corporation may purchase any of its common shares out of surplus.

The names and addresses of the incorporators are
Nom et adresse des fondateurs
 First name, initials and surname or corporate name
Prénom, initiale et nom de famille ou dénomination sociale

Full residence address or address of registered office or of principal place of business giving street & No. or R.R.
 No., municipality and postal code
Adresse personnelle au complet, adresse du siège social ou adresse de l'établissement principal, y compris la rue et le numéro, le numéro de la R. R., le nom de la municipalité et le code postal

Robert Alan Darbshire

17-2010 Wavell Street
London, Ontario
N5V 4P8

Beverly McNicol

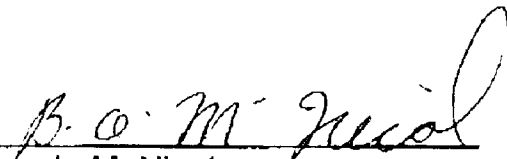
11 Rathgar Street
London, Ontario
N5Z 1Y3

These articles are signed in duplicate

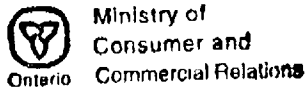
Les présents statuts sont signés en double exemplaire.

Signatures of Incorporators
(Signature des fondateurs)


 Robert Alan Darbshire


 Beverly McNicol

For Ministry Use Only / À l'usage exclusif du ministère



Ministry of Consumer and Commercial Relations

Ministère de la Consommation et du Commerce / CERTIFICAT / Ceci certifie que les présents statuts entrent en vigueur le

Ontario Corporation Number / Numéro de la société en Ontario

1142056

CERTIFICATE / This is to certify that these articles are effective on

AUGUST 05 AOÛT, 1999

Signature of Director with circled number 1

Director / Directeur / Business Corporations Act / Loi sur les sociétés par actions

Trans Code

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ARTICLES OF AMENDMENT / STATUTS DE MODIFICATION

Form 3 Business Corporations Act / Formule 3 Loi sur les sociétés par actions

1. The present name of the corporation is / Dénomination sociale actuelle de la société : DECK EXPRESS INC.

2. The name of the corporation is changed to (if applicable) / Nouvelle dénomination sociale de la société (s'il y a lieu) : CARGOPRO INC.

3. Date of incorporation/amalgamation / Date de la constitution ou de la fusion : 13th September 1995

4. The articles of the corporation are amended as follows / Les statuts de la société sont modifiés de la façon suivante : WHEREAS DECK EXPRESS INC. is a corporation pursuant to Certificate of Incorporation dated September 13, 1995;

AND WHEREAS the authorized capital of the Corporation as set out in the said Certificate of Incorporation is:

Unlimited Common Shares / Unlimited Preference Shares or Special Shares;

AND WHEREAS 3,076,923 Common Shares are issued and outstanding as fully paid and non-assessable;

AND WHEREAS no Preference Shares or Special Shares are issued;

NOW THEREFORE BE IT RESOLVED THAT:

1. The Articles of Incorporation of the Corporation are hereby amended to change the name of the Corporation to:

CARGOPRO INC.

2. Subject to the issuance of a Certificate of Amendment of Articles and without affecting the validity of the incorporation and existence of the Company by and under its articles and of any act done thereunder, its articles are hereby amended by deleting all of the provisions in clauses 6 and 7 thereof and substituting therefore the provisions hereinafter set out:

Document prepared by Dyer, Brown, Barristers & Solicitors, London, Ontario

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The Corporation is authorized to issue:

- (a) One class of shares, to be designated as "Common Shares", in an unlimited number; and
- (b) One class of shares, to be designated as "Preferred Shares", in an unlimited number;

such shares having attached thereto the following rights, privileges, restrictions and conditions.

Section 1 Liquidation Rights.

