

RECORDATION FORM TRADEMARK

09-27-2000

DEPARTMENT OF COMMERCE
Patent and Trademark Office
TRADEMARK



101473755

or copy(ies).

To the Honorable Commissioner for Patents and Trademarks: Please

1. Name of conveying party(ies): **B2BWorks, Inc.** *9-14-00*

Individual(s) Association

General Partnership Limited Partnership

Corporation Other: _____

Citizenship/State of Incorporation/Organization: Illinois

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

Execution date: March 28, 2000

2. Name and address of receiving party(ies):

Name: **B2BWorks, Inc.**

Street Address: **444 N. Michigan Avenue, Suite 900
Chicago, Illinois 60611**

Individual(s)

Association

General Partnership

Limited Partnership

Corporation

Other: _____

Citizenship/State of Incorporation/Organization: Delaware

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

(Designations must be a separate document from assignment)

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

3. Nature of conveyance:

Assignment Merger

Security Agreement Change of Name

License Nunc Pro Tunc Assignment

Effective Date: _____

Other: _____

4. Nature of submission:

New

Resubmission (Non-Recordation) Document ID# _____

Correction of PTO error

Reel #: _____ Frame #: _____

Corrective Document

Reel #: _____ Frame #: _____

5. Application number(s) or registration number(s):

A. Trademark Application No.(s)
75/697710 75/697713 75/584,397
75/697712 75/697714

Additional numbers attached? Yes No

ATTORNEY DOCKET NO.: **5242-3, 5242-4, 5342-6, 5342-7, 5342-8**

B. Trademark Registrations No.(s)

6. Correspondent name and address:

LAFF, WHITESEL & SARET, LTD.
ATTORNEYS AT LAW
401 NORTH MICHIGAN AVENUE
SUITE 1700
CHICAGO, ILLINOIS 60611-4212

Direct telephone calls to: Brian J. Lum
at telephone no. (312) 661-2100 or fax no. (312) 661-0029

EXPRESS MAIL mailing label
No: EL380611038US Date of Deposit: September 14, 2000

I hereby certify that this paper or fee is being deposited with the United States Postal Service "Express Mail Post Office to Addressee" service under 37 CFR 1.10 on the date indicated above and is addressed to the Commissioner of Patents and Trademarks, Box Assignments, Washington, DC 20231. The person mailing this paper/fee is: *[Signature]*

PRINT: Michael Finnegan

7. Total number of properties involved: 5

Total pages including cover sheet & attachments: 18

Total fee (37 CFR 3.41) \$ **140.00**

Enclosed

Authorized to be charged to deposit account #12-0064

Authorization to charge additional fees

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

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8. 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. Charges to deposit account are authorized.

Brian J. Lum *[Signature]* September 14, 2000

Name of Person Signing Signature Date

Mail documents to be recorded with required cover sheet information to: Commissioner for Patents & Trademarks, Box Assignments Washington, DC 20231

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01 FC:481
02 FC:482

State of Delaware

Office of the Secretary of State

I, EDWARD J. FREEL, SECRETARY OF STATE OF THE STATE OF DELAWARE, DO HEREBY CERTIFY THE ATTACHED IS A TRUE AND CORRECT COPY OF THE CERTIFICATE OF MERGER, WHICH MERGES:

"B2BWORKS, INC.", A ILLINOIS CORPORATION,

WITH AND INTO "B2BWORKS, INC." UNDER THE NAME OF "B2BWORKS, INC.", A CORPORATION ORGANIZED AND EXISTING UNDER THE LAWS OF THE STATE OF DELAWARE, AS RECEIVED AND FILED IN THIS OFFICE THE TWENTY-EIGHTH DAY OF MARCH, A.D. 2000, AT 1:30 O'CLOCK P.M.

3184656 8100M

001420246



Edward J. Freel

 Edward J. Freel, Secretary of State

0627938

AUTHENTICATION:

08-18-00

DATE:

TRADEMARK
 REEL: 002148 FRAME: 0812

CERTIFICATE OF MERGER

of

B2BWorks, Inc.

Into

B2BWorks, Inc.

Pursuant to Section 252(c)
of the State of Delaware
General Corporation Law

The undersigned, being the Surviving Corporation, hereby sets forth as follows:

- FIRST: The name of the Surviving Corporation is B2BWorks, Inc.; its date of incorporation is February 29, 2000.
- SECOND: The name of the Non-Surviving Corporation is B2BWorks, Inc. (an Illinois corporation); its date of incorporation is June 30, 1999.
- THIRD: An Agreement of Merger has been approved, adopted, certified, executed and acknowledged by each constituent corporation in accordance with Section 252 of the State of Delaware General Corporation Law.
- FOURTH: The amendments or changes in the Certificate of Incorporation of the Surviving Corporation that are to be effected by this merger are as follows:

Article 4 of the Certificate of Incorporation is deleted in its entirety and replaced with the following:

The authorized capital stock of the corporation is as follows:

<u>Class</u>	<u>Par Value Per Share</u>	<u>Number of Shares Authorized</u>	<u>Number of Shares Issued</u>	<u>Consideration Received Therefor</u>
Common	.01	30,000,000	10,000,000	\$1,000.00
Series A Convertible Preferred	.01	3,040,875	3,040,875	\$2,250,000.00

The rights, preferences, privileges and restrictions granted or imposed on the Series A Convertible Preferred Stock or the holders thereof are set forth as follows:

Section 1. Designation and Amount.

