

SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 10-SB

GENERAL FORM FOR REGISTRATION OF SECURITIES
OF SMALL BUSINESS ISSUERS
UNDER SECTION 12(b) OR (g) OF
THE SECURITIES EXCHANGE ACT OF 1934

MGPX VENTURES, INC.

(Name of Small Business Issuer in its charter)

Nevada

95-4067606

(State or other jurisdiction of
incorporation or organization)

(IRS Employer
Identification No.)

17337 Ventura Boulevard, Suite 224, Encino, California

91316

(Address of principal executive offices)

(Zip Code)

(818) 981-7074

(Issuer's telephone number)

Securities to be registered under Section 12(b) of the Act:

Title of each class
to be so registered

Name of each exchange on which
each class is to be registered

None

None

Securities to be registered under Section 12(g) of the Act:

Common Stock, par value \$.04

(Title of class)

CONTENTS

PART I	PAGE

Item 1. Description of Business	3
Item 2. Management's Discussion and Analysis or Plan of Operation	4
Item 3. Description of Property	5
Item 4. Security Ownership of Certain Beneficial Owners and Management	6
Item 5. Directors, Executive Officers, Promoters and Control Persons	7
Item 6. Executive Compensation.	9
Item 7. Certain Relationships and Related Transactions	10
Item 8. Description of Securities.	10

PART II

Item 1. Market Price of and Dividends on the Registrant's
Common Equity and Other Shareholder Matters. 12

Item 2. Legal Proceedings. 13

Item 3. Changes in and Disagreements with
Accountants. 13

Item 4. Recent Sales of Unregistered Securities. 13

Item 5. Indemnification of Directors and Officers. 14

PART F/S Report of Independent Certified Public Accountants 15

Balance Sheet. 16

Statements of Operations 17

Statements of Shareholders' Equity 18

Statements of Cash Flows 19

Notes to Financial Statements. 20

PART III

Item 1. Index to Exhibits. 27

Item 2. Description of Exhibits. 27

SIGNATURES 28

PART I

ITEM 1. DESCRIPTION OF BUSINESS

MGPX Ventures, Inc. (the "Company") was incorporated under the laws of the State of Nevada on August 7, 1986 under the name of Maple Enterprises, Inc. ("Maple"). On July 8, 1988, Maple acquired approximately 99% of the outstanding shares of Warner Technologies, Inc. ("Warner"), a privately held California corporation in exchange for shares of common stock and stock options. On September 16, 1988, Warner merged into Maple, and the name of the surviving company was changed to Warner Technologies, Inc.

While doing business under the name of Warner Technologies, Inc., the Company provided energy efficiency products and services in three principal areas: (1) lighting retrofits, (2) electrical control systems for buildings, and (3) strategic energy planning services. These products and services were delivered to commercial, industrial, institutional and government buildings through contracts with building owners and managers, as well as directly to utilities for their customers' benefit. However, as a result of deregulation and other significant changes in the industry, the Company did not have sufficient capital resources to compete effectively within the electricity industry.

On February 16, 1998, the Company entered into an agreement (the "Agreement") to sell its operating business and substantially all of its net operating assets, effective as of December 31, 1997, to Thomas S. Hathaway and Joseph A. Ferrari, who were then serving as the Company's President and Executive Vice President, respectively. The purchase price of \$650,000 was established through arm's length negotiations between the outside members of the Company's Board of Directors (the "outside directors") and Messrs. Hathaway and Ferrari and was supported by a fairness opinion obtained by the outside directors. On March 10, 1998, the Company's shareholders voted to approve the sale and to change the name of the Company to MGPX Ventures, Inc. The sale was completed on March 31, 1998. The Company received net proceeds of \$585,000 from the sale after closing costs.

Pursuant to the Agreement, the Company also purchased from Messrs. Hathaway and Ferrari for \$1,000 all of the shares of common stock of the Company ("Common Stock") owned by them (183,481 shares from Mr. Hathaway and 159,396 shares from Mr. Ferrari). In addition, under the Agreement, all of their options and option rights were canceled.

As a result of the sale of its assets, the Company is now a "shell" company with minimal operations. The Company's business plan is to identify and complete an acquisition, merger or other transaction that will enhance

shareholder value. See Part I, Item 2, "Management's Discussion and Analysis or Plan of Operation."

Until completing any acquisition or merger, the Company does not intend to hire any full-time employees. Its President and Chief Executive Officer serves under the terms of a consulting agreement.

3

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OR PLAN OF OPERATION

PLAN OF OPERATION

As a "shell" company, the Company currently has no revenues from operations. The Company's operations prior to December 31, 1997 (the effective date of the sale of the Company's operating business as described in Part I, Item 1, above) are classified and reported as "discontinued operations" in the accompanying financial statements as of June 30, 1998 and for each of the two years in the period then ended.

The Company's business plan is to identify and complete an acquisition, merger or other transaction that will enhance shareholder value. The Company's Board of Directors is reviewing potential business opportunities, without limiting the scope of its review to only one or a few types of businesses or industries. Currently, the Company has no plans, agreements, arrangements or understandings, written or oral, with respect to any acquisition, merger or similar transaction. No assurances can be given as to the Company's ability to identify and complete a transaction by any given date or as to the nature of the business or profitability of the Company if a transaction is completed. A proposed transaction could be subject to significant regulatory, business, financing and other contingencies and might require shareholder and other approvals.

RESULTS OF OPERATIONS

The following is a limited discussion of the results of operations for the fiscal year ended June 30, 1998 compared to those for the fiscal year ended June 30, 1997. A comparison of the results of operations for the 1998 fiscal year are not directly comparable to results for the prior year because of the sale of substantially all of the Company's net operating assets effective December 31, 1997.

FISCAL 1998 COMPARED TO FISCAL 1997

CONTINUING OPERATIONS. During the last six months of the fiscal year ended June 30, 1998, when the Company was operating as a shell corporation, it incurred general and administrative expenses of \$16,436. These expenses were mainly comprised of a consulting fee of \$12,510 paid to the Company's President and Chief Executive Officer. Income for the same period totaled \$7,443, and was derived mainly from interest earned on the Company's cash and cash equivalents.

Management anticipates that while the Company operates as a shell corporation, it will incur expenses of approximately \$7,500 per month.

Net loss per share for the fiscal year was \$.17 from discontinued operations and \$.01 from continuing operations, for a total net loss of \$.18 per share, as compared to net income of \$.01 per share in fiscal 1997.

DISCONTINUED OPERATIONS. Effective December 31, 1997, the Company sold substantially all of its net assets used in operations to management for \$650,000. Net proceeds were approximately \$585,000 after closing costs. As a condition of the transaction, management agreed to the cancellation of its stock options and the sale of their common shares to the Company for \$1,000, representing more than a 25%

4

reduction in beneficial control of common shares. As a result, the Company's

operations through December 31, 1997 are reported as discontinued operations. The results from discontinued operations included total revenues of approximately \$2,605,000 and \$3,101,000 and pre-tax net income from operations of approximately \$35,000 and \$90,000 for the years ended June 30, 1998 and 1997, respectively. Net income from operations for the year ended June 30, 1998 includes a nonrecurring non-cash charge of \$506,872 related to providing a full allowance for the Company's net deferred tax assets. The gain on the sale of the assets to management of \$207,572 was calculated by deducting the net assets sold of \$312,428 from the cash received of \$650,000.

LIQUIDITY

Working capital at June 30, 1998 was \$559,102. The primary component of such working capital is the Company's cash and cash equivalents of \$559,102, which management believes is sufficient to cover current operations for at least the next twelve months.

Depending on the success of the Company's efforts to locate a potential candidate for merger or acquisition, management believes that the Company's present working capital may need to be supplemented to support the operations of the merged or acquired company over the next 12 months. Additional working capital may be sought through additional debt or equity private placements, additional notes payable to banks or related parties (officers, directors or shareholders), or from industry-available funding sources at market rates of interest, or a combination of these. The ability to raise necessary financing will depend on many factors, including the nature and prospects of any business to be acquired and the economic and market conditions prevailing at the time financing is sought. No assurances can be given that any necessary financing can be obtained on terms favorable to the Company, or at all.

YEAR 2000 ISSUE

The Company's business does not currently utilize any electronic processing systems and therefore is not directly at risk for having systems that will not recognize the Year 2000 ("Y2K") or treat any date after December 31, 1999 as a date during the twentieth century. However, no assurances can be given that the Company will be able to avoid all Y2K problems, especially those that might originate with third parties with whom the Company transacts business, such as financial institutions, and the Company has not undertaken any investigation to determine the Y2K readiness of such parties. In addition, the Company will be required to assess the Y2K readiness of its potential acquisition and merger candidates and can give no assurance that all potential Y2K problems of such candidates will be identified and either corrected or avoided. If the Company, an acquired business or any third party with whom the Company does business were to have a Y2K problem, the business of the Company could be disrupted and the Company's financial condition and results of operations could be materially adversely affected.

ITEM 3. DESCRIPTION OF PROPERTY

In April 1998, the Company relocated its corporate office to 17337 Ventura Boulevard, Suite 224, Encino, CA 91316. Under the terms of a consulting agreement with the Company's President and Chief Executive Officer, Buddy Young, the office space is provided at no additional cost to the Company.

5

The Company anticipates that this space will be adequate for its operations through the end of fiscal 1999.

ITEM 4. SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT

The following table sets forth certain information concerning the beneficial ownership of the Company's outstanding classes of preferred stock ("Preferred Stock") and Common Stock as of October 15, 1998, by each person known by the Company to own beneficially more than 5% of each class, by each of the Company's Directors and Named Executive Officers (as defined in Part I, Item 6) and by all Directors and Executive Officers of the Company as a group. Unless otherwise indicated below, to the Company's knowledge, all persons listed below have sole voting and investment power with respect to their

shares of Preferred Stock and Common Stock except to the extent that authority is shared by spouses under applicable law.

Name and Address of Beneficial Owner(1)	Number of Preferred Shares(2) Beneficially Owned	Percentage Owned(3)	Number of Common Shares Beneficially Owned	Percentage Owned(4)
Richard and Joann Small 1416 Port Washington Avenue Ambler, PA 19002	2,000	11.96%	24,000 (5)	1.56%
Mark S. Laventhal 50 Rowes Wharf Boston, MA 02110	1,700	10.16%	20,400 (6)	1.33%
Joan Gold 1016 Ridgedale Drive Beverly Hills, CA 90210	1,200	7.17%	14,400 (7)	.94%
David Wilstein 2080 Century Park East Los Angeles, CA 90067	2,000	11.96%	198,654 (8)	12.95%
J.H. Tromp Meesters 9430 Olympic Blvd. Beverly Hills, CA 90212	-0-	--	112,500	7.45%
Peter Schlesinger	3,666 (6)	21.92%	55,992 (9) (10)	3.60%
Buddy Young	-0-	--	-0-	--
Gunther H. Schiff	-0-	--	12,500	0.83%
Ramon Mouton	-0-	--	6,890	0.46%
Thomas S. Hathaway(11) 11859 Wilshire Blvd., #500 Los Angeles, CA 90025	-0-	--	-0-	--
Directors and Executive Officers as a group (four persons)	3,666	21.92%	75,382 (10)	4.85%

(1) Unless otherwise indicated, the address of each shareholder is 17337 Ventura Blvd., #224, Encino, CA 91316.

(2) Each share of Preferred Stock is convertible by the holder thereof into 12 shares of Common Stock. Each share of Preferred Stock is currently entitled to 36 votes. See Part I, Item 8, "Description of Securities --Preferred Stock."

(3) Based on a total of 16,792 shares of Preferred Stock outstanding.

(4) Based on a total of 1,509,865 shares of Common Stock outstanding, plus, for each individual stockholder named, that number of shares of Common Stock (if any) which such person has a right to acquire within 60 days pursuant to options, warrants, conversion privileges or other rights.

(5) Includes 24,000 shares of Common Stock issuable upon conversion of Preferred Stock.

(6) Includes 20,400 shares of Common Stock issuable upon conversion of Preferred Stock.

- (7) Includes 14,400 shares of Common Stock issuable upon conversion of Preferred Stock.
- (8) Includes 24,000 shares of Common Stock issuable upon conversion of Preferred Stock.
- (9) These shares are beneficially owned indirectly through Apex Investment Fund, Ltd.
- (10) Includes 43,992 shares of Common Stock issuable upon conversion of Preferred Stock.
- (11) Mr. Hathaway resigned as a Director and the President of the Company as of December 31, 1997. Mr. Hathaway is included in the table as a Named Executive Officer. See Part I, Item 6.

ITEM 5. DIRECTORS, EXECUTIVE OFFICERS, PROMOTERS AND CONTROL PERSONS

The following table sets forth the current Executive Officers and Directors of the Company:

Name	Age	Position
- - - - -	---	-----
Peter Schlesinger	63	Chairman, Chief Financial Officer and Director
Buddy Young	63	President, Chief Executive Officer, Secretary and Director
Gunther H. Schiff	71	Director
Ramon M. Mouton	58	Director

PETER SCHLESINGER has been a Director of the Company since December 1993. A Canadian citizen, Mr. Schlesinger attended McGill University and Columbia University, receiving a Bachelor of Commerce degree in 1962. He was a partner of a Canadian stockbrokerage firm, Annett Partners, for 10 years and manager of a Bermuda investment company, Tatra Ltd., since 1974. He was president of Halton Insurance, a Bermuda insurance company, listed on The Toronto Stock Exchange, from 1988 to 1994. For ten years he has also served as president of the Canadian Parkinson Disease Foundation.

BUDDY YOUNG has served as President, Chief Executive Officer, and a Director of the Company since March 31, 1998. During Mr. Young's career he has served in various executive capacities in the entertainment industry. From 1992 until July 1996, Mr. Young served as President and Chief Executive Officer of Bexy Communications, Inc., whose core business was the production, financing and distribution of television programming. During his tenure at Bexy the company produced and distributed a number of television programs including a two-hour special, HEARTSTOPPERS . . . HORROR AT THE MOVIES, hosted by George Hamilton, and a 26 half-hour television series entitled, FEELIN' GREAT, hosted by Dynasty's John James.

From June 1983 until December 1991, Mr. Young was President, Chief Executive Officer and a Director of Color Systems Technology, Inc., a publicly held company whose stock traded on the American Stock Exchange. Color Systems' major line of business is the use of its patented computer process for the conversion of black and white motion pictures to color.