- (1) Liquidated Payments. In the event of any liquidation, dissolution or winding up of the affairs of the Corporation, whether voluntary or involuntary, the holders of each Preferred Share shall be entitled preferentially to be paid first out of the assets of the Corporation available for distribution to holders of the Corporation's capital stock of all classes an amount equal to the greater of:
 - (a) \$1.00 per Preferred Share (such amount to be proportionately adjusted for stock splits, stock dividends, stock combinations, stock recapitalizations and similar events) plus the amount of any dividends not paid as contemplated in Section 5 (the "Redemption Amount"); or
 - (b) provided that the Preferred Shares are then convertible in accordance with the provisions of Section 2, such amount per Preferred Share as would have been payable had all Preferred Shares been converted to Common Shares pursuant to the provisions of Section 2 immediately prior to such event of liquidation, dissolution or winding up.

If all assets of the Corporation shall be insufficient to permit the payment in full to the holders of Preferred Shares of all amounts so distributable to them, then the entire assets of the Corporation available for such distribution shall be distributed rateably among the holders of Preferred Shares in proportion to the full preferential amount each such holder is otherwise entitled to receive.

After such payments shall have been made in full to the holders of the Preferred Shares, or funds necessary for such payments shall have been set aside by the Corporation in trust for the account of holders of Preferred Shares so as to be

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available for such payments, the remaining assets available for distribution shall be distributed among the holders of the Common Shares rateably in proportion to the number of Common Shares held by each of them.

After conversion of Preferred Shares into Common Shares pursuant to Section 2, the holder of such Common Shares shall not be entitled to any preferential payment or distribution in case of any liquidation, dissolution or winding up, but shall share rateably in any distribution of the assets of the Corporation among the holders of Common Shares.

The amounts payable with respect to Preferred Shares under this Section 1(1) are hereinafter referred to as ("**Preferred Share Liquidation Payments**").

- (2) Distribution Other than Cash. Whenever the distributions provided for in this Section 1 shall be payable in property other than cash, the value of such distribution shall be the fair market value of such property as determined in good faith by the Board of Directors of the Corporation.
- (3) Sale of Assets as Liquidation, Etc. A consolidation or merger of the Corporation with or into any other corporation or corporations in which the Corporation's shareholders do not retain a majority of the voting power in the surviving corporation, or a sale, conveyance or disposition of all or substantially all of the assets of the Corporation, the effectuation by the Corporation of a transaction or series of related transactions in which more than 50% of the voting power of the Corporation is disposed of, or a dividend in one or a series of transactions to the Corporation's shareholders of greater than 25% of the total assets of the Corporation (each, a "**Liquidity Event**"), shall be deemed to be a liquidation, dissolution or winding up of the affairs of the Corporation for purposes of this Section 1. All consideration received by the Corporation in a Liquidity Event together with all other available assets of the Corporation shall be distributed toward the amounts payable with respect to such Preferred Shares pursuant to Section 1(1).
- (4) Notice. Written notice of any proposed liquidation, dissolution or winding up of the affairs of the Corporation (including any merger, consolidation or sale of assets which may be deemed to be a liquidation, dissolution or winding up of the affairs of the Corporation under Section 1(3), stating a payment date, the amount of the Preferred Share Liquidation Payments and the place where such Preferred Share Liquidation Payments shall be payable, shall be delivered to the holders of Preferred Shares not less than 45 days prior to the proposed date of such proposed liquidation, dissolution or winding up.

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Section 2 Conversion.