The shares of such series shall be designated as "Convertible Preferred Stock, Series A" (the "Series A Convertible Preferred Stock"). The Series A Convertible Preferred Stock shall be perpetual and the authorized number of shares of Series A Convertible Preferred Stock shall be 3,040,875. The par value of the Series A Convertible Preferred Stock shall be \$.01 per share.

Section 2. Dividends and Distributions.

(a) The holders of Series A Preferred shall be entitled to receive dividends at the rate of \$0.07399 per share (as adjusted for any stock dividend, combinations or splits with respect to such shares) per annum, payable when and if declared by the Board of Directors. Dividends will be paid in cash or stock as per a majority vote by the Board of Directors and shall be non-cumulative. In addition, commencing on the fourth anniversary of the first issuance of Series A Convertible Preferred Stock by the Corporation (the "Initial Issuance Date"), the holders of Series A Convertible Preferred Stock shall be entitled to a quarterly dividend, payable in arrears in cash, at a rate of \$0.0592 per share per annum to accrue and be paid on the last day of each calendar quarter without any further action by the Board of Directors.

(b) No dividends (other than those payable solely in the Common Stock of the Corporation) shall be paid on any Common Stock of the Corporation during any fiscal year of the Corporation until dividends in the total amount of \$0.07399 per share (as adjusted for any stock dividends, combinations or splits with respect to such shares) on the Series A Preferred Stock shall have been paid or declared and set apart during that fiscal year and any prior year in which dividends accumulated but remain unpaid.

(c) When and as dividends or distributions are declared upon the Common Stock, no par value, of the Corporation (the "Common Stock"), whether payable in cash or property (other than in Common Stock), the holders of the Series A Convertible Preferred Stock shall be entitled to receive, for each share of Series A Convertible Preferred Stock held by

them, an amount of cash per share (as adjusted for any stock dividend, combinations or splits with respect to such shares) per annum, or property equal to the amount of such cash or property payable or distributable with respect to the number of shares of Common Stock into which such share of Series A Convertible Preferred Stock is convertible on the record date for such dividend or distribution. Without limitation of the foregoing, if at any time the Corporation issues any options, Convertible Securities (as defined below) or rights to purchase stock, warrants, securities or other property pro rata to the record holders of Common Stock (the "Purchase Rights"), then each holder of Series A Convertible Preferred Stock will be entitled to receive the aggregate Purchase Rights which such holder would have received if such holder had held the number of shares of Common Stock into which such holder's Series A Convertible Preferred Stock would have received if such holder had held the number of shares of Common Stock into which such holder's Series A Convertible Preferred Stock was convertible immediately before the date on which a record is taken for the issuance of such Purchase Rights, or, if no such record is taken, the date as of which the record holders of Common Stock are to be determined for such issuance of such Purchase Rights. As used herein, the term "Convertible Securities" shall mean any right to subscribe for or to purchase, or any option for the purchase of, Common Stock or any stock or other securities convertible into or exchangeable for Common Stock.

(d) In the event the Corporation shall declare a distribution (other than any distribution described in Section 5 or 6 payable in securities of other persons, evidences of indebtedness issued by the Corporation or other persons, assets (excluding cash dividends or options or rights to purchase any such securities or evidences of indebtedness), then, in each such case the holders of the Series A Preferred Stock shall be entitled to a proportionate share of any such distribution as though the holders of the Series A Preferred Stock were the holders of the number of shares of Common Stock of the Corporation into which their respective shares of Series A Preferred Stock 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.

Section 3. Voting Rights.

Except as otherwise required by law, the holders of Series A Convertible Preferred Stock shall have voting rights as follows:

(a) Shares of Series A Convertible Preferred Stock on an as-converted basis shall have full voting rights and powers and, full informational and notice rights and except as described below shall vote together with the shares of Common Stock (and of any other class or series which may similarly be entitled to vote with the shares of Common Stock) as a single class upon all matters upon which holders of Common Stock are entitled to vote. Each Holder of Common Stock shall be entitled to one (1) vote for each share of Common Stock held.