Prior to joining Color Systems, Mr. Young served from 1965 to 1975 as Director of West Coast Advertising and Publicity for United Artists Corporation, from 1975 to 1976 as Director of Worldwide Advertising and Publicity for Columbia Pictures Corp., from 1976 to 1979 as Vice President of Worldwide Advertising and Publicity for MCA/Universal Pictures, Inc., and from 1981 to 1982 as a principal in the motion picture consulting firm of Powell & Young, which represented some of the industry's leading film makers.

For the past twenty-five years Mr. Young has been an active member of The Academy of Motion Picture Arts and Sciences and has served on a number of industry-wide committees.

GUNTHER H. SCHIFF has been a Director of the Company since April 1990. Mr. Schiff has practiced law in Los Angeles and Beverly Hills since 1954 and is presently engaged in his own private law practice in Beverly Hills. He has been a member and president of the Beverly Hills Civil Service Commission and acts as counsel to Free Arts for Abused Children and the Young Musicians Foundation.

RAY M. MOUTON has been a Director of the Company since July 1993. Since 1988, Mr. Mouton has served as President of The MANEX Group Inc., a consulting firm specializing in mid-sized companies. A seasoned executive with over 25 years of experience in general management, Mr. Mouton's consulting clients include firms in financial service, high tech, manufacturing and distribution industries. From 1978 to 1988 he was Senior Vice President of Cybertek Corporation, a software company serving the financial services industry. Previous positions held include Systems Director for Autologic from 1976-1978, Project Manager for Citicorp from 1975-1976, and General Manager for General Automation from 1970-1975. Mr. Mouton earned a B.S. Engineering degree from the University of Michigan. Mr. Mouton currently serves on the boards of STATE Environmental Management, Inc. and In A Box, Inc. Professional affiliations include The Professional Network Group, Los Angeles Venture Association and Turnaround Management Association.

Officers of the Company are elected by the Board of Directors and hold office until their successors are chosen and qualified, until their death or until they resign or have been removed from office. All corporate officers serve at the discretion of the Board of Directors. There are no family relationships between any Director or Executive Officer of the Company and any other Director or Executive Officer of the Company.

Directors of the Company hold office until the next annual stockholders meeting, until successors are elected and qualified or until their earlier resignation or removal.

ITEM 6. EXECUTIVE COMPENSATION

The tables and discussion below set forth information about the compensation awarded to, earned by or paid to each of the Company's Chief Executive Officers (the "Named Executive Officers") during the fiscal years ended June 30, 1998, 1997 and 1996. No Executive Officer of the Company received total annual salary and bonus in excess of \$100,000 during the fiscal year ended June 30, 1998.

SUMMARY COMPENSATION TABLE

NAME AND PRINCIPAL POSITION	FISCAL YEAR	ANNUAL COMPENSATION		LONG TERM COMPENSATION
		SALARY	BONUS	SHARES UNDERLYING OPTIONS
Thomas S. Hathaway(1)	1998	\$ 60,000	--	--
President, Chief Executive Officer, Secretary & Director	1997	\$114,800	\$15,356	50,000
	1996	\$ 90,000	--	100,000
Buddy Young	1998	\$ 12,510	--	--
President, Chief Executive Officer & Director	1997	--	--	--
	1996	--	--	--

(1) Mr. Hathaway resigned from all of his positions with the Company on March 31, 1997, at which time all of his stock options were canceled.

EMPLOYMENT AND CONSULTING AGREEMENTS

The Company currently has no employment agreements with its Executive Officers. On March 28, 1998, the Company entered into a consulting agreement with Mr. Young. Under the terms of the agreement, Mr. Young serves as the President and Chief Executive Officer and a Director of the Company and is paid a monthly fee of \$4,170.

OPTION/SAR GRANTS IN FISCAL YEAR ENDED JUNE 30, 1998

The Company did not grant any options or stock appreciation rights during the most recent completed fiscal year.

9

AGGREGATED OPTION/SAR EXERCISES IN LAST FISCAL YEAR AND FISCAL YEAR-END OPTION/SAR VALUES

No options or stock appreciation rights were exercised during the fiscal year ended June 30, 1998, and no options or stock appreciation rights were outstanding at the end of such year. All previously outstanding options were canceled on March 31, 1998.

COMPENSATION OF DIRECTORS

Outside Directors of the Company are paid \$150 for their attendance at each meeting of the Board of Directors. Directors who are also officers of the Company receive no additional compensation for their service as a Director.

ITEM 7. CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS

On March 28, 1998, the Company entered into a consulting agreement with Mr. Young. Under the terms of the agreement, Mr. Young serves as the President and Chief Executive Officer and as a Director of the Company, and he is paid a monthly fee of \$4,170.

ITEM 8. DESCRIPTION OF SECURITIES

COMMON STOCK

The Company's certificate of incorporation provides for the authorization of 12,375,000 shares of Common Stock, \$.04 par value per share. As of October 15, 1998, 1,509,865 shares of Common Stock were issued and outstanding, all of which are fully-paid and non-assessable.

Holders of Common Stock are entitled to one vote for each share held of record on all matters to be voted on by stockholders, and are not entitled to cumulative voting for the election of directors. Upon the liquidation, dissolution or winding up of the business of the Company, after payment of all liabilities and payment of preferential amounts to the holders of Preferred Stock, the shares of Common Stock are entitled to share equally in the Company's remaining assets. Pursuant to the Company's articles of incorporation, no shareholder of the Company has any preemptive rights to subscribe for securities of the Company. The Common Stock is not subject to redemption.

Holders of Common Stock are entitled to receive such dividends as the Board of Directors may from time to time declare out of funds legally available for the payment of dividends. No dividends are payable to holders of Common Stock until all dividends due on Preferred Stock have been paid. See Part II, Item 1, "Market Price of and Dividends on the Registrant's Common Equity and Other Shareholder Matters."

PREFERRED STOCK

The Company's certificate of incorporation provides for the authorization of 125,000 shares of Preferred Stock, \$.04 par value per share, with such rights, preferences and privileges as may be determined by the Board of Directors. Therefore, the Board of Directors is empowered, without stockholder approval, to issue Preferred Stock in one or more series, and to fix for any series the

dividend rights, dissolution or liquidation preferences, redemption prices, conversion rights, voting rights, and other rights, preferences or privileges for such Preferred Stock which could adversely affect the voting power or other rights of the holders of Common Stock.

The Board of Directors has designated for issuance up to 50,000 shares of Series B Preferred Stock. As of October 15, 1998, 16,792 shares of Series B Preferred Stock were issued and outstanding, all of which were fully-paid and non-assessable. Currently, the Board of Directors has no plans or arrangements for the issuance of any additional shares of Preferred Stock. Such shares could, under certain circumstances, be issued as a method of discouraging, delaying or preventing a change in control of the Company, and the issuance of such shares could prevent holders of the Company's Common Stock from receiving a premium for their shares from a potential third-party acquiror.

Holders of Series B Preferred Stock are entitled to receive, when and as declared by the Board of Directors out of legally available funds, a cumulative 6% per annum dividend payable quarterly. Such dividends accrue and are cumulative whether or not such dividends are paid. See Part II, Item 1, "Market Price of and Dividends on the Registrant's Common Equity and Other Shareholder Matters." The Series B Preferred Stock is not subject to redemption.

Holders of Series B Preferred Stock have no voting rights unless the Company fails to make two consecutive quarterly dividend payments. In such event, holders of Series B Preferred Stock are entitled to vote as a class with holders of the Common Stock, with 36 votes for each share of Series B Preferred Stock they hold, and are entitled to cumulative voting for the election of directors. These rights are currently available to holders of Series B Preferred Stock because the Company has not made the required quarterly dividend payments since March 1997.

Each share of Series B Preferred Stock is convertible at any time, at the option of the holder, into 12 shares of Common Stock. If any holder converts and dividends are accrued and unpaid on the date of conversion, the Company is required to pay such dividends within 60 days. Each share of Series B Preferred Stock is convertible into 12 shares of Common Stock at the option of the Company at any time after December 31, 1994 if, during any ten consecutive business day period, the closing bid price of the Common Stock is \$4.00 per share or greater and all quarterly dividends prior to the date of conversion have been paid.

In the event of any liquidation, dissolution or winding up of the Company, each share of Series B Preferred Stock shall be entitled to receive from the assets of the Company a cash liquidation preference equal to the stated value per share of \$30 and a further preferential amount in cash equal to all unpaid accrued cumulative dividends.

TRANSFER AGENT

The Company's transfer agent is U.S. Stock Transfer Corporation, 1745 Gardena Avenue, Second Floor, Glendale, California 91204, Contact: Mr. William Garza, Telephone: (818) 502-1404.

PART II

ITEM 1. MARKET PRICE OF AND DIVIDENDS ON THE REGISTRANT'S COMMON EQUITY AND OTHER SHAREHOLDER MATTERS

MARKET INFORMATION

The Company's Common Stock is traded over-the-counter on the OTC Bulletin Board system under the symbol MGPV. Only a limited market exists for the

trading of the Company's Common Stock.

Of the 1,509,865 shares of Common Stock outstanding at October 15, 1998, 1,046,731 are freely tradable and the remaining 463,134 shares qualify for trading pursuant to Rule 144 of the Securities and Exchange Commission. The 16,792 outstanding shares of Series B Preferred Stock are convertible by the holders thereof into a total of 201,504 shares of Common Stock, which also qualify for trading pursuant to Rule 144. The Company currently has no other securities outstanding which are convertible into or exercisable for the purchase of Common Stock.

The table below sets forth the high and low trading prices of the Company's Common Stock for each quarter shown, as provided by the Nasdaq Trading and Market Services Research Unit.

	HIGH	LOW
	----	---
Fiscal 1997		

Quarter ended September 30, 1996	--No Trades	Reported--
Quarter ended December 31, 1996	0.61	0.25
Quarter ended March 31, 1997	0.81	0.51
Quarter ended June 30, 1997	0.75	0.51
Fiscal 1998		

Quarter ended September 30, 1997	0.5625	0.20
Quarter ended December 31, 1997	0.125	0.125
Quarter ended March 31, 1998	0.16	0.15
Quarter ended June 30, 1998	0.50	0.04
Fiscal 1999		

Quarter ended September 30, 1998	0.50	0.05

HOLDERS

The approximate number of holders of record of the Company's Common Stock as of June 30, 1998 was 122. The number of holders of record of the Company's Series B Preferred Stock as of June 30, 1998 was 17.

12

DIVIDENDS

Holders of Common Stock are entitled to receive such dividends as the Board of Directors may from time to time declare out of funds legally available for the payment of dividends. The Company has not paid dividends on its Common Stock and does not anticipate that it will pay dividends in the foreseeable future. No dividends are payable to holders of Common Stock until all dividends due on Preferred Stock have been paid.

Holders of Series B Preferred Stock are entitled to receive, when and as declared by the Board of Directors out of legally available funds, a cumulative 6% per annum dividend payable quarterly. Such dividends accrue and are cumulative whether or not such dividends are paid. As of June 30, 1998, \$45,339 had been accrued for dividends payable on Series B Preferred Stock.

ITEM 2. LEGAL PROCEEDINGS

As of October 15, 1998, the Company is not a party to any material legal proceedings, and none are known to be contemplated against the Company.

ITEM 3. CHANGES IN AND DISAGREEMENTS WITH ACCOUNTANTS

None.

ITEM 4. RECENT SALES OF UNREGISTERED SECURITIES

Except as otherwise indicated, the Company believes that each of the transactions described in the table below was exempt from the registration requirements of the Securities Act of 1933 pursuant to Section 4(2) as a transaction not involving any public offering. In each case, the number of investors was limited, the investors were either accredited or otherwise qualified and had access to material information about the Company, and restrictions were placed on the resale of the securities sold.

Date	Title	Amount	Consideration	Recipient(s)
- - - - -	-----	-----	-----	-----
10/95	Options to buy Common Stock	225,000 options	Services rendered	Officer of the Company
12/95	Options to buy Common Stock	11,911 options	Services rendered	Employees and a consultant of the Company
6/96	Options to buy Common Stock	1,527 options	Services rendered	Employee of the Company
11/96 to 1/97	Options to buy Common Stock	300,000 options	Services rendered	Officers of the Company

ITEM 5. INDEMNIFICATION OF DIRECTORS AND OFFICERS

Section 78.751 of the Nevada Revised Statutes ("NRS") provides that a corporation may indemnify any director or officer against expenses (including attorneys' fees), judgments, fines and settlements arising in connection with a legal proceeding to which such a person is a party, if the person acted in good faith and in a manner he reasonably believed to be in or not opposed to the best interests of the corporation, and, with respect to any criminal action or proceeding, had no reasonable cause to believe his conduct was unlawful. Unless the person is successful upon the merits in such an action, indemnification may be awarded only after a determination is made by independent decision of the Board of Directors, by legal counsel, or by a vote of the stockholders that the applicable standard of conduct was met by the person to be indemnified.

The circumstances under which indemnification is granted in connection with an action brought on behalf of the Company is generally the same as those set forth above; however, with respect to such actions, indemnification is granted only with respect to expenses actually incurred in connection with the defense or settlement of the action. In such actions, the person to be indemnified must have acted in good faith and in a manner he reasonably believed to be in or not opposed to the best interests of the corporation, and must not have been adjudged liable for negligence or misconduct.

Section 78.751 also provides that indemnification pursuant to its provisions shall not be deemed exclusive of any other rights to which a person seeking indemnification may be entitled under the articles of incorporation or any bylaw, agreement, vote of stockholders or disinterested directors or otherwise, except that indemnification (unless ordered by a court) may not be made to any director or officer if a final adjudication establishes that his acts or omissions involved intentional misconduct, fraud or a knowing violation of the law and was material to the cause of action.

Article V of the Company's by-laws provide that the Company shall indemnify any director or officer against expenses (including attorneys' fees), judgments, penalties, fines and settlements arising in connection with a legal proceeding to which such a person is a party to the fullest extent permitted by the laws of Nevada as they may exist from time to time.

In addition, Article Eleven of the Company's articles of incorporation provides that no director or officer of the Company shall be liable to the

Company or its shareholders for damages for breach of fiduciary duty as a director or officer, except for (a) acts of omission which involve intentional misconduct, fraud or a knowing violation of law; or (b) the payment of dividends in violation of Section 78.300 of the Nevada Revised Statutes (regarding unlawful distributions to shareholders).