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

- (1) Optional Conversion. Each Preferred Share shall be convertible at the office of the Corporation or any transfer agent, without the payment of any additional consideration by the holder thereof and at the option of the holder into such number of fully paid and non-assessable Common Shares as is determined by making the calculation set forth in the next succeeding sentence, if at any time after the Original Issue Date (as hereinafter defined), (i) there shall occur an Event of Default under the banking facilities of the Corporation which, with the giving of notice, the passage of time or both would entitle the Lender to accelerate the indebtedness thereunder and the Corporation is unable to cure such Event of Default within 45 days; and (ii) if the Corporation shall fail to redeem the Preferred Shares at the time required pursuant to Section 7. Each Preferred Share shall be converted into that number of fully paid and non-assessable Common Shares by multiplying each such Preferred Share by a number determined by dividing the Redemption Amount by .3046875.
- (2) Mechanics of Optional Conversions. Before any holder of Preferred Shares shall be entitled to convert the same into Common Shares, the holder shall surrender the certificate or certificates therefor at the office of the Corporation or of any transfer agent for Preferred Shares, and shall give written notice to the Corporation at such office that the holder elects to convert the same and shall state therein the holder's name or the name or, subject to any legal or contractual restrictions on transfer thereof, names of the holder's nominees in which the holder wishes the certificate or certificates for Common Shares to be issued and such notice shall be accompanied by an agreement in form satisfactory to the Corporation acting reasonably by which the person(s) in whose name the Common Shares are to be issued agrees to be bound by the provisions of any applicable shareholders' agreement of the Corporation if such person is not already a party to such agreements. On the date of conversion, all rights with respect to the Preferred Shares so converted shall terminate, except for any of the rights of the holder thereof, upon surrender of the holder's certificate or certificates therefor, to receive certificates for the number of Common Shares into which such Preferred Shares have been converted. If so required by the Corporation, certificates surrendered for conversion shall be endorsed or accompanied by written instrument or instruments of transfer, in form satisfactory to the Corporation, duly executed by the registered holder or by the holder's attorney duly authorized in writing. No fractional Common Share shall be issued upon the optional

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conversion of Preferred Shares. In lieu of any fractional share to which the holder would otherwise be entitled, the Corporation shall pay cash. The Corporation shall, as soon as practicable after surrender of the certificate or certificates for conversion, issue and deliver at such office to such holder of Preferred Shares, or, subject to any legal or contractual restrictions on transfer thereof, to the holder's nominee or nominees, a certificate or certificates for the number of Common Shares to which the holder shall be entitled as aforesaid. Such conversion shall be deemed to have been made immediately prior to the close of business on the date of such surrender of the Preferred Shares to be converted, and the person or persons entitled to receive the Common Shares issuable upon conversion shall be treated for all purposes as the record holder or holders of such Common Shares on such date.

- (3) Adjustment for Dividends, Distributions, Subdivisions, Combinations or Consolidations of Common Shares. In the event that at any time or from time to time after the Original Issue Date the Corporation shall have issued Common Shares in a stock dividend, stock distribution or subdivision or if the Common Shares shall be combined or consolidated by reclassification or otherwise into a lesser number of Common Shares, the holder of any Preferred Shares shall have the right thereafter to convert such shares into the number of Common Shares that such holder would have been entitled to receive as a result of such stock dividend, stock distribution or subdivision or combination or consolidation, as the case may be, if, on the effective date thereof, he had been the registered holder of the number of Common Shares to which he was theretofore entitled upon conversion as herein provided.
- (4) Adjustment for Reclassification, Exchange or Substitution. In the event that at any time or from time to time after the Original Issue Date, the Common Shares issuable upon the conversion of Preferred Shares 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 then and in each such event the holder of any Preferred Shares shall have the right thereafter to convert such shares into the kind and amount of shares of stock and other securities and property receivable upon such reorganization, reclassification, or other change, by the holder of a number of Common Shares equal to the number of Common Shares into which such Preferred Shares might have been converted immediately prior to such reorganization, reclassification, or change, all subject to further adjustment as provided herein.
- (5) No Impairment. The Corporation shall not, by amendment of its Articles of Incorporation or through any reorganization, transfer of assets, consolidation, amalgamation, merger, dissolution, issue or sale of securities or any other

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voluntary action, including, without limitation, voluntary bankruptcy proceedings, avoid or seek to avoid the observance or performance of any of the terms to be observed or performed hereunder by the Corporation but shall at all times in good faith assist in the carrying out of all the provisions of this Section 2 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 Preferred Shares under this Section 2 against impairment.