(b) So long as any Series A Convertible Preferred Stock remain outstanding, the consent of 75% of the holders of the Series A Convertible Preferred Stock shall be required for any action which (i) alters or changes the rights, preferences or privileges of Series A Convertible Preferred Stock, (ii) increases or decreases the authorized number of shares of Series A Convertible Preferred Stock, (iii) alters or changes the Series A Convertible Preferred Stock, (iv) alters or changes the Series A Convertible Preferred Stock's proportional representation on the Corporation's Board of Directors, or (v) increases or decreases the authorized number of the members of the Board of Directors.

(c) So long as any shares of Series A Convertible Preferred Stock remain outstanding, the Corporation will not, either directly or indirectly or through merger or consolidation with any other corporation, without the affirmative vote at a meeting or the written consent with or without a meeting of the holders of at least two thirds (2/3) of the shares of Series A Convertible Preferred Stock then outstanding voting as a single series:

(i) make any material change in the type of business in which the Corporation is currently engaged, (ii) grant dividends or distributions on or redemptions of any securities other than Series A Convertible Preferred Stock, (iii) become a party to any agreement which by its terms restricts the Corporation's performance of the terms of any agreement arising out of the issuance of any of the Corporation's Series A Convertible Preferred Stock, (iv) create any class or series of stock which has preferences over or is on a parity with, the Series A Convertible Preferred Stock as to voting rights, dividends, dissolution, liquidation or recapitalization, (v) amend or change any provisions of the Corporation's Certificate of Incorporation or By-laws or (vi) merge with another Corporation, consolidate, sell assets out of the ordinary course of business, liquidate or dissolve. Notwithstanding the foregoing, the Series A Convertible Preferred Stock shall not have any two-thirds class votes and shall vote as a single class with the holders of Common Stock with respect to the events outlined in clause (vi) of the preceding sentence, in the event the Corporation's Common Stock has a price equal to ten (10) times the initial issuance price of Series A Convertible Preferred Stock.

(d) Except when voting as a single class or series as provided in Sections 3(b) and 3(c) or by law (in which case each share of Series A Convertible Preferred Stock shall be entitled to one vote) and when voting for members of the Board of Directors as provided in Section 3(e), each share of Series A Convertible Preferred Stock shall, if such share is then entitled to vote pursuant to Section 3(a), be entitled to the voting rights and powers and the number of votes equal to the number of shares of Common Stock into which such share of Series A Convertible Preferred Stock could be converted on the record date for the vote to be taken. Fractional votes shall not be permitted and fractional voting rights resulting from the above formula shall be rounded to the nearest whole number.

(e) The Board of Directors shall consist of five (5) members. At each meeting or pursuant to each stockholder consent, for the election of members of the Board of

Directors or to fill any interim Board of Directors vacancy, the holders of Series A Convertible Preferred Stock, voting as a separate class, shall be entitled to (i) elect one (1) voting member of the Board of Directors, (ii) elect two (2) nonvoting members of the Board of Directors (iii) vote with all equity securities holders and convertible equities securities holders on an as converted basis for one (1) voting board member who shall not be a member of management. The holders of Common Stock voting as a separate class, shall be entitled to elect the remaining three members of the Board of Directors provided that at least one (1) member so elected is independent of management.

Section 4. Reacquired Shares.

Any shares of Series A Convertible Preferred Stock converted, purchased or otherwise acquired by the Corporation in any manner whatsoever shall be retired and canceled promptly after the acquisition thereof and shall be eliminated from shares which the Corporation shall authorize to issue.

Section 5. Liquidation, Dissolution or Winding Up.

(a) In the event of any voluntary or involuntary liquidation, dissolution or winding up of the Corporation (any such event being hereinafter referred to as a "Liquidation"), before any distribution of assets or funds of the Corporation shall be made to or set apart for the holders of Common Stock or any other series of capital stock, the holders of Series A Convertible Preferred Stock shall be entitled to receive payment out of such asset an amount per share of Series A Convertible Preferred Stock equal to \$0.7399, plus any accrued or declared and unpaid dividends per share (as adjusted for stock dividends, combinations or splits with respect to such shares) on the Series A Convertible Preferred Stock (the "Series A Preferred Liquidation Preference"). If the entire assets or funds of the Corporation available for distribution to the holders of Series A Convertible Preferred Stock shall not be sufficient to make in full the payments herein required, such assets shall be distributed ratably among the holders of Series A Convertible Preferred Stock so that an equal amount shall be paid with respect to each outstanding share of Series A Convertible Preferred Stock.

(b) If the assets or funds of the Corporation available for distribution to stockholders exceed the aggregate amount payable pursuant to Section 5(a) above, the remainder of such assets or funds shall be distributed to the holders of Series A Convertible Preferred Stock and Common Stock on a pro-rata basis, with the amount distributable to be computed on the basis of the number of shares of Common Stock which would be held by the holders of Series A Convertible Preferred Stock if immediately prior to the Liquidation all of the outstanding shares of Series A Convertible Preferred Stock had been converted into shares of Common Stock.