Under NRS Section 78.752 and Article V of the Company's by-laws, the Company may purchase and maintain insurance for directors and officers. The Company purchased a three-year policy effective February 1, 1998, which insures the Company's directors and officers against certain liabilities, including liabilities under the federal securities laws.

14

PART F/S

REPORT OF INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS

Board of Directors and Shareholders
MGPX Ventures, Inc.

We have audited the accompanying balance sheet of MGPX Ventures, Inc. as of June 30, 1998, and the related statements of operations, shareholders' equity, and cash flows for each of the two years in the period ended June 30, 1998. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of MGPX Ventures, Inc. as of June 30, 1998, and the results of its operations and its cash flows for each of the two years in the period ended June 30, 1998 in conformity with generally accepted accounting principles.

SINGER LEWAK GREENBAUM & GOLDSTEIN LLP

Los Angeles, California
September 4, 1998

15

MGPX VENTURES, INC.
BALANCE SHEET
JUNE 30, 1998

ASSETS

CURRENT ASSETS	
Cash and cash equivalents	\$ 559,102
Prepaid insurance	16,005

TOTAL CURRENT ASSETS	\$ 575,107

LIABILITIES AND SHAREHOLDERS' EQUITY

CURRENT LIABILITIES	
Accounts payable	\$ 900
Preferred stock dividends payable	45,339

Total current liabilities	46,239

SHAREHOLDERS' EQUITY

Convertible Preferred stock, Series B, \$0.04 par value	
\$30 per share liquidation preference and certain voting rights	
125,000 shares authorized	
16,792 shares issued and outstanding	672
Common stock, \$0.04 par value	
12,375,000 shares authorized	
1,509,865 shares issued and outstanding	60,395
Additional paid-in capital	2,168,399
Accumulated deficit	(1,700,598)

Total shareholders' equity	528,868

TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	\$ 575,107

The accompanying notes are an integral part of these financial statements.

MGPX VENTURES, INC.
STATEMENTS OF OPERATIONS
FOR THE YEARS ENDED JUNE 30,

	1998	1997
	-----	-----
GENERAL AND ADMINISTRATIVE EXPENSES	\$ 16,436	\$ -
	-----	-----
LOSS FROM OPERATIONS	(16,436)	-
	-----	-----
OTHER INCOME		
Interest income	6,443	-
Miscellaneous income	1,000	-
	-----	-----
Total other income	7,443	-
	-----	-----
LOSS FROM CONTINUING OPERATIONS BEFORE PROVISION FOR INCOME TAXES	(8,993)	-
PROVISION FOR INCOME TAXES	800	-
	-----	-----
NET LOSS FROM CONTINUING OPERATIONS	(9,793)	-
	-----	-----

DISCONTINUED OPERATIONS

Income from operations, net of provision for income taxes of \$506,872 and \$22,434	(497,044)	28,065
Gain on disposition of operations, net of provision for income taxes of \$0	207,572	-
	-----	-----
Net income (loss) from discontinued operations	(289,472)	28,065
	-----	-----
NET INCOME (loss)	\$ (299,265)	\$ 28,065
	-----	-----
	-----	-----
BASIC EARNINGS (loss) PER SHARE		
From continuing operations	\$ (0.01)	\$ -
From discontinued operations	(0.17)	0.01
	-----	-----
TOTAL BASIC EARNINGS (loss) PER SHARE	\$ (0.18)	\$ 0.01
	-----	-----
	-----	-----
WEIGHTED-AVERAGE SHARES OUTSTANDING	1,692,542	1,876,408
	-----	-----
	-----	-----

The accompanying notes are an integral part of these financial statements.

17

MGPX VENTURES, INC.
STATEMENTS OF SHAREHOLDERS' EQUITY
FOR THE YEARS ENDED JUNE 30,

	Preferred Stock		Common Stock		Additional Paid-in Capital	Accumulated Deficit	Total
	Shares	Amount	Shares	Amount			
Balance, June 30, 1996	16,792	\$ 672	1,877,241	\$ 75,090	\$ 2,154,704	\$ (1,368,946)	\$ 861,520
Retirement of common stock			(5,000)	(200)	200		-
Cash dividends payable on Series B preferred stock						(30,226)	(30,266)
Net income						28,065	28,065
	-----	-----	-----	-----	-----	-----	-----
Balance, June 30, 1997	16,792	672	1,872,241	74,890	2,154,904	(1,371,107)	859,359
Cash dividends payable on Series B preferred stock						(30,226)	(30,226)
Purchase and cancellation of common stock in connection with the sale of operations			(362,376)	(14,495)	13,495		(1,000)
Net loss						(299,265)	(299,265)
	-----	-----	-----	-----	-----	-----	-----
Balance, June 30, 1998	16,792	\$ 672	1,509,865	\$ 60,395	\$ 2,168,399	\$ (1,700,598)	\$ 528,868
	-----	-----	-----	-----	-----	-----	-----
	-----	-----	-----	-----	-----	-----	-----

The accompanying notes are an integral part of these financial statements.

MGPX VENTURES, INC.
STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED JUNE 30,

	1998	1997
	-----	-----
CASH FLOWS FROM OPERATING ACTIVITIES		
Net loss from continuing operations	\$ (9,793)	\$ -
Increase (decrease) in		
Accounts payable	900	-
Preferred stock dividend payable	-	7,556
Prepays	(16,005)	-
	-----	-----
Net cash provided by (used in) continuing operating activities	(24,898)	7,556
Net cash provided by (used in) discontinued operating activities	(130,530)	237,209
	-----	-----
Net cash provided by (used in) operating activities	(155,428)	244,765
	-----	-----
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds from sale of assets, net of cash	650,000	-
	-----	-----
Net cash provided by continuing investing activities	650,000	
Net cash used in discontinued investing activities	(21,116)	(41,217)
	-----	-----
Net cash provided by (used in) investing activities	628,884	(41,217)
	-----	-----
CASH FLOWS FROM FINANCING ACTIVITIES		
Repurchase of common stock	(1,000)	-
	-----	-----
Net cash used in continuing financing activities	(1,000)	-
Net cash provided by (used in) discontinued financing activities	82,612	(208,385)
	-----	-----
Net cash provided by (used in) financing activities	81,612	(208,385)
	-----	-----
Net increase (decrease) in cash and cash equivalents	555,068	(4,837)
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	4,034	8,871
	-----	-----
CASH AND CASH EQUIVALENTS, END OF YEAR	\$ 559,102	\$ 4,034
	-----	-----
SUPPLEMENTAL DISCLOSURES OF CASH FLOW INFORMATION		
Interest paid	\$ -	\$ 6,005
	-----	-----
Income taxes paid	\$ -	\$ 1,729

The accompanying notes are an integral part of these financial statements.

19

MGPX VENTURES, INC.
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 1998

NOTE 1 - ORGANIZATION

Warner Technologies, Inc. was incorporated in Nevada in 1988 and provided energy efficiency products and services in three principal areas: 1) turnkey lighting retrofits, 2) building automation & control systems, and 3) strategic energy planning services. These products and services were delivered to commercial, industrial, and institutional buildings through contracts with building owners and managers, as well as directly to utilities for their customers' benefit. Warner Technologies, Inc. was headquartered in Los Angeles and maintained regional offices in Boston and San Diego.

Effective December 31, 1997, Warner Technologies, Inc. sold substantially all of its operations to its management and was subsequently renamed MGPX Ventures, Inc. (the "Company") on March 31, 1998 as more fully described in Note 3.

The Company is currently operating as a "shell" corporation, has minimal operations, and is headquartered in Encino, California. The Company is in the process of identifying potential merger and acquisition candidates.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

EARNINGS PER SHARE

During the year ended June 30, 1998, the Company adopted Statement of Financial Accounting Standards ("SFAS") No. 128, "Earnings per Share." Basic earnings per share is computed by dividing income available to common shareholders by the weighted-average number of common shares outstanding. Diluted earnings per share is computed similar to basic earnings per share except that the denominator is increased to include the number of additional common shares that would have been outstanding if the potential common shares had been issued and if the additional common shares were dilutive. Diluted earnings per share are not presented for 1998 and 1997 because common stock equivalents are anti-dilutive.

INCOME TAXES

The Company accounts for income taxes under the asset and liability method of accounting. Under this method, deferred tax assets and liabilities are recognized for the future tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax bases. Deferred tax assets and liabilities are measured using enacted tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect on deferred tax assets and liabilities of a change in tax rates is recognized in income in the period that includes the enactment date. A valuation allowance is required when it is less likely than not that the Company will be able to realize all or a portion of its deferred tax assets.

20

MGPX VENTURES, INC.
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 1998

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

ESTIMATES

In preparing financial statements in conformity with generally accepted accounting principles, management makes estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements, as well as the reported amounts of revenues and expenses included in the determination of net earnings from continuing operations and discontinued operations during the reporting period. Actual results could differ from those estimates.

RECLASSIFICATIONS

Certain reclassifications have been made to the 1997 financial statements to conform with the 1998 presentation and relate primarily to the presentation of discontinued operations as more fully described in Note 3.

CASH AND CASH EQUIVALENTS

For purposes of the statements of cash flows the Company considers all highly-liquid investments purchased with original maturities of three months or less to be cash equivalents.

RECENTLY ISSUED ACCOUNTING PRONOUNCEMENTS

The FASB issued SFAS 130, "Reporting Comprehensive Income," which is effective for financial statements with fiscal years beginning after December 15, 1997. Earlier application is permitted. SFAS 130 establishes standards for reporting and display of comprehensive income and its components in a full set of general-purpose financial statements. The Company does not expect adoption of SFAS 130 to have a material impact, if any, on its financial position or results of operations.

The FASB issued SFAS 131, "Disclosures about Segments of an Enterprise and Related Information," effective for fiscal years beginning after December 15, 1997. SFAS 131 requires a company to report certain information about its operating segments including factors used to identify the reportable segments and types of products and services from which each reportable segment derives its revenues. The Company does not anticipate any material change in the manner that it reports its segment information under this new pronouncement.

NOTE 3 - DISPOSAL OF OPERATIONS

Effective December 31, 1997, Warner Technologies, Inc. sold substantially all of its net assets used in operations to management for \$650,000. Net proceeds were approximately \$585,000 after closing costs. As a condition of the transaction, management agreed to the cancellation of its stock options and the sale of their common shares to the Company for \$1,000, representing more than a 25% reduction in beneficial control of common shares. As a result, the Company's operations through December 31, 1997 are reported as discontinued operations. The results from discontinued operations included total revenues of approximately \$2,605,000 and \$3,101,000 and net income from operations of approximately \$35,000 and \$90,000 for the years ended June 30, 1998 and 1997, respectively.

Net assets sold to management and the resulting pretax gain were determined as follows:

Current assets

\$ 1,071,562

Property, plant, and equipment	103,170
Other assets	6,665
Current liabilities	(788,563)
Non-current liabilities	(15,406)
Closing costs	(65,000)

Net assets sold	312,428
Less cash received	650,000

PRETAX GAIN ON SALE OF ASSETS	\$ 207,572

NOTE 4 - CONVERTIBLE PREFERRED STOCK

On December 31, 1992, the Company issued 16,792 shares of Series B Convertible Preferred Stock at \$30.00 per share and 100,752 Class B Warrants to purchase common stock at exercise prices between \$3.00 and \$5.00 per share in a private placement. Each share of Series B Preferred Stock is convertible at any time, at the option of the holder, into 12 shares of Common Stock. If any holder converts and dividends are accrued and unpaid on the date of conversion, the Company is required to pay such dividends within 60 days. The Company has the right to convert Series B Preferred shares into 12 shares of Common Stock after December 31, 1994, if the closing bid price of the common stock on any ten consecutive business days equals or exceeds \$4.00 per share, and all quarterly dividends prior to the date of conversion have been paid.

22

MGPX VENTURES, INC.
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 1998

NOTE 4 - CONVERTIBLE PREFERRED STOCK (CONTINUED)

Series B holders are entitled to receive a cumulative 6% per annum dividend payable quarterly. Series B shares and Class B Warrants are restricted from trading in accordance with governing SEC rules and regulations. Series B shareholders are entitled to preference upon liquidation equal to the stated value of \$30.00 per share plus any accrued but unpaid dividends up to the time of liquidation, but have no voting rights unless the Company fails to make two consecutive dividend payments. In that case, Series B holders would have cumulative voting rights equal to three times the number of common shares into which their preferred shares may be converted.

The Class B Warrants expired on December 31, 1995.

By order of its Board of Directors, the Company deferred payment of the dividends payable for the quarters ended March 31, 1997 through June 30, 1998. At June 30, 1998, total cumulative unpaid dividends payable were \$45,339.

NOTE 5 - STOCK OPTIONS

From time to time, the Company may grant options to purchase common stock to employees, officers, directors, and consultants. The options generally have a two or three year exercise period, and have exercise prices set at or above the current market value of the common stock at the time the options are granted. The following table summarizes the Company's stock option transactions:

Option	Exercise
--------	----------

	Shares	Prices
	-----	-----
Outstanding, June 30, 1996	942,232	\$0.25 - 2.72
Granted	300,000	\$ 0.50
Expired/canceled	(677,964)	\$0.60 - 2.72

Outstanding, June 30, 1997	564,268	\$0.25 - 0.88
Expired/canceled	(564,268)	\$0.25 - 0.88

OUTSTANDING, JUNE 30, 1998	-	

23

MGPX VENTURES, INC.
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 1998

NOTE 5 - STOCK OPTIONS (CONTINUED)

The Company has adopted only the disclosure provisions of SFAS No. 123, "Accounting for Stock-Based Compensation." It applies Accounting Principles Bulletin ("APB") Opinion No. 25, "Accounting for Stock Issued to Employees," and related interpretations in accounting for its plans and does not recognize compensation expense for its stock-based compensation plans. If the Company had elected to recognize compensation expense based upon the fair value at the grant date for awards under these plans consistent with the methodology prescribed by SFAS No. 123, the Company's net income and earnings per share would be reduced to the pro forma amounts indicated below:

	For the Years Ended June 30,	
	----- 1998	----- 1997
	-----	-----
Net income (loss) as reported	\$ (299,265)	\$ 28,065
Net income (loss), pro forma	\$ (299,265)	\$ 13,905
Basic earnings (loss) per share as reported	\$ (0.18)	\$ 0.01
Basic earnings (loss) per share, pro forma	\$ (0.18)	\$ 0.01

These pro forma amounts may not be representative of future disclosures because they do not take into effect pro forma compensation expense related to grants made before June 30, 1995. The fair value of these options was estimated at the date of grant using the Black-Scholes option-pricing model with the following weighted-average assumptions for the year ended June 30, 1997: dividend yield of 0%; expected volatility of 150%; risk-free interest rate of 6%; and expected life of 3 years. The weighted-average per share fair value of options granted during the year ended June 30, 1997 was \$0.08, and the weighted-average exercise price of options granted during the year ended June 30, 1997 was \$0.50.