- (6) Certificate as to Adjustments. Upon the occurrence of each adjustment or readjustment pursuant to this Section 2, the Corporation at its expense shall promptly compute such adjustment or readjustment in accordance with the terms hereof and furnish to each affected holder of Preferred Shares 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 affected holder of Preferred Shares, furnish or cause to be furnished to such holder a like certificate setting forth:
- (a) such adjustments and readjustments;
 - (b) the number of Common Shares and the amount, if any, of other property which at the time would be received upon the conversion of each Preferred Share;
 - (c) any amendment to the Articles of the Corporation that may adversely affect the rights of the holders of the Preferred Shares; and
 - (d) the number of Common Shares into which the Preferred Shares are then convertible at the time in effect.

The holders of at least 50% of the outstanding Preferred Shares shall have the right to challenge any determination by the Board of Directors of fair value pursuant to this Section 2, in which case such determination of fair value shall be made by an independent appraiser selected jointly by the Board of Directors and the challenging parties, the cost of such appraisal to be borne equally by the Corporation and the challenging parties.

- (7) Notices of Record Date. In the event of any taking by the Corporation of a record of the holders of any class of securities for the purpose of determining the holders thereof who are entitled to receive any dividend (other than a cash dividend which is the same as cash dividends paid in previous quarters) or other distribution, the Corporation shall deliver to each holder of Preferred Shares at least twenty days prior to such record date a notice specifying the

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date on which any such record is to be taken for the purpose of such dividend or distribution.

- (8) Common Shares Reserved. The Corporation shall reserve and keep available out of its authorized but unissued Common Shares such number of Common Shares as shall from time to time be sufficient to effect conversion of the Preferred Shares.
- (9) Certain Taxes. The Corporation shall pay any issue or transfer taxes payable in connection with the conversion of Preferred Shares, provided, however, that the Corporation shall not be required to pay any tax which may be payable in respect of any transfer to a name other than that of the holder of the Preferred Shares.
- (10) Closing of Books. The Corporation shall at no time close its transfer books against the transfer of any Preferred Shares of any Common Shares issued or issuable upon the conversion of any Preferred Shares in any manner which interferes with the timely conversion or transfer of such Preferred Shares or Common Shares.

Section 3 Restrictions.

At any time when Preferred Shares are outstanding, except where the vote of the holders of a greater number of Preferred Shares is required by law or hereunder, and in addition to any other vote required by law or hereunder, without the affirmative vote of the holders of at least two-thirds of the then outstanding Preferred Shares (with calculations based upon the number of Common Shares into which such Preferred Shares are then convertible), voting collectively as a single class, the Corporation will not:

- (a) make any amendment or change of the rights, preferences, privileges or powers of, or the restrictions provided for the benefit of the Preferred Shares;
- (b) create or authorize the creation of (including by way of reclassification), or increase or authorize any increase in the number of authorized shares of any class or series of capital stock of the Corporation having voting, liquidation or dividend rights equal or superior to the Preferred Shares;
- (c) issue any shares, or any rights, options or warrants to acquire shares or any security convertible into shares, of any class or series of capital stock of the Corporation having liquidation or dividend rights equal or superior to the Preferred Shares;

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- (d) redeem any shares of its capital stock other than pursuant to Section 6;
or
- (e) merge, consolidate or amalgamate with or into any other corporation.

Section 4 Voting Rights.

The holders of Preferred Shares shall be entitled to notice of any meeting of shareholders and, except with respect to the matters set forth in Section 3 or as otherwise required by law, shall not be entitled to vote together with the holders of Common Shares as a single class upon any matter submitted to the shareholders for a vote.

Section 5 Dividends.