(c) For purposes of this Section 5 a liquidation, dissolution or winding up of the Corporation as described shall include the Corporation's sale of all or substantially all of the Corporation's assets to a third party by means of an asset sale, merger, reorganization, corporate reorganization or other transaction resulting in the exchange of the outstanding shares of the Corporation from securities or consideration issued by the acquirer (a "Merger or Sale") provided that after said Merger or Sale, the stockholders of the Corporation prior to the transaction hold less than 50% of the voting equity securities (calculated on an as-converted basis) of the successor or surviving corporation.

(d) Whenever the distribution provided in this Section 5 shall be payable in securities or property other than cash, the value of such distribution shall be the fair market value of such other property as determined in good faith by the Board of Directors, including the vote of at least one director elected by the holders of Series A Preferred Stock; provided, however, that unless otherwise specifically provided in the form of an agreement of consolidation or merger approved by the requisite vote of the shareholders of the Corporation, any securities shall be valued as follows:

(i) Securities not subject to restrictions on free marketability:

(A) If traded on a securities exchange or the Nasdaq National Market System, the value shall be deemed to be the average of the closing prices of the securities on such exchange or system over the thirty (30) day period ending three (3) days prior to the closing;

(B) If actively traded over the counter, the value shall be deemed to be the average of the closing bid prices over the thirty (30) day period ending three (3) days prior to the closing; and

(C) If there is no active public market, the value shall be the fair market value thereof, as determined in good faith by the Board of Directors; provided, however, if the holders of a majority of the outstanding Series A Preferred Stock object to such valuation then the value shall be the fair market value thereof, as mutually determined by the Corporation and the holders of not less than a majority of the outstanding shares of Series A Preferred Stock, voting as a class; and provided, further, that if the Corporation and the holders of a majority of the outstanding shares of Series A Preferred Stock are unable to reach agreement, then by independent appraisal by an independent appraiser hired and paid by the Corporation, but acceptable to the holders of a majority of the outstanding shares of Series A Preferred Stock, voting as a class.

Section 6. Redemption.

(a) Upon the majority vote of the holders of Series A Preferred Stock, this Corporation shall redeem, from any source of funds legally available therefor, the

outstanding Series A Preferred Stock in sixteen quarterly installments beginning on December 31, 2004 and continuing thereafter on each March 31, June 30, September 30 and December 31 (each a "Series A Redemption Date") until September 30, 2008, whereupon the remaining Series A Preferred Stock outstanding shall be redeemed. The Corporation shall effect such redemptions on the applicable Series A Redemption Dates by paying in cash in exchange for the shares of Series A Preferred Stock to be redeemed a sum equal to \$.7399 per share of Series A Preferred Stock (as adjusted for any stock dividends, combinations or splits with respect to such shares) plus all declared or accumulated but unpaid dividends on such shares (the "Series A Redemption Price"); provided that the Series A Redemption Price for each share of Series A Preferred Stock not redeemed as of the initial Series A Redemption Date shall bear simple interest payable to such Holder at the rate of 10% per annum until paid in full. Any redemption effected pursuant to this Section 6(a) shall be made on a pro-rata basis among the holders of the Series A Preferred Stock in proportion to the shares of Series A Preferred Stock then held by them.

(b) As used herein and in Sections 6(c) and 6(d) below, the term "Redemption Date" shall refer to "Series A Redemption Date" and the term "Redemption Price" shall refer to "Series A Redemption Price." At least 15 but no more than 30 days prior to each Redemption Date, written notice shall be mailed, first class postage prepaid, to each Holder of record (at the close of business on the business day next preceding the day on which notice is given) of the Series A Preferred Stock to be redeemed, at the address last shown on the records of the Corporation for such Holder, notifying such Holder of the redemption to be effected, specifying the number of shares to be redeemed from such Holder, the Redemption Date, the Redemption Price, the place at which payment may be obtained and calling upon such Holder to surrender to the Corporation, in the manner and at the place designated, his certificate or certificates representing the shares to be redeemed (the "Redemption Notice"). Except as provided in Section 6(c), on or after the Redemption Date, each Holder of Series A Preferred Stock to be redeemed shall surrender to this Corporation the certificate or certificates representing such shares, in the manner and at the place designated in the Redemption Notice, and thereupon the Redemption Price of such shares shall be payable to the order of the person whose name appears on such certificate or certificates as the owner thereof and each surrendered certificate shall be canceled. In the event less than all the shares represented by any such certificate are redeemed, a new certificate shall be issued representing the unredeemed shares.