The pro forma amounts shown for the year ended June 30, 1998 are equivalent to the reported amounts because there were no stock options granted during the year.

24

MGPX VENTURES, INC.
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 1998

NOTE 6 - INCOME TAXES

Significant components of the provision for taxes based on income for the years ended June 30 are as follows:

	1998	1997
	-----	-----
Current		
Federal	\$ -	\$ -
State	800	2,217
	-----	-----
	800	2,217
	-----	-----
Deferred		
Federal	494,750	20,217
State	12,122	-
	-----	-----
	506,872	20,217
	-----	-----
PROVISION FOR INCOME TAXES	\$ 507,672	\$ 22,434
	-----	-----

The provision for income taxes is allocated as follows:

	1998	1997
	-----	-----
Continuing operations	\$ 800	\$ -
Discontinued operations	\$ 506,872	22,434
	-----	-----
PROVISION FOR INCOME TAXES	\$ 507,672	\$ 22,434
	-----	-----

A reconciliation of the provision for (benefit from) income tax expense with the expected income tax computed by applying the federal statutory income tax rate to income before provision for income taxes for the years ended June 30 is as follows:

	1998	1997
	-----	-----
Income tax provision computed at federal statutory tax rate	34.0%	34.0%
Change in deferred income tax valuation reserve	223.0	-
State taxes, net of federal benefit	6.0	6.0
Other	1.0	1.0
	-----	-----
TOTAL	264.0%	41.0%
	-----	-----

As of June 30, 1998, the Company had federal and state net operating loss carryforwards of approximately \$1,340,000 and \$130,000, respectively, which expire through 2005 and 2011, respectively.

MGPX VENTURES, INC.
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 1998

NOTE 6 - INCOME TAXES (CONTINUED)

Significant components of the Company's deferred tax assets and liabilities for federal and state income taxes as of June 30, 1998 consisted of the following:

Deferred tax assets (liabilities)		
Net operating loss carryforwards	\$	469,654
Other		(2,116)

		467,538
Valuation allowance		467,538

NET DEFERRED TAX ASSET	\$	-

During the year ended June 30, 1998, the Company utilized approximately \$217,000 of its federal net operating loss carryforwards.

PART III

ITEM 1. INDEX TO EXHIBITS

The following documents are filed as exhibits to this registration statement:

Exhibit No.	Document Description
-----	-----
(2)	CHARTER AND BY-LAWS
2.1	Articles of incorporation of the Company, as amended to date
2.2	By-laws of the Company
(3)	INSTRUMENTS DEFINING THE RIGHTS OF SECURITY HOLDERS
3.1	Facsimile of Common Stock certificate of the Company
3.2	Facsimile of Series B Preferred Stock certificate of the Company
3.3	Certificate of Determination of Series B Preferred Stock of the Company
(6)	MATERIAL CONTRACTS
6.1	Agreement for Sale and Purchase of Assets of a Business between the Company, as seller, and Thomas Hathaway and Joseph Ferrari, as buyers, dated February 16, 1998
6.2	Consulting Agreement between the Company and Buddy Young, dated March 24, 1998
(27)	FINANCIAL DATA SCHEDULE
27.1	Financial Data Schedule

ITEM 2. DESCRIPTION OF EXHIBITS

The Company has included as exhibits to this registration statement those documents described under exhibit numbers 2, 3 and 6 in Part III of Form 1-A and has labeled them accordingly in the Exhibits Index above. Other exhibits described in Part III of Form 1-A are not applicable. The Company has also included as an exhibit the Financial Data Schedule required by Item 601(b)(27) of Regulation S-B.

27

SIGNATURES

In accordance with Section 12 of the Securities Exchange Act of 1934, the registrant caused this registration statement to be signed on its behalf by the undersigned, thereunto duly authorized.

Date: October 15, 1998

MGPX VENTURES, INC.

By: /s/Buddy Young

Buddy Young, President and
Chief Executive Officer

28

ARTICLES OF INCORPORATION
OF
MAPLE ENTERPRISES, INC.

The undersigned, desiring to form a corporation for profit under the General Corporation Law of Nevada, does hereby certify:

FIRST: The name of said corporation shall be MAPLE ENTERPRISES, INC.

SECOND: The place in the State of Nevada where its principal office is to be located is One East First Street, Reno, County of Washoe, and the resident agent in charge thereof is the Corporation Trust Company of Nevada.

THIRD: The purpose for which the corporation is formed is to engage in any lawful activity.

FOURTH: The maximum number of shares of all classes which the corporation is authorized to have outstanding is five hundred million (500,000,000) shares, consisting of four hundred ninety five million (495,000,000) shares of Common Stock, all par value \$.001 and five million (5,000,000) shares of Preferred Stock, all par value \$.001. The holders of preferred stock shall have such rights, preferences, and privileges as may be determined, prior to the issuance of such shares, by the Board of Directors.

FIFTH: The members of the governing body shall be styled directors and the names and post office addresses of the first Board of Directors, to serve until their successors are elected and qualified, are as follows:

1. Rowland W. Day, II, 650 Town Center Drive, Costa Mesa, California 92626.
2. Jo L. Christensen, 650 Town Center Drive, Costa Mesa, California 92626.
3. Jehu Hand, 650 Town Center Drive, Costa Mesa, California 92626.

The corporation shall initially have three members of the Board of Directors; the number of directors may be increased or decreased pursuant to the provisions of the corporation's bylaws and chapter 78 of the Nevada Revised Statutes.

SIXTH: No capital stock issued by the corporation shall be assessable following payment of the subscription price or par value therefor.

SEVENTH: The name and post office address of the incorporator is as follows:

1. Jehu Hand, 650 Town Center Drive, Costa Mesa, California 92626.

EIGHTH: The corporation shall have perpetual existence.

NINTH: A director or officer of the corporation shall not be disqualified by his office from dealing or contracting with the corporation as a vendor, purchaser, employee, agent or otherwise.

No transaction, contract or act of the corporation shall be void or voidable or in any way affected or invalidated by reason of the fact that any director or officer of any corporation is a member of any firm, a shareholder, director or officer of the corporation or trustee or beneficiary of any trust that is in any way interested in such transaction, contract or act. No director or officer shall be accountable or responsible to the corporation for or in respect to any transaction, contract or act of the corporation for any gain or profit directly or indirectly realized by him by reason of the fact that he or any firm in which he is a member or any corporation of which he is a trustee, or

beneficiary, is interested in such transaction, contract, or act; provided the fact that such director or officer or such firm, corporation or trust is so interested shall have been disclosed or shall have been known to the members of the Board of Directors as shall be present at any meeting at which action upon such contract, transaction or act shall have been taken. Any director may be counted in determining the existence of a quorum at any meeting of the Board of Directors which shall authorize or take action in respect to any such contract, transaction or act, and may vote thereat to authorize, ratify or approve any such contract, transaction or act, and any officer of the corporation may take any action within the scope of his authority, respecting such contract, transaction or act, and any officer of the corporation of which he is a shareholder, director or officer, or any trust of which he is a trustee or beneficiary, were not interested in such transaction, contract or act. Without limiting or qualifying the foregoing, if in any judicial other inquiry, suit, cause or proceeding, the question of whether a director or officer of the corporation has acted in good faith is material, and notwithstanding any statute or rule of law or equity to the contrary (if any there be), his good faith shall be presumed in the absence of proof to the contrary by clear and convincing evidence.

TENTH: No shareholder of the corporation shall have any preemptive rights.

Dated this 6th day of August, 1986.

/s/ Jehu Hand

Jehu Hand, Incorporator

STATE OF CALIFORNIA)ss,
COUNTY OF ORANGE)

On August 6th, 1986, before me, the undersigned, a Notary Public in and for said State, personally appeared Jehu Hand, personally known to me (or proved to me on the basis of satisfactory evidence) to be the person whose name is subscribed to the within instrument and acknowledged to me that he executed the same.

WITNESS my hand and official seal.

Signature /s/ Sheryl Y. Bundy

[SEAL]

CERTIFICATE OF OWNERSHIP AND MERGER

MERGING

WARNER TECHNOLOGIES, INC.

INTO

MAPLE ENTERPRISES, INC.

* * * * *

MAPLE ENTERPRISES, INC., a corporation organized and existing under the laws of Nevada,

DOES HEREBY CERTIFY:

FIRST: That this corporation was incorporated on the 7th day of August, 1986, pursuant to the Laws of the State of Nevada.

SECOND: That this corporation owns at least ninety percentum of the outstanding shares of each class of the stock of WARNER TECHNOLOGIES, INC., a corporation incorporated on the 15th day of October, 1986, pursuant to the Laws

of the State of California the provisions of which permit the merger of a subsidiary corporation of another state into a parent corporation organized and existing under the laws of said state.

THIRD: That this corporation, by the following resolutions of its Board of Directors, duly adopted at a meeting held on the 19th day of August, 1988, determined to and did merge into itself said WARNER TECHNOLOGIES, INC.:

RESOLVED, that MAPLE ENTERPRISES, INC. merge, and it hereby does merge into itself said WARNER TECHNOLOGIES, INC., and assumes all of its obligations; and

FURTHER RESOLVED, that the merger shall be effective upon the date of filing with the Secretary of State of Nevada.

FURTHER RESOLVED, that the terms and conditions of the merger are as follows:

The presently issued and outstanding shares of stock of WARNER TECHNOLOGIES, INC., the merging corporation, which are owned by MAPLE ENTERPRISES, INC., the surviving corporation, shall be surrendered and cancelled. No shares of stock of the surviving corporation shall be issued in exchange for these shares.

Each share of stock of WARNER TECHNOLOGIES, INC., the merging corporation, which shall be outstanding and not owned by MAPLE ENTERPRISES, INC., the surviving corporation, on the effective date of the merger and all rights in respect thereof shall be changed into 3.4351 shares of stock of the surviving corporation.

After the effective date of this merger, each holder of an outstanding certificate representing shares of stock of WARNER TECHNOLOGIES, INC., the merging corporation,

shall surrender the same to the surviving corporation, and each holder shall be entitled upon such surrender to receive the number of shares of stock of the surviving corporation on the basis provided herein. Until so surrendered the outstanding shares of the stock of the merging corporation which are to be converted into the stock of the surviving corporation as provided herein, may be treated by the surviving corporation for all corporate purposes as evidencing the ownership of shares of the surviving corporation as though said surrender and exchange had taken place.

FURTHER RESOLVED, that the proper officers of this corporation be and they hereby are directed to make and execute a Certificate of Ownership and Merger setting forth a copy of the resolutions to merge said WARNER TECHNOLOGIES, INC. and assume its liabilities and obligations, and the date of adoption thereof, and to cause the same to be filed with the Secretary of State and to do all acts and things whatsoever, whether within or without the State of Nevada, which may be in anywise necessary or proper to effect said merger; and

FURTHER RESOLVED that this corporation change its corporate name to the following: WARNER TECHNOLOGIES, INC.

FOURTH: Anything herein or elsewhere to the contrary notwithstanding this merger may be terminated and abandoned by the board of directors of MAPLE ENTERPRISES,

INC. at any time prior to the date of filing the merger with the Secretary of State.

IN WITNESS WHEREOF, said MAPLE ENTERPRISES, INC. has caused this

certificate to be signed by its President and by its Secretary, this 13 day of September, 1988.

MAPLE ENTERPRISES, INC.

By /s/ Sidney E. Pelston

Sidney E. Pelston
President

(SEAL)

By /s/ Eileen F. Brooks

Eileen F. Brooks
Secretary

STATE OF CALIFORNIA)

) ss.

COUNTY OF LOS ANGELES)

On September 13, 1988 personally appeared before me, a Notary Public, Sidney E. Pelston and Eileen F. Brooks who acknowledged that they executed the above instrument.

/s/ Claire O Williams

Notary Public

(SEAL)

CERTIFICATE OF AMENDMENT

OF

ARTICLES OF INCORPORATION

OF

WARNER TECHNOLOGIES, INC.

Warner Technologies, Inc., a Nevada corporation (the "Corporation") does hereby certify that:

1. The Articles of Incorporation of the Corporation shall be amended by revising Article Fourth to read in full as follows:

"FOURTH: The maximum number of shares of all classes which the Corporation is authorized to have outstanding is twelve million five hundred thousand (12,500,000) shares, consisting of twelve million three hundred seventy-five thousand (12,375,000) shares of Common Stock, all par value \$0.04, and one hundred twenty-five thousand (125,000) shares of Preferred Stock, all par value \$.04. The holders of Preferred Stock shall have such rights, preferences, and privileges as may be determined, prior to the issuance of such shares, by the Board of Directors. As of the date of filing of this Certificate of Amendment with the Nevada Secretary of State, each outstanding share of Common Stock is converted into and reconstituted as 1/40 (one-fortieth) of one share of Common Stock. No fractional shares shall be issued, but in lieu thereof any fractional share shall be rounded to the nearest whole share."

2. The foregoing amendment has been duly authorized and approved by the Board of Directors of the Corporation.

3. The foregoing amendment has been duly adopted and approved by the written consent of the stockholders holding a majority of the Corporation's outstanding stock entitled to vote thereon in accordance with NRS 78.320.

4. In accordance with NRS 78.320, notice of the adoption and approval of the foregoing amendment has been promptly given to all stockholders of the Corporation who have not consented in writing to this corporate action.

Dated: August 8, 1990

WARNER TECHNOLOGIES, INC.