- (1) The holders of the Preferred Shares shall be entitled to a fixed, cumulative dividend of 6% per annum on the Redemption Amount calculated and payable quarterly not in advance. The Corporation shall have the option to accrue any dividend and any dividend not paid for whatever reason shall accrue. Any accrued dividend shall be added to the Redemption Amount.
- (2) The Corporation shall not declare or pay any distribution on Common Shares until the holders of outstanding Preferred Shares shall have first received, or simultaneously received out of the funds legally available therefor, a distribution on each outstanding Preferred Share in an amount at least equal the amount of the dividend provided for in Section 5(1).
- (3) Subject to Section 5(2), dividends may be declared and paid on Common Shares from funds lawfully available therefor as and when determined by the Board of Directors of the Corporation provided that such declaration and payment is approved of by a majority of the holders of all issued and outstanding shares in the capital of the Corporation.

Section 6 Notices.

In the event that the Corporation shall propose at any time:

- (a) to declare any dividend or distribution upon its Common Shares, whether in cash, property, stock or other securities, whether or not a regular cash dividend and whether or not out of earnings or earned surplus;

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- (b) to offer for subscription *pro rata* to the holders of any class or series of its stock any additional shares of stock of any class or series or other rights;
- (c) to effect any reclassification or recapitalization of its Common Shares outstanding involving a change in the Common Shares; or
- (d) to merge or consolidate with or into any other corporation, or sell, lease or convey all or substantially all its property or business, or to liquidate, dissolve or wind up,

then, in connection with each such event, the Corporation shall send to the holders of the Preferred Shares:

- (i) at least 20 day's prior written notice of the date on which a record shall be taken for such dividend, distribution or subscription rights (and specifying the date on which the holders of Common Shares shall be entitled thereto) or for determining rights to vote in respect of the matters referred to in (c) and (d) above; and
- (ii) in the case of the matters referred to in (c) and (d) above, at least 20 day's prior written notice of the date when the same shall take place (and specifying the date on which the holders of Common Shares shall be entitled to exchange their Common Shares for securities or other property deliverable upon the occurrence of such event).

Each such written notice shall be delivered personally or given by first class mail, postage prepaid, addressed to the holders of the Preferred Shares at the address for each such holder as shown on the books of the Corporation.

Section 7 Redemption.

On June 30, 2003, the Corporation shall redeem any outstanding Preferred Shares for an amount equal to the Redemption Amount (the "Redemption Price"). If the Corporation fails to so redeem, the Preferred Shares may, at the option of the holder, be converted into Common Shares in accordance with Section 2 at any time thereafter and prior to the redemption of the Preferred Shares. The Corporation shall not be entitled to redeem Preferred Shares on or after June 30, 2003 except on 10 days prior written notice. For greater certainty, the holder may elect to convert after the receipt of such notice and prior to redemption. The Preferred Shares not redeemed shall remain outstanding (unless converted) and shall remain entitled to all of the rights and preferences otherwise provided for herein. The Corporation

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shall be allowed to borrow funds required to redeem the Preferred Shares, provided that the holder of Preferred Shares shall not be obligated to pledge it's Common Shares or guarantee any obligation to lender of such funds.

Form 3
Business
Corporations
Act
Formule 3
Loi sur les
sociétés par
actions

- 5 The amendment has been duly authorized as required by sections 168 and 170 (as applicable) of the Business Corporations Act.
- 6 The resolution authorizing the amendment was approved by the shareholders/directors (as applicable) of the corporation on

La modification a été dûment autorisée conformément aux articles 168 et 170 (selon le cas) de la Loi sur les sociétés par actions.

Les actionnaires ou les administrateurs (selon le cas) de la société ont approuvé la résolution autorisant la modification le

4th

August 1999

(Day, Month, Year)
(jour, mois, année)

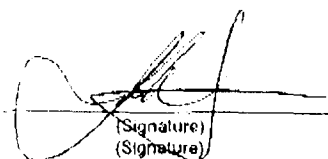
These articles are signed in duplicate.

Les présents statuts sont signés en double exemplaire.

DECK EXPRESS INC.

(Name of Corporation)
(Dénomination sociale de la société)

By/Par



(Signature)
(Signature)

(Description of Office)
(Fonction)

John Burns Organ, President

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