(c) From and after the Redemption Date, unless there shall have been a default in payment of the Redemption Price, all rights of the holders of shares of Series A Preferred Stock designated for redemption in the Redemption Notice as holders of Series A Preferred Stock (except the right to receive the Redemption Price without interest upon surrender of their certificate or certificates) shall cease with respect to such shares, and such shares shall not thereafter be transferred on the books of the Corporation or be

deemed to be outstanding for any purpose whatsoever. If the funds of the Corporation legally available for redemption of shares of Series A Preferred Stock on any Redemption Date are insufficient to redeem the total number of shares of Series A Preferred Stock to be redeemed on such date, those funds which are legally available will be used to redeem the maximum possible number of such shares ratably among the holders of such shares to be redeemed based upon their holdings of Series A Preferred Stock. The shares of Series A Preferred Stock not redeemed shall remain outstanding and entitled to all the rights and preferences provided herein. At any time thereafter when additional funds of the Corporation are legally available for the redemption of shares of Series A Preferred Stock such funds will immediately be used to redeem the balance of the shares which the Corporation has become obliged to redeem on any Redemption Date, but which it has not redeemed.

(d) On or prior to each Redemption Date, the Corporation shall deposit the Redemption Price of all shares of Series A Preferred Stock designated for redemption in the Redemption Notice and not yet redeemed with a bank or trust corporation having aggregate capital and surplus in excess of \$100,000 as a trust fund for the benefit of the respective holders of the shares designated for redemption and not yet redeemed, with irrevocable instructions and authority to the bank or trust corporation to pay the Redemption Price for such shares to their respective holders on or after the Redemption Date upon receipt of notification from the Corporation that such Holder has surrendered his share certificate to the Corporation pursuant to Section 6(b) above. As of the Redemption Date, the deposit shall constitute full payment of the shares to their holders, and from and after the Redemption Date the shares so called for redemption shall be redeemed and shall be deemed to be no longer outstanding, and the holders thereof shall cease to be stockholders with respect to such shares and shall have no rights with respect thereto except the right to receive from the bank or trust corporation payment of the Redemption Price of the shares, without interest, upon surrender of their certificates therefor. Such instructions shall also provide that any moneys deposited by the Corporation pursuant to this Section 6(d) for the redemption of shares thereafter converted into shares of the Corporation's Common Stock pursuant to Section 7 hereof prior to the Redemption Date shall be returned to the Corporation forthwith upon such conversion. The balance of any moneys deposited by the Corporation pursuant to this Section 6(d) remaining unclaimed at the expiration of two (2) years following the Redemption Date shall thereafter be returned to the Corporation upon its request expressed in a resolution of its Board of Directors.

Section 7. Conversion.

The shares of Series A Convertible Preferred Stock shall be convertible, in whole or in part, at the option of the holder(s) thereof, into shares of Common Stock subject to the following terms and conditions:

(a) The shares of Series A Convertible Preferred Stock shall be convertible into fully paid and nonassessable shares (calculated as to each conversion to the nearest 1/100 of a share) of Common Stock, at the rate of that number of shares of Common Stock for each share of Series A Convertible Preferred Stock that is equal to \$0.7399 divided by the Conversion Price applicable per share of Common Stock at the time of conversion (the "Conversion Price"). The Conversion Price shall initially be \$0.7399. The Conversion Price and the number of shares of Common Stock holders of Series A Convertible Preferred Stock will receive upon conversion shall be adjusted in certain instances as provided in Section 7.

(b) In order to convert shares of Series A Convertible Preferred Stock into Common Stock, the holder thereof shall surrender the certificate or certificates evidencing such shares of Series A Convertible Preferred Stock at the principal office of the Corporation or at such other office or agency as may be designated by the Board of Directors, which certificate or certificates, if the Corporation shall so require, shall be duly endorsed to the Corporation or in blank, or accompanied by proper instruments of transfer to the corporation or in blank, accompanied by (i) an irrevocable written notice to the Corporation that the holder elects so to convert such shares of Series A Convertible Preferred Stock and specifying the name or names (with address or addresses) in which a certificate or certificates evidencing shares of Common Stock are to be issued and (ii) if required pursuant to paragraph (h) of this Section 7, an amount sufficient to pay any transfer or similar tax (or evidence reasonably satisfactory to the Corporation demonstrating that such taxes have been paid).

A payment or adjustment shall not be made by the Corporation upon any conversion on account of any dividends accrued on the shares of Series A Convertible Preferred Stock surrendered for conversion or on account of any dividends on the Common Stock issued upon conversion in accordance with Section 2 hereof.

Shares of Series A Convertible Preferred Stock shall be deemed to have been converted immediately prior to the close of business on the day of the surrender of such shares for conversion in accordance with the foregoing provisions, and the person or persons entitled to receive the Common Stock issuable upon such conversion shall be treated for all purposes as the record holder or holders of such Common Stock at such time. As promptly as practicable on or after the conversion date, the Corporation shall issue and shall deliver at such office a certificate or certificates for the number of full shares of Common Stock issuable upon such conversion, together with payment in lieu of any fraction of a share, as hereinafter provided, to the person or persons entitled to receive the same.