By:/s/ Sidney E. Pelston

President

By:/s/ Thomas S. Hathaway

Secretary

STATE OF CALIFORNIA)
) ss.
COUNTY OF ORANGE)

On August 17 , 1990, before me, the undersigned, a Notary Public in and for said State, personally appeared Sidney E. Pelston, personally known to me (or proved to me on the basis of satisfactory evidence) to be the person who executed the within instrument as President on behalf of Warner Technologies, Inc., the corporation therein named, and acknowledged to me that such corporation executed the within instrument pursuant to its bylaws or a resolution of the board of directors.

/s/ Sidney E. Pelston

WITNESS my hand and official seal.

/s/ Gertrude Murphy

[SEAL]

STATE OF CALIFORNIA)
) ss.
COUNTY OF ORANGE)

On August 17 , 1990, before me, the undersigned, a Notary Public in and for said State, personally appeared Thomas S. Hathaway, personally known to me (or proved to me on the basis of satisfactory evidence) to be the person who executed the within instrument as Secretary on behalf of Warner Technologies, Inc., the corporation therein named, and acknowledged to me that such corporation executed the within instrument pursuant to its bylaws or a resolution of the board of directors.

/s/ Thomas S. Hathaway

WITNESS my hand and official seal.

/s/ Gertrude Murphy

[SEAL]

CERTIFICATE OF AMENDMENT
OF
ARTICLES OF INCORPORATION

OF

WARNER TECHNOLOGIES, INC.

Warner Technologies, Inc., a Nevada corporation (the "Corporation") does hereby certify that:

1. The Articles of Incorporation of the Corporation shall be amended by adding Articles Eleven and Twelve to read in full as follows:

"ELEVENTH: No director or officer of the Corporation shall be liable to the Corporation or its stockholders for damages for breach of fiduciary duty as a director or officer, except for (a) acts of omission which involve intentional misconduct, fraud or a knowing violation of law; or (b) the payment of dividends in violation of Nevada Revised Statutes section 78.300.

TWELFTH: The Corporation shall pay the expenses of officers and directors of the Corporation incurred in defending a civil or criminal action, suite or proceeding as are incurred and in advance of the final disposition of the action, suit or proceeding, upon receipt of an undertaking by or on behalf of the director or officer to repay the amount it if is ultimately determined by a court of competent jurisdiction that he is not entitled to be indemnified by the Corporation. The provisions herein do not affect any rights to advancement of expenses to which corporate personnel other than directors or officers may be entitled under any contract or otherwise by law."

2. The foregoing amendment has been duly authorized and approved by the Board of Directors of the Corporation.

3. The foregoing amendment has been duly adopted and approved by the vote of the stockholders holding a majority of the Corporation's outstanding stock, and entitled to vote thereon in accordance with NRS 78.320.

4. In accordance with NRS 78.320, notice of the adoption and approval of the foregoing amendment has been promptly given to all stockholders of the Corporation who did not attend the Annual Stockholder Meeting at which time this corporate action was ratified.

Dated: March 27, 1991

WARNER TECHNOLOGIES, INC.

By: /s/ Sidney E. Pelston

President

By: /s/ Thomas S. Hathaway

Secretary

CERTIFICATE OF AMENDMENT

OF

ARTICLES OF INCORPORATION

OF

WARNER TECHNOLOGIES, INC.

Warner Technologies, Inc., a Nevada corporation (the "Corporation" does hereby certify that:

1. The Articles of Incorporation of the Corporation shall be amended by revising Article First to read in full as follows:

"FIRST: The name of said corporation shall be "MGPX VENTURES, INC."

2. The foregoing amendment has been duly authorized and approved by the

Board of Directors of the Corporation.

3. The foregoing amendment has been duly adopted and approved by a vote of the stockholders holding a majority of the Corporation's outstanding stock entitled to vote at an annual shareholder's meeting in accordance with NRS 78.320.

Dated: March 31, 1998

WARNER TECHNOLOGIES, INC.

By: /s/ Thomas S. Hathaway

President

By: /s/ Thomas S. Hathaway

Secretary

INC. at any time prior to the date of filing the merger with the Secretary of State.

IN WITNESS WHEREOF, said MAPLE ENTERPRISES, INC. has caused this certificate to be signed by its President and by its Secretary, this 13 day of September, 1988.

MAPLE ENTERPRISES, INC.

By /s/ Sidney E. Pelston

Sidney E. Pelston
President

(SEAL)

By /s/ Eileen F. Brooks

Eileen F. Brooks
Secretary

STATE OF CALIFORNIA)
)ss.
COUNTY OF LOS ANGELES)

On September 13, 1988 personally appeared before me, a Notary Public, Sidney E. Pelston and Eileen F. Brooks who acknowledged that they executed the above instrument.

/s/ Claire O. Williams

Notary Public

(SEAL)

BYLAWS

OF

MAPLE ENTERPRISES, INC.

ARTICLE I

MEETINGS OF SHAREHOLDERS

SECTION 1. ANNUAL MEETING. The annual meeting of the shareholders of this Company, for the purpose of fixing or changing the number of directors of the Company, electing directors and transacting such other business as may come before the meeting, shall be held on such date, at such time and at such place as may be designated by the Board of Directors.

SECTION 2. SPECIAL MEETINGS. Special meetings of the shareholders may be called at any time by the president or a vice-president or a majority of the Board of Directors acting with or without a meeting, or the holder or holders of one-half of all the shares outstanding and entitled to vote thereat.

SECTION 3. PLACE OF MEETINGS. Meetings of shareholders shall be held at the principal office of the Company, unless the Board of Directors decides that a meeting shall be held at some other place within or without the State of Nevada and causes the notice thereof to so state.

SECTION 4. NOTICES OF MEETINGS. Unless waived, a written, printed, or typewritten notice of each annual or special meeting, stating the day, hour and place and the purpose of purposes thereof shall be served upon or mailed to each shareholder of record entitled to vote or entitled to notice, not more than sixty (60) days nor less than ten (10) days before any such meeting. If mailed, it shall be directed to a shareholder at his or her address as the same appears on the records of the Company. If a meeting is adjourned to another time and place, no further notice as to such adjourned meeting need be given if the time and place to which it is adjourned are fixed and announced at such meeting. In the event of a transfer of shares after notice has been given and prior to the holding of the meeting, it shall not be necessary to serve notice on the transferee. Nothing herein contained shall prevent the setting of a record date in the manner provided by law for the determination of the shareholders who are entitled to receive notice of or to vote at any meeting of shareholders or for any purpose permitted by law.

SECTION 5. WAIVER OF NOTICE. Notice of the time, place and purpose of any meeting of shareholders may be waived in writing, either before or after the holding of such meeting, by any shareholder.

SECTION 6. QUORUM. At any meeting of shareholders, the holders of a majority in amount of the shares of the Company then

outstanding and entitled to vote thereat, present in person or represented by proxy, shall constitute a quorum for such meeting but no action required by law, the Articles of Incorporation or these Bylaws to be authorized or taken by the holders of a designated proportion of the shares of any particular class, or of each class, may be authorized or taken by a lesser proportion. The holders of a majority of the voting shares represented at a meeting in person or by proxy may adjourn such meeting from time to time, and at such adjourned meeting any business may be transacted as if the meeting had been held as originally called.

SECTION 7. ORGANIZATION. At each meeting of the shareholders, the president, or, in the absence of the president, a chairman chosen by a majority in interest of the shareholders present in person or by proxy and entitled to vote, shall act as chairman, and the secretary of the Company, or, if the secretary of the Company not be present, the assistant secretary,

or if the secretary and the assistant secretary not be present, any person whom the chairman of the meeting shall appoint, shall act as secretary of the meeting.

SECTION 8. SHAREHOLDERS ENTITLED TO VOTE. Every shareholder of record shall be entitled at each meeting of shareholders to one vote for each share standing in his name on the books of the Company.

A corporation owning shares in this Company may vote the same by its president or its secretary or its treasurer, and such officer shall conclusively be deemed to have authority to vote such shares and to secure any proxies and written waivers and consents in relation thereto, unless, before a vote is taken or a consent or waiver is acted upon, it shall be made to appear by a certified copy of the regulations, by-laws or resolution of the Board of Directors of the corporation owning such shares that such authority does not exist or is vested in some other officer or person.

SECTION 9. SHAREHOLDER VOTING. At each meeting of the shareholders for the election of directors at which a quorum is present, the persons receiving the greatest number of votes shall be the directors. Such election may be by ballot or viva voce, as the shareholders may determine. All other questions shall be determined by a majority vote of the shares entitled to vote and represented at the meeting in person or by proxy, unless for any particular purpose the vote of a greater proportion of the shares, or of any particular class of shares, or of each class, is otherwise required by law, the Articles of Incorporation or these Bylaws.

SECTION 10. PROXIES. At meetings of the shareholders any shareholder of record entitled to vote thereat may be represented and may vote by a proxy or proxies appointed by an instrument in writing, but such instrument shall be filed with the secretary of the meeting before the person holding such proxy shall

2

be allowed to vote thereunder. No proxy shall be valid after the expiration of six (6) months after the date of its execution, unless coupled with an interest of the shareholder executing it shall have specified therein the length of time it is to continue in force, which in no case shall exceed seven (7) years from the date of its execution.

SECTION 11. ORDER OF BUSINESS AND PROCEDURE. The order of business at all meetings of the shareholders and all matters relating to the manner of conducting the meeting shall be determined by the chairman of the meeting, whose decisions may be overruled only by majority vote of the shareholders present and entitled to vote at the meeting in person or by proxy. Meetings shall be conducted in a manner designed to accomplish the business of the meeting in a prompt and orderly fashion and to be fair and equitable to all shareholders, but it shall not be necessary to follow any manual of parliamentary procedure.

ARTICLE II

BOARD OF DIRECTORS

SECTION 1. GENERAL POWERS OF BOARD. The powers of the Company shall be exercised, its business and affairs conducted, and its property controlled by the Board of Directors, except as otherwise provided by the law of Nevada or in the Articles of Incorporation.

SECTION 2. NUMBER AND QUALIFICATION. The number of directors of the Company, none of whom need be shareholders or residents of Nevada, shall be at least three. Without amendment of these Bylaws, the number of directors may be fixed or changed by resolution adopted by the vote of the majority of directors in office or by the vote of holders of shares representing a majority of the voting power at any annual meeting, or any special meeting called for that purpose; but not reduction of the number of directors shall have the effect of removing any director prior to the expiration of his term of office.

SECTION 3. TERM OF OFFICE. Unless he shall earlier resign, be removed as hereinafter provided, die, or be adjudged mentally incompetent,

each director shall hold office until the SINE DIE adjournment of the annual meeting of shareholders for the election of directors next succeeding his election, or the taking by the shareholders of an action in writing in lieu of such meeting, or, if for any reason the election of directors shall not be held at such annual meeting or any adjournment thereof, until the SINE DIE election of directors held thereafter as provided for in Section 4 of Article I of these Bylaws, or the taking by the shareholders of an action in writing in lieu of such meeting, and until his successor is elected and qualified.

3

SECTION 4. REMOVAL. Any director may be removed without cause at any special meeting of shareholders called for such purpose by the vote of the holders of two-thirds of the voting power entitling them to elect directors in place of those to be removed, provided that unless all the directors, or all the directors of a particular class are removed no individual director shall be removed if the votes of a sufficient number of shares are cast against his removal which, if cumulatively voted at an election of directors, or of all directors of a particular class, as the case may be, would be sufficient to elect at least one director. In case of any such removal, a new director may be elected at the same meeting for the unexpired term of each director removed. Failure to elect a director to fulfill the unexpired term of any director removed shall be deemed to create a vacancy in the Board.

SECTION 5. RESIGNATIONS. Any director of the company may resign at any time by giving written notice to the president or the secretary of the Company. Such resignation shall take effect at the time specified therein, and unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

SECTION 6. VACANCIES. Vacancies in the Board of Directors may be filled by a majority vote of the remaining directors, even though they be less than a quorum of the entire number of directors constituting a full Board, until an election to fill such vacancies is had. Within the meaning of this Section, a vacancy exists if the board of directors increases the authorized number of directors or if the shareholders increase the authorized number of directors but fail at the meeting at which such increase is authorized, or an adjournment thereof, to elect the additional directors provided for, or if the shareholders fail at any time to elect the whole authorized number of directors. Any director elected under the provisions of this Section 6 shall serve until the next annual election of directors and until their successors are elected and qualified.

SECTION 7. MEETINGS. The directors shall hold such meetings from time to time as they may deem necessary and such meetings as may from time to time be called by the president or the chairman of the board. Meetings shall be held at the principal office of the Company or at such other place within or without the State of Nevada as the president or a majority of the directors may determine. A regular meeting of the Board of Directors shall be held each year at the same place as and immediately after the annual meeting of shareholders, or at such other place and time as shall theretofore have been determined by the Board of Directors and notice thereof need not be given. At its regular annual meeting, the Board of Directors shall organize itself and elect the officers of the Company for the ensuing year, and may transact any other business.

4

SECTION 8. NOTICE OF MEETINGS. Notice of each special meeting or, where required, each regular meeting, of the Board of Directors shall be given to each director either by being mailed on at least the third day prior to the date of the meeting or by being telegraphed or given personally or by telephone on at least twenty-four (24) hours notice prior to the date of meeting. Such notice shall specify the date and time of the meeting, the purpose or purposes for which the meeting is called. At any meeting of the Board of Directors at which every director shall be present, even though without such notice, any business may be transacted. Any acts or proceedings taken at a meeting of the Board of Directors not validly called or

constituted may be made valid and fully effective by ratification at a subsequent meeting which shall be legally and validly called or constituted. Notice of any regular meeting of the Board of Directors need not state the purpose of the meeting and, at any regular meeting duly held, any business may be transacted. If the notice of a special meeting shall state as a purpose of the meeting the transaction of any business that may come before the meeting, then at the meeting any business may be transacted, whether or not referred to in the notice thereof. A written waiver of notice of a special or regular meeting, signed by the person or person entitled to such notice, whether before or after the time stated therein shall be deemed the equivalent of such notice, and attendance of a director at a meeting shall constitute a waiver of notice of such meeting except when the director attends the meeting and prior to or at the commencement of such meeting protests the lack of proper notice.