(c) (i) In case the Corporation shall issue any shares of Common Stock (A) by means of a dividend or other distribution upon the outstanding Common Stock or (B) in subdivision of the outstanding Common Stock, by stock split reclassification or

otherwise, the Conversion Price in effect shall be proportionately reduced, and, conversely, in case each outstanding share of Common Stock shall be combined into smaller number of shares of Common Stock, by reclassification, or otherwise, the Conversion Price then in effect shall be proportionately increased.

(ii) In case the Corporation shall issue any shares of its Common Stock after the First Issuance Date (except (A) upon exercise of stock options for the purchase of Common Stock constituting not more than 2,450,000 shares of Common Stock, and (B) upon exercise of warrants issued to Industry Click, Inc., 77 Capital Partners II, L.P. and IDG Ventures in connection with a certain Series A Convertible Preferred Stock Purchase Agreement dated October 15, 1999, having an exercise price of \$.62 per share of Common Stock) for an effective price per share of Common Stock (in the case of Convertible Securities, such effective price per share of Common Stock being the amount paid therefor plus any additional consideration payable upon exercise, exchange or conversion thereof, in each case calculated per share of Common Stock for which such Convertible Security is exercisable or exchangeable or into which such Convertible Security is convertible) less than the Conversion Price in effect immediately prior to such issuance, then the Conversion Price shall be reduced to such price determined by dividing (1) an amount equal to the sum of (A) the number of shares of Common Stock outstanding immediately prior to such issuance multiplied by the Conversion Price then in effect immediately prior to such issuance and (B) the consideration, if any, received by the Corporation upon such issuance by (2) the total number of shares of Common Stock outstanding immediately after such issuance by the Corporation. For the purposes of the above calculation, the number of shares of Common Stock outstanding immediately prior to such issuance shall be calculated on a fully diluted basis, as if all share of Preferred Stock and all Convertible Securities had been fully converted into shares of Common Stock immediately prior to such issuance and any outstanding vested options having an exercise price per share less than the applicable Conversion Price in effect on such date had been fully exercised immediately prior to such issuance (and the resulting securities fully converted into shares of Common Stock, if so convertible) as of such date but not including in such calculation any additional shares of Common Stock issuable with respect to shares of Preferred Stock, Convertible Securities or outstanding options solely as a result of the adjustment of the respective Conversion Prices (or other conversion ratios) resulting from the issuance of additional shares of Common Stock causing such adjustment.

(iii) For the purposes of any adjustment of the Conversion Price pursuant to this Section 7, the following provisions shall be applicable:

(A) *Cash.* In case of the issuance of Common Stock for cash, the amount of the consideration received by the Corporation, shall be deemed to be the amount of the cash proceeds received by the Corporation for such Common Stock before deducting therefrom any discounts, commissions, taxes or other expenses allowed, paid

or incurred by the Corporation for any underwriting or otherwise in connection with the issuance and sale thereof.

(B) *Consideration Other Than Cash.* In the case of the issuance of Common Stock (otherwise than upon the conversion of shares of capital stock or other securities of the Corporation) for a consideration in whole or in part other than cash, including securities acquired in exchange therefor (other than securities by their terms so exchangeable), the consideration other than cash shall be deemed to be the fair value thereof as determined by the Board of Directors, irrespective of any accounting treatment; *provided* that such fair value as determined by the Board of Directors shall not exceed the aggregate current market price of the shares of Common Stock being issued as of the date the Board of Directors authorizes the issuance of such shares.

(C) *Options and Convertible Securities.* In the case of the issuance of (i) options, warrants or other rights to purchase or acquire Common Stock (whether or not at the time exercisable) except for the stock options and warrants described in subparagraph c(iii) above, (ii) securities by their terms convertible into or exchangeable for Common Stock (whether or not at the time so convertible or exchangeable) or options, warrants or rights to purchase such convertible or exchangeable securities (whether or not at the time exercisable):

(1) the aggregate maximum number of shares of Common Stock deliverable upon exercise of such options, warrants or other rights to purchase or acquire Common Stock shall be deemed to have been issued at the time such options, warrants or rights were issued and for a consideration equal to the consideration, if any, received by the Corporation upon the issuance of such options, warrants or rights plus the minimum purchase price provided in such options, warrants or rights for the Common Stock covered thereby;

(2) the aggregate maximum number of shares of Common Stock deliverable upon conversion of or in exchange for any such convertible or exchangeable securities, or upon the exercise of options, warrants or other rights to purchase or acquire such convertible or exchangeable securities and the subsequent conversion or exchange thereof, shall be deemed to have been issued at the time such securities were issued or such options, warrants or rights were issued and for a consideration equal to the consideration, if any, received by the Corporation for any such securities and related options, warrants or rights (excluding any cash received on account of accrued interest or accrued dividends), plus the additional consideration (determined in the manner provided in subclauses (A) and (B) above), if any, to be received by the Corporation upon the conversion or exchange of such securities, or upon the exercise of any related options, warrants or rights to purchase or acquire such convertible exchangeable securities and the subsequent conversion or exchange thereof;

(3) on any change in the number of shares of Common Stock deliverable upon exercise of any such options, warrants or rights or conversion or exchange of such convertible or exchangeable securities or any change in the consideration to be received by the Corporation upon such exercise, conversion or exchange, including, but not limited to, a change resulting from the anti-dilution provisions thereof, the Conversion Price as then in effect shall forthwith be readjusted to such Conversion Price as would have been obtained had an adjustment been made upon the issuance of such options, warrants or rights not exercised prior to such change, or of such convertible or exchangeable securities not converted or exchanged prior to such change, upon the basis of such change;

(4) on the expiration or cancellation of any such options, warrants or rights, or the termination of the right to convert or exchange such convertible or exchangeable securities, if the Conversion Price shall have been adjusted upon the issuance thereof, the Conversion Price shall forthwith be readjusted to such Conversion Price as would have been obtained had an adjustment been made upon the issuance of such options, warrants, rights or such convertible or exchangeable securities on the basis of the issuance of only the number of shares of Common Stock actually issued upon the exercise of such option, warrants or rights, or upon the conversion or exchange of such convertible or exchangeable securities; and

(5) if the conversion Price shall have been adjusted upon the issuance of any such options, warrants, rights or convertible or exchangeable securities, no further adjustment of the conversion price shall be made for the actual issuance of Common Stock upon the exercise, conversion or exchange thereof.

(d) Whenever the Conversion Price is adjusted as herein provided the Corporation shall, at its expense, compute the adjusted Conversion Price in accordance with this Section 7 and shall prepare a certificate signed by the Treasurer of the Corporation setting forth the adjusted conversion Price and showing in detail the facts upon which such adjustment is based, and a copy of such certificate shall forthwith be mailed as soon as practicable to the holders of record of the shares of Series A Convertible Preferred Stock.

(e) Notwithstanding any other provisions of this Section 7, if the Corporation shall consummate a formally underwritten initial public offering of shares of Common Stock registered under the Securities Act of 1933 for a total offer of \$10,000,000 with a per share price not less than \$3.70 per share of Common Stock (a "Qualifying IPO"), the Corporation, by action of its Board of Directors, shall have the right to require that each share of Series A Convertible Preferred Stock be converted into Common Stock. Following any such action by the Board of Directors, each outstanding share of Series A Convertible Preferred Stock shall, by virtue of, and simultaneously with, the consummation of such Qualifying IPO and without any action on the part of the holder thereof, be deemed automatically converted into the number of fully paid and

nonassessable shares of Common Stock into which such share of Series A Convertible Preferred Stock is convertible at the then applicable Conversion Price.

(f) The Corporation shall at all times reserve and keep available, free from preemptive rights, out of its authorized but unissued Common Stock, for the purpose of effecting the conversion of shares of Series A Convertible Preferred Stock, the full number of shares of Common Stock then deliverable upon the conversion of all shares of Series A Convertible Preferred Stock then outstanding. The Corporation (i) will take all action as may be necessary or appropriate in order that the Corporation may validly and legally issue and deliver such shares of Common Stock upon such conversion, and that upon such issuance such shares will be fully paid, non-assessable and free of preemptive rights and (ii) will not take any action which results in any adjustment of the Conversion Price if the total number of shares of Common Stock issuable after the action upon the conversion of all Series A Convertible Preferred Stock would exceed the total number of share of Common Stock then authorized by the Corporation's Certificate of Incorporation and available for the purpose of issuance upon such exercise.

(g) No fractional shares of Common Stock shall be issued upon conversion of shares of Series A Convertible Preferred Stock, but, instead of any fraction of a share which would otherwise be issuable, the Corporation shall pay a cash adjustment in respect of such fraction in an amount equal to the same fraction of the market price per share of Common Stock (as determined in good faith by the Board of Directors or in any manner prescribed by the Board of Directors) at the close of business on the day of conversion.

(h) The Corporation will pay any and all taxes that may be payable in respect of the issue or delivery of shares of Common Stock on conversion of shares of Series A Convertible Preferred Stock pursuant hereto. The Corporation shall not, however, be required to pay any tax which may be payable in respect to any transfer involved in the issue and delivery of shares of Common Stock in a name other than that in which the shares of Series A Convertible Preferred Stock so converted were registered, and no such issue or delivery shall be made unless and until the person requesting such issue or delivery has paid to the Corporation the amount of any such tax, or has established to the satisfaction of the Corporation that such tax has been paid.