SECTION 9. QUORUM AND VOTING. At all meetings of the directors fifty percent of all of the authorized directors of the company shall constitute a quorum, but less than fifty percent of the authorized directors may adjourn a meeting of the directors from time to time, and at adjourned meetings any business may be transacted as if the meeting had been held as originally called. The act of a majority of Directors present at any meeting at which there is a quorum shall be the act of the Board of Directors, except as otherwise provided by law, the Articles of Incorporation or these Bylaws.

SECTION 10. COMPENSATION. Directors shall be entitled to receive for services and expenses such reasonable compensation as the Board of Directors may determine by affirmative vote of a majority of those directors in office. The Board of Directors may also delegate its authority to establish reasonable compensation for directors to one or more officers or directors by an affirmative vote of a majority of those directors in office. Any vote taken by the Board of Directors with respect to director compensation shall be effective irrespective of the financial or personal interest of any of the directors involved.

SECTION 11. COMMITTEES. The Board of Directors may create any committee of directors, to be composed of one or more directors, and may delegate to any such committee any of the

5

authority and powers of the Board of Directors, however conferred. Each such committee shall serve at the pleasure of the Board of Directors shall act only in the intervals between meetings of the Board of Directors and shall be subject to all times to the control and direction of the Board of Directors. Any such committee may act by a majority of its members. Any such committee shall keep written minutes of its meetings and report same to the Board of Directors prior to or at the next regular meeting of the Board of Directors. Any act or authorization of an act by any such committee within the authority delegated to it shall be as effective for all purposes as the act or authorization of the Board of Directors.

ARTICLE III

OFFICERS

SECTION 1. GENERAL PROVISIONS. The officers of the Company shall be a president, such number of vice-presidents as the Board may from time to time determine, a secretary, a treasurer and such other officers as the directors may elect. The Company may also have, at the discretion of the Board of Directors, a Chairman of the Board or Vice Chairman who shall have the duties prescribed by the Board of Directors. Except as specifically provided in these Bylaws, the directors shall determine the duties and term of each of the officers of the Company and shall be responsible for the designation of the Company's chief executive officer. Officers need not be shareholders of the Company and may be paid such compensation as the Board of Directors may determine. Any person may hold any two or more offices and perform the duties thereof. If one person is chosen to hold the offices of secretary and treasurer, he shall be known as secretary-treasurer if one person be elected to both of these offices.

SECTION 2. ELECTION, TERM OF OFFICE, AND QUALIFICATION. The officers of the Company named in Section 1 of this Article III shall be

elected by a majority of the Board of Directors present and constituting a quorum for an indeterminate term and shall hold office during the pleasure of the Board of Directors. The qualifications of all officers shall be such as the Board of Directors may see fit to impose.

SECTION 3. ADDITIONAL OFFICERS, AGENTS, ETC. In addition to the officers mentioned in Section 1 of this Article III, the Company may have such other officers, committees, agents, and factors as the Board of Directors may deem necessary and may appoint, each of whom or each member of which shall hold office for such period, have such authority, and perform such duties as may be provided in these Bylaws, or as the Board of Directors may from time to time determine. The Board of Directors may delegate to any officer or committee the power to appoint any subordinate officers, committees, agents or factors. In the absence of any officer of the Company, or for any other reason the Board of Directors may

6

deem sufficient, the Board of Directors may delegate, for the time being, the powers and duties, or any of them, of such officer to any other officer, or to any director.

SECTION 4. REMOVAL. Any officer of the Company may be removed either with or without cause, at any time, by resolution adopted by the Board of Directors at any meeting of the Board, the notices (or waivers of notice) of which shall have specified that such removal action was to be considered. Any officer appointed not by the Board of Directors but by an officer of committee to which the Board shall have delegated the power of appointment may be removed, with or without cause, by the committee or superior officer (including successors) who made the appointment, or by any committee or officer upon whom such power of removal may be conferred by the Board of Directors.

SECTION 5. RESIGNATIONS. Any officer may resign at any time by giving written notice to the Board of Directors, or to the president, or to the secretary of the Company. Any such resignation shall take effect at the time specified therein, and unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

SECTION 6. VACANCIES. A vacancy in any office because of death, resignation, removal, disqualification, or otherwise, shall be filled in the manner prescribed in these Bylaws for regular appointments or elections to such office.

ARTICLE IV

DUTIES OF THE OFFICERS

SECTION 1. THE PRESIDENT. The president shall manage and have general supervision over the business of the Company and over its several officers, subject, however, to the control of the Board of Directors. He shall, if present, preside at all meetings of shareholders and of the Board of Directors. He shall see that all orders and resolutions of the Board of Directors are carried into effect, and shall from time to time report to the Board of Directors all matters within his knowledge which the interests of the corporation may require to be brought to the notice of the Board. He may sign with the secretary, the treasurer, or any other proper officer of the company thereunto authorized by the Board of Directors, certificates for share in the Company. He may sign, execute and deliver in the name of the Company all deeds, mortgages, bonds, contracts, or other instruments either when specially authorized by the Board of Directors or when required or deemed necessary or advisable by him in the ordinary conduct of the Company's normal business, except in cases where the signing and execution thereof shall be expressly delegated by these Bylaws to some other officer or agent of the Company or shall be required by law or otherwise to be signed or executed by some other officer or affixed to any instrument requiring the same; and, in general,

7

perform all duties as from time to time may be assigned to him by the Board of Directors. In case the president for any reason shall be unable to attend to any of his duties, such duties may be performed by a vice-president of the Company.

SECTION 2. VICE-PRESIDENTS. The vice-presidents shall perform such duties as are conferred upon them by these Bylaws or as may from time to time be assigned to them by the Board of Directors or the president. At the request of the president (or in his or her absence or disability, the vice-president designated by the Board) shall perform all the powers of the president. The authority of vice-presidents to sign in the name of the Company all certificates for shares and authorized deeds, mortgages, bonds, contracts, notes and other instruments, shall be coordinate with like authority of the president.

SECTION 3. THE TREASURER. The treasurer shall:

(a) Have charge and custody of, and be responsible for, all funds, securities, notes, contracts, deeds, documents, and all other indicia of title in the Company and valuable effects of the Company; receive and give receipts for moneys due and payable to the name of the Company in such banks, trust companies, or other depositories as shall be selected by or pursuant to the directions of the Board of Directors; cause such funds to be discharged by checks or drafts on the authorized depositories of the Company, signed as the Board of Directors may require; and be responsible for the accuracy of the amounts of, and cause to be preserved proper vouchers for, all moneys to be disbursed;

(b) Have the right to require from time to time reports or statements giving such information as he may desire with respect to any and all financial transactions of the Company from the officers or agents transacting the same;

(c) Keep or cause to be kept at the principal office or such other office or offices of the Company as the Board of Directors shall from time to time designate correct records of the business and transactions of the Company and exhibit such records to any of the directors of the Company upon application at such office;

(d) Have charge of the audit and statistical departments of the Company;

(e) Render to the president or the Board of Directors whenever they shall require him so to do an account of the financial condition of the company and of all his transactions as treasurer and as soon as practicable after the close of each fiscal year, make and submit to the Board of Directors a like report for such fiscal year; and

8

(f) Exhibit at all reasonable times his cash books and other records to any of the directors of the Company upon application.

SECTION 4. THE SECRETARY. The secretary shall:

(a) Keep the minutes of all meetings of the shareholders and of the Board of Directors in one or more books provided for that purpose;

(b) See that all notices are duly given in accordance with the provisions of these Bylaws or as required by law;

(c) Be custodian of the corporate records and, if one is provided, of the seal of the Company, and see that such seal is affixed to all certificates for shares prior to the issue thereof and to all other documents to which the seal is required to be affixed and the execution of which on behalf of the Company under its seal is duly authorized in accordance with the provisions of these Bylaws;

(d) Have charge, directly or through such transfer agent or transfer agents and registrar or registrars as the Board of Directors shall appoint, of the issue, transfer and registration of certificates for shares

in the Company and of the records thereof, such records to be kept in such manner as to show at any time the number of shares in the Company issued and outstanding, the manner in which and time when such stock was paid for, the names and addresses of the holders of record thereof, the number of classes of shares held by each, and the time when each became such holder of record;

(e) Exhibit at all reasonable times to any directors, upon application, the aforesaid records of the issue, transfer, and registration of such certificates;

(f) Sign (or see that the treasurer or other proper officer of the Company thereunto authorized by the Board of Directors shall sign), with the president or vice-president, certificates for shares in the Company;

(g) See that the books, reports, statements, certificates, and all other documents and records required by law are properly kept and filed; and

(h) In general, perform all duties incident to the office of secretary, he shall perform such duties as are conferred upon him by the officers of the Company, or the Board of Directors, and in the absence or the inability of the secretary to act, shall perform all the duties of the secretary and when so acting shall have all the powers of the secretary.

9

In the event the Board of Directors shall elect an assistant secretary, he shall perform such duties as are conferred upon him by the officers of the Company, or the Board of Directors, and in the absence or inability of the secretary to act, shall perform all the duties of the secretary and when so acting shall have all the powers of the secretary.

ARTICLE V

INDEMNIFICATION OF DIRECTORS AND OFFICERS

SECTION 1. INDEMNIFICATION. The Company shall indemnify any person who was or is a party or is threatened to be made a party to any threatened or pending action, suite, or proceeding, whether civil, criminal, administrative or investigative, by reason of the fact that he, his testator, or intestate is or was a director or officer of the Company, or is or was serving at the request of the Company as a director, officer, employee, or agent of another corporation, partnership, joint venture, trust or other enterprise, or as a member of any committee or similar body against all expenses (including attorneys' fees), judgments, penalties, fines and amounts paid in settlement actually and reasonably incurred by him in connection with such action, suit or proceeding (including appeals) or the defense or settlement thereof or any claim, issue, or matter therein, to the fullest extent permitted by the laws of Nevada as they may exist from time to time.

SECTION 2. INSURANCE. The proper officers of the Company without further authorization by the Board of Directors, may in their discretion purchase and maintain insurance on behalf of any person who is or was a director, officer, employee or agent of the Company, or is or was serving at the request of the Company as a director, officer, employee or agent for another corporation, partnership, joint venture, trust or other enterprise, against any liability.

SECTION 3. ERISA. To assure indemnification under this provision of all such persons who are or were "fiduciaries" of an employee benefit plan governed by the Act of Congress entitled "Employee Retirement Income Security Act of 1974," as amended from time to time, this Article shall, for the purposes hereof, be interpreted as follows: an "other enterprise" shall be deemed to include an employee benefit plan; the Company shall be deemed to have requested a person to serve an employee benefit plan where the performance by such person of his duties to the Company also imposes duties on, or otherwise involves services by, such person to the plan or participants or beneficiaries of the plan; excise taxes assessed on a person with respect to an employee benefit plan pursuant to said Act of Congress shall be deemed "fines"; and action taken or omitted by a person with respect to an employee benefit plan in the performance of such person's duties for a purpose reasonably believed by such person to be in the interest of the participants and beneficiaries of the plan shall be deemed to

be for a purpose which is not opposed to the best interests of the Company.

SECTION 4. CONTRACTUAL NATURE. The foregoing provisions of this Article shall be deemed to be a contract between the Company and each director and officer who serves in such capacity at any time while this Article is in effect, and any repeal or modification thereof shall not affect any rights or obligations then existing with respect to any state of facts then or theretofore existing or any action, suit or proceeding theretofore or thereafter brought based in whole or in part upon any such state of facts.

SECTION 5. CONSTRUCTION. For the purposes of this Article, references to "the Company" include in addition to the resulting corporation, any constituent corporation (including any constituent of a constituent) absorbed in a consolidation or merger which, if its separate existence had continued, would have had power and authority to indemnify its directors, officers and employees or agents, so that any person who is or was a director or officer of such constituent corporation or is or was serving at the request of such constituent corporation as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise or as a member of any committee or similar body shall stand in the same position under the provisions of this Article with respect to the resulting or surviving corporation as he would have with respect to such constituent corporation if its separate existence had continued.

SECTION 6. NON-EXCLUSIVE. The Company may indemnify, or agree to indemnify, any person, and pay any expenses, including attorney's fees in advance of final disposition of any action, suit or proceeding, if such indemnification and/or payment is approved by the vote of the shareholders, disinterested directors, or is in the opinion of independent legal counsel selected by the Board of Directors for an indemnitee who acted in good faith in a manner he reasonably believed to be in, or not opposed to, the best interest of the Company.

ARTICLE VI

SEAL

The Board of Directors may provide a corporate seal, which shall be in the form of a circle and shall bear the full name of the Company, and the words "Seal and "Nevada".

ARTICLE VII

AMENDMENT OF BYLAWS

These Bylaws may be amended or added to, or repealed and superseded by new Bylaws, at any annual or special meeting of

shareholders in the notice (or waivers of notice) of which the intention to consider such amendment, addition, or repeal is stated, by the affirmative vote of the holders of record of shares entitling them to exercise a majority of the voting power on such proposal, or at anytime, by the affirmative vote of the Board of Directors.

ARTICLE VIII

SHARES AND THEIR TRANSFER

SECTION 1. CERTIFICATE FOR SHARES. Every owner of one or more shares in the Company shall be entitled to a certificate, which shall be in such form as the Board of Directors shall prescribe, certifying the number and class of paid-up shares in the Company owned by him. The certificates for the respective classes of such shares shall be numbered in the order in which they shall be issued and shall be signed in the name of the Company by

the president or vice-president and by the secretary, or any other proper officer of the Company thereunto authorized by the Board of Directors, or the treasurer, and the seal of the Company, if any, may be affixed thereto. A record shall be kept of the name of the person, firm, or corporation owning the shares represented by each such certificate and the number of shares represented by each such certificate and the number of shares represented thereby, the date thereof, and in case of cancellation, the date of cancellation. Every certificate surrendered to the Company for exchange or transfer shall be cancelled and no new certificate or certificates until such existing certificates shall have been so cancelled, except in cases provided for in Section 2 of this Article.

SECTION 2. LOST, DESTROYED AND MUTILATED CERTIFICATES. If any certificates for shares in this Company become worn, defaced, or mutilated but are still substantially intact and recognizable, the directors, upon production and surrender thereof, shall order the same cancelled and shall issue a new certificate in lieu of same. The holder of any shares in the Company shall immediately notify the Company if a certificate therefor shall be lost, destroyed, or mutilated beyond recognition, and the Board of Directors may, in its discretion, require the owner of the certificate which has been lost, destroyed, or mutilated beyond recognition, or his legal surety or sureties as it may direct, not exceeding double the value of the stock, to indemnify the Company against any claim that may be made against it on account of the alleged loss, destruction, or mutilation of any such certificate. The Board of Directors may, however, in its discretion, refuse to issue any such new certificate except pursuant to legal proceedings, under the laws of the State of Nevada in such case made and proved.