(i) For the purpose of this Section 7, the term "Common Stock" shall include any stock of any class of the Corporation which has no preference in respect of dividends or of amounts payable in the event of any voluntary or involuntary liquidation, dissolution or winding up of the Corporation and which is not subject to redemption by the Corporation. However, shares issuable on conversion of shares of Series A Convertible Preferred Stock shall include only shares of Common Stock of the Corporation or shares of any class or classes resulting from any reclassification or reclassifications thereof and which have no preference in respect of dividends or of amounts payable in the event of any voluntary or involuntary liquidation, dissolution or winding up of the Corporation

and which are not subject to redemption by the Corporation; provided that if at any time there shall be more than one such resulting class, the shares of each such class then so issuable shall be substantially in the proportion which the total number of shares of such class resulting from all such reclassifications bears to the total number of shares of all such classes resulting from all such reclassifications.

(j) In the event of a proposal by the Corporation (or of which the Corporation shall have knowledge) for

(i) 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 or other distribution, or any right to subscribe for, purchase or otherwise acquire any shares of stock of any class or any other securities or property, or to receive any other right, or

(ii) any capital reorganization of the Corporation, any reclassification or recapitalization of the capital stock of the Corporation or any consolidation, merger or exchange of shares involving the Corporation and any other person or entity or any transfer of all or substantially all the assets of the Corporation to any other person or entity, or

(iii) any voluntary or involuntary dissolution, liquidation or winding-up of the Corporation, the Corporation will mail to each Holder of Series A Convertible Preferred Stock a notice specifying (A) the date or expected date on which any such record is to be taken for the purpose of such dividend, distribution or right, and stating the amount and character of such dividend, distribution or right, and (B) the date or expected date on which any such reorganization, reclassification, recapitalization, consolidation, merger, exchange of shares, transfer, dissolution, liquidation or winding-up is to take place and the time, if any such time is to be fixed, as of which the holders of record of any class of securities shall be entitled to exchange such securities for securities or other property deliverable upon such reorganization, reclassification, recapitalization, consolidation, merger, exchange of share, transfer, dissolution, liquidation or winding-up. Such notice shall be mailed at least 20 days prior to the date therein specified.

(k) Any notice required by the provisions of this Section 7 to be given to a holder of shares of Series A Convertible Preferred Stock shall be deemed given after five (5) days if deposited in the United States certified mail, postage prepaid, and addressed to each holder of record at his address appearing on the books of the Corporation.

Section 8. Determinations by the Board of Directors.

Any determinations by the Board of Directors with respect to the Series A Convertible Preferred Stock shall be made in good faith with due regard to the interests of the holders of the Series A Convertible Preferred Stock.

Section 9. Payment of Taxes.

The Corporation will pay all taxes (other than taxes based upon income) and other governmental charges that may be imposed with respect to the issue or delivery of shares of Common Stock upon conversion of shares of Series A Preferred Stock, excluding any tax or other charge imposed in connection with any transfer involved in the issue and delivery of shares of Common Stock in a name other than that in which the shares of Preferred Stock so converted were registered.

Section 10. Dilution or Impairment.

The Corporation shall not amend its Certificate of Incorporation or participate in any reorganization, transfer of assets, consolidation, merger, dissolution, issue or sale of securities or any other voluntary action, for the purpose of avoiding or seeking 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 carrying out all such action as may be reasonably necessary or appropriate in order to protect the conversion rights of the holders of Series A Preferred Stock against dilution or other impairment.

Article 6 of the Certificate of Incorporation is deleted in its entirety and replaced with the following:

The name and mailing address of each person who is to serve as a director until the first annual meeting of the stockholders or until their successors are otherwise appointed or elected and qualified, are as follows:

William Furlong
230 West Superior, Suite 700
Chicago, Illinois 60610

William Giacalone
230 West Superior, Suite 700
Chicago, Illinois 60610

Fergus O'Daly
230 West Superior, Suite 700
Chicago, Illinois 60610

Timothy Andrews
230 West Superior, Suite 700
Chicago, Illinois 60610

FIFTH: The executed Agreement of Merger is on file at the principal place of business of the Surviving Corporation; the address of said principal place of business is: B2BWorks, Inc., 230 W. Superior, Suite 700, Chicago, Illinois 60610.

SIXTH: A copy of the Agreement of Merger will be furnished by the Surviving Corporation, on request and without cost, to any stockholder of any constituent corporation.

SEVENTH: The authorized capital stock of the Non-Surviving Corporation which is incorporated under the laws of the State of Illinois is:

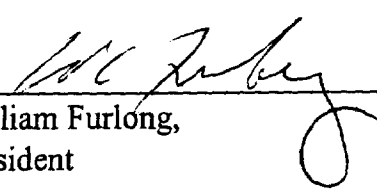
<u>Class</u>	<u>Par Value Per Share</u>	<u>Number of Shares Authorized</u>	<u>Number of Shares Issued</u>	<u>Consideration Received Therefor</u>
Common	NPV	30,000,000	10,000,000	\$1,000.00
Series A Convertible Preferred	.01	3,040,875	3,040,875	\$2,250,000.00

IN WITNESS WHEREOF, this certificate is hereby executed this 27th day of March,

2000.

B2BWorks, Inc.

By:



William Furlong,
President