SECTION 3. TRANSFERS OF SHARES. Transfers of shares in the Company shall be made only on the books of the Company by the registered holder thereof, his legal guardian, executor, or

12

administrator, or by his attorney thereunto authorized by power of attorney duly executed and filed with the secretary of the Company or with a transfer agent appointed by the Board of Directors, and on surrender of the certificate or certificates for such shares. The person in whose name shares stand on the books of the Company shall, to the full extent permitted by law, be deemed the owner thereof for all purposes as regards the Company.

SECTION 4. REGULATIONS. The Board of Directors may make such rules and regulations as it may deem expedient, not inconsistent with these Bylaws, concerning the issue, transfer, and registration of certificates for shares in the Company. It may appoint one or more transfer agents or one or more registrars or both, and may require all certificates for shares to bear the signature of either or both.

ARTICLE IX

DEPOSITORIES, CONTRACTS AND OTHER INSTRUMENTS

SECTION 1. DEPOSITORIES. The president and any vice-president of the Company are each authorized to designate depositories for the funds of the Company deposited in its name and the signatories and conditions with respect thereto in each case, and from time to time, to change such depositories, signatories and conditions, with the same force and effect as if each such depository, the signatories and conditions with respect thereto and changes therein had been specifically designated or authorized by the Board of Directors or by the president, or any vice-president of the Company, shall be entitled to rely upon the certificate of the secretary or any assistant secretary of the Company setting forth the fact of such designation and of the appointment of the officers of the Company or of both or of other persons who are to be signatories with respect to the withdrawal of funds deposited with such depository, or from time to time the fact of any change in any depository or in the signatories with respect thereto.

SECTION 2. EXECUTION OF INSTRUMENTS GENERALLY. Except as provided in Section 1 of this Article IX, all contracts and other instruments requiring execution by the Company may be executed and delivered by the president or any vice-president and authority to sign any such contracts or instruments, which may be general or confined to specific instances, may be

conferred by the Board of Directors upon any other person or persons. Any person having authority to sign on behalf of the Company may delegate, from time to time, by instrument in writing, all or any part of such authority to any person or persons if authorized so to do by the Board of Directors.

[Front of Certificate]

[Manually typed script:] NAME CHANGE: MGPX VENTURES, INC.

Common Stock		Common Stock
Number	WARNER TECHNOLOGIES, INC. INCORPORATED UNDER THE LAWS OF THE STATE OF NEVADA	Shares

_____ This Certifies that:

_____ CUSIP 55301E-10-9
SEE REVERSE FOR
CERTAIN DEFINITIONS

is the owner of

Fully Paid and Non-Assessable Shares of Common Stock,
Par Value of \$.04 per share of
WARNER TECHNOLOGIES, INCORPORATED

hereinafter and on the back hereof called the "Corporation," transferable on the books of the Corporation by the holder hereof in person or by duly authorized attorney upon the surrender of this Certificate properly endorsed.

This Certificate and the shares represented hereby are issued and shall be held subject to the laws of the State of Nevada and to the Articles of Incorporation and the By-laws of the Corporation and any amendments thereto made as provided by law, to all of which the holder hereof, by accepting this Certificate, expressly assents and agrees to be bound.

This Certificate is not valid until countersigned by the Transfer Agent.

WITNESS the facsimile seal of the Corporation and the facsimile signatures of its duly authorized officers.

DATED:

[SEAL]
WARNER TECHNOLOGIES, INC.
CORPORATE
SEAL
1986
NEVADA

/s/ Thomas S. Hathaway

/s/ Sidney E. Pelston

SECRETARY

PRESIDENT

[Vertical along right margin:]

Countersigned and Registered:

U.S. STOCK TRANSFER CORPORATION
(Glendale, California)

Transfer Agent and Registrar

By

Authorized Officer

[Reverse of Certificate]

The following abbreviations, when used in the inscription on the face of this certificate, shall be construed as though they were written out in full according to applicable laws or regulations:

TEN COM -- as tenants in common
TEN ENT -- as tenants by the entireties
JT TEN -- as joint tenants with right
of survivorship and not as
tenants in common

UNIF GIFT MIN ACT -- Custodian

(Cust) (Minor)
under Uniform Gifts to Minors
Act

(State)

Additional abbreviations may also be used though not in the above list.

FOR VALUE RECEIVED, _____ HEREBY SELL, ASSIGN AND TRANSFER UNTO

PLEASE INSERT SOCIAL SECURITY OR OTHER
IDENTIFYING NUMBER OF ASSIGNEE

(NAME AND ADDRESS OF TRANSFEREE SHOULD BE PRINTED OR TYPEWRITTEN)

SHARES

REPRESENTED BY THE WITHIN CERTIFICATE AND DO HEREBY IRREVOCABLY CONSTITUTE AND
APPOINT

ATTORNEY

TO TRANSFER THE SAID SHARES ON THE SHARE REGISTER OF THE WITHIN NAMED
CORPORATION, WITH FULL POWER OF SUBSTITUTION IN THE PREMISES.

DATED _____

SIGNATURE

SIGNATURE GUARANTEED

NOTICE: THE SIGNATURE TO THE FOREGOING ASSIGNMENT MUST
CORRESPOND WITH THE NAME AS WRITTEN UPON THE FACE OF THE
WITHIN CERTIFICATE IN EVERY PARTICULAR, WITHOUT ALTERATION OR
ENLARGEMENT OR ANY CHANGE WHATSOEVER AND SHOULD BE GUARANTEED
BY A COMMERCIAL BANK OR TRUST COMPANY OR BY A MEMBER FIRM OF
THE NATIONAL ASSOCIATION OF SECURITIES DEALERS, INC.

[Front of Certificate]

Number

Shares

WARNER TECHNOLOGIES, INC.

INCORPORATED UNDER THE LAWS OF THE STATE OF NEVADA

CUSIP 934624 30 5

THIS CERTIFIES THAT _____ is the owner of _____,

[Superimposed over text below:]

PREFERRED

WARNER TECHNOLOGIES, INCORPORATED

HEREINAFTER AND ON THE BACK HEREOF CALLED "THE CORPORATION," TRANSFERABLE ON THE BOOKS OF THE CORPORATION BY THE HOLDER HEREOF IN PERSON OR BY DULY AUTHORIZED ATTORNEY UPON THE SURRENDER OF THIS CERTIFICATE PROPERLY ENDORSED.

THIS CERTIFICATE AND THE SHARES REPRESENTED HEREBY ARE ISSUED AND SHALL BE HELD SUBJECT TO THE LAWS OF THE STATE OF NEVADA AND TO THE ARTICLES OF INCORPORATION AND THE BY-LAWS OF THE CORPORATION AND ANY AMENDMENTS THERETO MADE AS PROVIDED BY LAW, TO ALL OF WHICH THE HOLDER HEREOF, BY ACCEPTING THIS CERTIFICATE, EXPRESSLY ASSENTS AND AGREES TO BE BOUND.

WITNESS THE SEAL OF THE CORPORATION AND THE SIGNATURES OF ITS DULY AUTHORIZED OFFICERS.
DATED:

[SEAL]
WARNER TECHNOLOGIES, INC.
CORPORATE
SEAL
1986
NEVADA

/s/ Thomas S. Hathaway

/s/ Sidney E. Pelston

SECRETARY

PRESIDENT

[Reverse of Certificate]

FOR VALUE RECEIVED _____ HEREBY SELL, ASSIGN AND TRANSFER UNTO

PLEASE INSERT SOCIAL SECURITY OR OTHER IDENTIFYING NUMBER OF ASSIGNEE

BY THE WITHIN CERTIFICATE AND DO HEREBY IRREVOCABLY CONSTITUTE AND APPOINT

ATTORNEY
TO TRANSFER THE SAID SHARES ON THE SHARE REGISTER OF THE WITHIN NAMED CORPORATION, WITH FULL POWER OF SUBSTITUTION IN THE PREMISES.

DATED _____ 19____

IN THE PRESENCE OF _____

[VERTICAL ALONG RIGHT MARGIN:]

NOTICE: THE SIGNATURE OF THIS ASSIGNMENT MUST CORRESPOND WITH THE NAME AS WRITTEN UPON THE FACE OF THE CERTIFICATE, IN EVERY PARTICULAR, WITHOUT ALTERATION OR ENLARGEMENT, OR ANY CHANGE WHATEVER.

CERTIFICATE OF DETERMINATION OF

WARNER TECHNOLOGIES, INC.

The undersigned, Sidney E. Pelston and Thomas S. Hathaway, do hereby certify that:

1. They are the duly elected and acting President and Secretary, respectively, of Warner Technologies, Inc., a Nevada corporation (the "Corporation").

2. On October 5, 1992, the Board of Directors of the Corporation adopted the following resolutions, setting forth the voting powers, designations, preferences and relative, participation and other rights and limitations of the Series B Preferred Stock:

ISSUANCE OF PREFERRED STOCK

WHEREAS, Section 78.195 of the Nevada General Corporation Law and ARTICLE FOURTH of the Corporation's Articles of Incorporation authorized the Corporation to issue one or more series of Preferred Stock, with such rights, preferences, and privileges as may be determined by the Board of Directors.

NOW THEREFORE, BE IT RESOLVED, that the Corporation issue up to 50,000 shares of Series B Preferred Stock, \$.04 par value, having the following terms:

Section 1. NUMBER AND PREFERENCES.

- (a) The number of shares constituting the Series B Preferred Stock shall be 50,000, each of which shall have a stated value ("Stated Value") of \$30.00.
- (b) Holders of the Series B Preferred Stock are entitled to receive cumulative dividends as provided in Section 2 hereof.
- (c) Holders of Series B Preferred Stock shall be entitled to a preference upon liquidation, as set forth in Section 3 hereof.
- (d) Holders of the Series B Preferred Stock shall be entitled to voting rights in the event of certain dividend default as provided in Section 4 hereof.
- (e) The Series B Preferred Stock shall be convertible into Common Stock of the Corporation, in the manner and upon the conditions provided in Section 5 hereof.

Section 2. DIVIDEND RIGHTS.

- (a) The holders of Series B Preferred shares shall be entitled to receive, when and as declared by the Board of Directors out of the Corporation's capital surplus (subject to the limitations of Section 2(c)), cumulative dividends in cash at the rate of \$1.80 per Series B Preferred share per annum (the "Dividend Rate") commencing on the date of issuance of such shares. Such dividends shall be payable quarterly within seven days of the end of the fiscal quarter.
- (b) Dividends on Series B Preferred shares shall accrue and shall be cumulative whether or not such dividends are earned. Each Series B Preferred share shall rank on a parity with each other Series B Preferred share, with respect to dividends. An accumulation of dividends on Series B Preferred shares shall not bear interest.
- (c) Such dividends shall be declared and paid in full for all previous dividend periods, before the Corporation makes any distribution (as hereinafter defined) to the holders of shares of Common Stock. "Distribution" in this paragraph (a) means the transfer of cash or

property without consideration, whether by way of dividend or otherwise (except a dividend in shares of the Corporation which are junior to the Preferred shares as to dividends or assets), or the purchase or redemption of shares of the Corporation for cash or property, including any such transfer, purchase, or redemption by a subsidiary of the Corporation.

Section 3. LIQUIDATION RIGHTS. In the event of any voluntary or involuntary liquidation, dissolution or winding up of the Corporation, the holders of Series B Preferred shares shall be entitled to receive from the assets of the Corporation the Stated Value of such shares in cash and a further preferential amount in cash equal to all cumulative dividends accrued and unpaid to the date that payment is made available to the holders of Preferred shares, all of which shall be paid or set apart for payment before distribution of any assets of the Corporation to, the holders of Common shares in connection with such liquidation, dissolution, or winding up. Each Series B Preferred share shall rank on a parity with each other Series B preferred share, with respect to the respective preferential amounts fixed for such series payable upon any distribution of assets by way of liquidation, dissolution, or winding up of the Corporation. After the payment or the setting apart of payment to the holders of Series B Preferred shares of the preferential amount so payable to them, the holders of common shares shall be entitled to receive, ratably, all remaining assets of the Corporation. A consolidation or merger of the Corporation with or into any other corporation or corporations, or sale of all

2

or substantially all of the assets of this corporation, shall not in itself otherwise be deemed to be a liquidation, dissolution, or winding up within the meaning of this paragraph, so long as there is compliance with Section 5(c)(3).

Section 4. VOTING RIGHTS. Holders of Series B Preferred Shares shall have no voting rights unless the Corporation fails to make two consecutive dividend payments. In such event, Holders of Series B Preferred Shares shall vote as a class with holders of common shares; provided that (a) the number of votes that may be cast for any matter by holders of Series B Preferred Stock shall be equal to three times the number of common shares into which such Series B Preferred Stock are convertible pursuant to Section 5 hereof (without regard to the conversion of accrued dividends into Common stock under Section 5(a)(1)); and (b) holders of Series B Preferred Stock shall be entitled to cumulative voting for the election of directors in accordance with the provisions of Section 78.360 of the Nevada Revised Statutes.

Section 5. CONVERSION RIGHTS. The Series B Preferred shares shall be convertible as follows (the "Conversion Rights"):

(a) RIGHT TO CONVERT.

- (1) Each share of Series B Preferred Stock shall be convertible, at the option of the holder thereof at any time and at the option of the Corporation at any time after two years from the date of issuance if during any 10 consecutive business day period the closing bid price of the Common Stock is \$4.00 per Share or greater, and all quarterly dividends are current for payment dates prior to the date of the notice, at the office of the Corporation or any transfer agent for the Preferred Stock, into Common Stock at the initial conversion rate ("Conversion Rate") of 12 fully paid and nonassessable shares of Common Stock for each share of Series B Preferred Stock. If any holder converts and dividends are accrued and unpaid on the date of such notice, the Corporation shall pay such dividends within 60 days of the conversion.
- (2) No fractional shares of Common Stock shall be issued upon conversion of the Series B Preferred Stock and any shares of Series B Preferred Stock surrendered for conversion which would otherwise result in a fractional share of Common stock shall be redeemed for the then fair market value thereof as determined by the Corporation's Board of Directors, payable as promptly as possible whenever funds are legally available

therefor. If more than one share of Series B Preferred Stock is

3

surrendered for conversion at any one time by the same holder, the number of full shares of Common Stock to be issued upon conversion shall be computed on the basis of the aggregate number of shares of Preferred Stock so surrendered.

(b) MECHANICS OF CONVERSION. Before any holder of Series B Preferred shares shall be entitled to convert the same into shares of Common Stock, it shall surrender the certificate or certificates therefor at the office of the Corporation or of any transfer agent for the Series B Preferred Stock, and shall give written notice to the Corporation at such office that it elects to convert the same and shall state therein the name or names in which it wishes the certificate or certificates for shares of Common Stock to be issued. The Corporation shall, as soon as practicable thereafter, issue and deliver at such office to such holder of Series B Preferred Stock, or to its nominee or nominees, a certificate or certificates for the number of shares of Common Stock to which it 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 shares of Series B Preferred Stock to be converted, and the person or persons entitled to receive the shares of Common Stock issuable upon such conversion shall be treated for all purposes as the record holder or holders of such shares of Common Stock on such date.

(c) ADJUSTMENT TO CONVERSION RATE.

(1) STOCK SPLITS AND COMBINATIONS. If the Corporation shall at any time subdivide the outstanding shares of Common Stock without an equivalent subdivision of the Series B Preferred Stock, the Conversion Rate then in effect immediately before that subdivision shall be proportionately increased, and, if the Corporation shall at any time combine the outstanding shares of Common Stock without an equivalent combination of the Series B Preferred Stock, the Conversion Rate then in effect immediately before that combination shall be proportionately decreased. Any adjustment under this Section 5(c)(1) shall become effective on the close of business on the date the subdivision or combination becomes effective. A dividend on any security of the Corporation payable in Common Stock of the Corporation shall be considered a subdivision of Common Stock for purposes of this Section 6(c)(1) at the close of business on the record date for the determination of holders of any security entitled to receive such dividend.

4

(2) RECLASSIFICATION, EXCHANGE AND SUBSTITUTION. If the Common Stock issuable on conversion of the Series B Preferred Stock shall be changed into the same or a different number of shares of any other class or classes of stock, whether by capital reorganization, reclassification, or otherwise (other than a subdivision or combination of shares provided for above), the holders of the Series B Preferred Stock shall, upon its conversion, be entitled to receive, in lieu of the Common Stock which the holders would have become entitled to receive but for such change, a number of shares of such other class or classes of stock that would have been subject to receipt by the holders of conversion of the Series B Preferred Stock immediately before that change.

(3) REORGANIZATION, MERGERS, CONSOLIDATIONS OR SALE OF ASSETS. If at any time there shall be a capital reorganization of the Corporation's Common Stock (other than a subdivision, combination, reclassification or exchange of shares provided

for elsewhere in this Section 5(c) or merger of the Corporation into another corporation, or the sale of the Corporation's properties and assets as, or substantially as, an entirety to any other person), then, as a part of such reorganization, merger or sale, lawful provision shall be made so that the holders of the Series B Preferred Stock shall thereafter be entitled to receive upon conversion of the Series B Preferred Stock, the number of shares of stock or other securities of property of the Corporation, or of the successor corporation resulting from such merger, to which holders of the Common Stock deliverable upon conversion of the Series B Preferred Stock would have been entitled on such capital reorganization, merger or sale if the Series B Preferred Stock had been converted immediately before that capital reorganization, merger or sale to the end that the provisions of this paragraph (e) (including adjustment of the Conversion Rate then in effect and number of shares purchasable upon conversion of the Series B Preferred Stock) shall be applicable after that event as nearly equivalently as may be practicable.

- (d) NO IMPAIRMENT. The Corporation will not, by amendment of its Certificate of Incorporation or through any reorganization, recapitalization, transfer of assets, merger, dissolution, or any other voluntary action, avoid or seek to avoid the observance or performance of any of the terms to be observed or performed hereunder by the

5

Corporation, but will at all times in good faith assist in the carrying out of all the provisions of this Section 6 and in the taking of all such action as may be necessary or appropriate in order to protect the Conversion Rights of the holders of the Series B Preferred Stock against impairment. No change in the preferences or other rights of the Series B Preferred Stock may be made, and no class of common or preferred stock may be issued with rights senior to that of the Series B Preferred Stock, without the affirmative vote of a majority of the holders of the Series B Preferred Stock.

- (e) CERTIFICATE AS TO ADJUSTMENTS. Upon the occurrence of each adjustment or readjustment of the Conversion Rate for any series of Series B Preferred Stock pursuant to this Section 5, the Corporation at its expense shall promptly compute such adjustment or readjustment in accordance with the terms hereof and prepare and furnish to each holder of Series B Preferred Stock effected thereby a certificate setting forth such adjustment or readjustment and showing in detail the fact upon which such adjustment or readjustment is based. The Corporation shall, upon the written request at any time of any holder of Series B Preferred Stock, furnish or cause to be furnished to such holder a like certificate setting forth (i) such adjustments and readjustments, (ii) the Conversion Rate at the time in effect, and (iii) the number of shares of Common Stock and the amount, if any, of other property which at the time would be received upon the conversion of such holder's shares of Series B Preferred Stock.
- (f) NOTICE OF RECORD DATE. In the event of the establishment 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) or other distribution, the Corporation shall mail to each holder of Series B Preferred Stock at least twenty (20) days prior to the date specified therein, a notice specifying the date on which any such record is to be taken for the purpose of such dividend or distribution and the amount and character of such dividend or distribution.
- (g) RESERVATION OF STOCK ISSUABLE UPON CONVERSION. The Corporation shall at all times reserve and keep available out of its authorized but unissued shares of Common Stock solely for the purpose of effecting the conversion of the shares of the Series B Preferred

Stock such number of its shares of Common Stock as shall from time to time be

sufficient to effect the conversion of all then outstanding shares of the Series B Preferred Stock; and if at any time the number of authorized but unissued shares of Common Stock shall not be sufficient to effect the conversion of all then outstanding shares of the Preferred Stock, the Corporation will take such corporate action as may, in the opinion of its counsel, be necessary to increase its authorized but unissued shares of Common Stock to such number of shares as shall be sufficient for such purpose.

- (h) NOTICES. Any notices required by the provisions of this Paragraph (h) to be given to the holders of shares of Series B Preferred Stock shall be deemed given if deposited in the United States mail, postage prepaid, and addressed to each holder of record at its address appearing on the books of the Corporation.

Section 6. RESIDUAL RIGHTS. All rights accruing to the outstanding shares of the Corporation not expressly provided for to the contrary herein to holders of Series B Preferred Stock shall be vested in the Common Stock.

The foregoing Certificate of Determination of this Corporation has been duly adopted by the Board of Directors in accordance with Section 78.195 of the Nevada Revised Statutes.

IN WITNESS WHEREOF, the undersigned have executed this certificate on November 10 , 1992.

/s/ Sidney E. Pelston

Sidney E. Pelston, President

/s/ Thomas S. Hathaway

Thomas S. Hathaway, Secretary

The undersigned Sidney E. Pelston, President of Warner Technologies, Inc., and Thomas S. Hathaway, Secretary of Warner Technologies, Inc., each certifies under penalty of perjury that the matters set forth in the foregoing Certificate of Determination are true and correct.

EXECUTED at Los Angeles, California, this 10th day of November, 1992.

/s/ Sidney E. Pelston

Sidney E. Pelston

/s/ Thomas S. Hathaway

Thomas S. Hathaway

STATE OF CALIFORNIA)
) ss.
COUNTY OF LOS ANGELES)

On November 10 , 1992 , before me, the undersigned, a Notary Public in an for said State, personally appeared Sidney E. Pelston personally known to me or proved to me on the basis of satisfactory evidence to be the person who executed the within instrument as the President of the corporation that executed the within instrument and acknowledged to me that such corporation

executed the within instrument pursuant to its bylaws or a resolution of its board of directors.

/s/ Julia B. Watkins

Notary Public
Julia B. Watkins

STATE OF CALIFORNIA)
) ss.
COUNTY OF LOS ANGELES)

On November 10 , 1992 , before me, the undersigned, a Notary Public in an for said State, personally appeared Thomas S. Hathaway personally known to me or proved to me on the basis of satisfactory evidence to be the person who executed the within instrument as the Secretary of the corporation that executed the within instrument and acknowledged to me that such corporation executed the within instrument pursuant to its bylaws or a resolution of its board of directors.

/s/ Julia B. Watkins

Notary Public
Julia B. Watkins

AGREEMENT FOR SALE AND PURCHASE
OF ASSETS OF A BUSINESS

THIS AGREEMENT is made and entered into this 16th day of February, 1998, by and between THOMAS HATHAWAY ("Hathaway") and JOSEPH FERRARI ("Ferrari") jointly ("Buyer") and WARNER TECHNOLOGIES, INC. ("Seller").

W I T N E S S E T H

This Agreement is made with reference to the following facts:

A. Seller has for several years last past, and is presently conducting a design and build energy-efficient lighting, mechanical and building automation systems business and selling related products and services in the energy efficiency and electric industry restructuring business (the "Business"), with offices located at 11859 Wilshire Boulevard, Suite 500, Los Angeles, California 90025, 108 Water Street, 3rd Floor, Watertown, Massachusetts 02172 and at 4807 Mercury Street, Suite F, San Diego, California 92111 (jointly the "Premises") under the name Warner Technologies, Inc.

B. Seller desires to sell all of the assets of the Business to Buyer, and Buyer desires to purchase all of the assets of the Business from Seller subject to the terms and conditions contained herein.

1

C. Hathaway and Ferrari contemplate forming a new corporation in the State of California under the name Warner Technologies Acquisition Company ("Acquisition Co.") to purchase the Business and therefore the term Buyer shall include Acquisition Co.

NOW, THEREFORE, in consideration of the foregoing and of the mutual covenants herein contained, Buyer and Seller hereby agree as follows:

1. SALE OF ASSETS.

Pursuant to the terms and conditions set forth in this Agreement, Seller agrees to sell to Buyer and Buyer agrees to purchase from Seller all of the Business, assets and property of the Business, including all manufacturing and assembling equipment, tools, dies and molds, certain intangibles consisting of trade secrets, software, know-how, plans, specifications, trademarks and customer lists (including the name "Warner Technologies"), the Leases assigned for all Premises (jointly the "Leases"), leasehold improvements, lease deposits, work in process and supplies, and contract rights, including Envest and LAUSD, and any goodwill of the Business (collectively, the "Acquired Assets"). The Acquired Assets shall, without limitation, include all of the assets and property of Seller reflected in Seller's balance sheet of June 30, 1997, referred to in Paragraph 3B, hereof, and all of the assets and property hereafter acquired by Seller before the Closing (as referred to in Paragraph 13, hereof), except those assets used or

2

disposed of in the ordinary course of business as permitted by this Agreement.

2. CONSIDERATION FROM BUYER.

As full payment for the transfer of the Acquired Assets by Seller to Buyer, Buyer shall deliver at the Closing a cashier's check payable to the order of Seller in the amount of Six Hundred and Fifty Thousand Dollars (\$650,000.00) (the "Purchase Price").

3. REPRESENTATIONS AND WARRANTIES BY SELLER.

Seller represents, warrants and agrees as follows:

A. OWNERSHIP AND GOOD STANDING. Seller owns 100% of the Business and the Acquired Assets and Seller is in good standing as a domestic corporation under the laws of the State of Nevada, and as a foreign corporation under the laws of the States of California and the Commonwealth of Massachusetts.

B. FINANCIAL STATEMENTS. The balance sheet of Seller as of June 30, 1997, and Seller's profit and loss statement for the twelve months ended June 30, 1997, as well as Seller's Quarterly Report for the period ended December 31, 1997, copies of which are attached hereto, marked EXHIBIT "A" and "B," respectively (jointly, the "Financials"), accurately present in accordance with generally accepted accounting principles Seller's financial condition at said dates and Seller's operations for said periods. Since said dates there has not been any material adverse change in the financial condition or operations of Seller from that shown on the Financials, nor have there been any other changes in such condition except changes occurring in the ordinary course of Seller's business.

3

C. UNDISCLOSED LIABILITIES. Seller is not subject to any obligation or liability of any kind, absolute or contingent, undisclosed in the Financials or not shown in EXHIBIT "C". EXHIBIT "C" attached hereto and by this reference made a part hereof contains a true and complete schedule of all liabilities and obligations of Seller.

D. TITLE TO PROPERTY. Seller has clear and unencumbered title to the Acquired Assets. Additionally, except for the liabilities disclosed on EXHIBIT "C" attached hereto, all of which shall be assumed by Seller, Seller has clear and unencumbered title to all of the property and assets listed or reflected in the Financials. All assets and property of Seller are in the possession of Seller and such assets and property are in good operating condition and repair.

E. TAX AUDITS AND RETURNS. Seller has filed all federal, state and local tax returns required by law within the times and in the manner prescribed by law and Seller has paid all taxes, assessments, and penalties due and payable with respect thereto.

F. LITIGATION. There is no litigation, governmental proceeding or investigation threatened or in prospect against Seller or relating to any of Seller's assets or Business other than items listed in EXHIBIT "I". Seller has no knowledge of any action pending or threatened to change the zoning of building ordinances affecting The Premises or any pending or threatened condemnation of The Premises.

4

G. COMMITMENTS. Except for contracts, agreements and commitments entered into in the ordinary course of business and which are terminable by Buyer on not more than thirty (30) days notice and which do not in any one instance involve a consideration in excess of \$20,000.00, and which do not in the aggregate involve consideration in excess of \$150,000.00, except as listed on EXHIBIT "E" attached hereto and by this reference made a part hereof, the Business and Acquired Assets are not subject to any written or oral contracts, agreements, or commitments including, but not limited to, those of the following types:

- (i) Contract for the employment or compensation of any individual;
- (ii) Contract with any labor union;

(iii) Contract for the future purchase of materials, supplies, or equipment, except those entered into in the ordinary course of business, the aggregate amount of which does not exceed \$5,000.00, and wherein the

consideration involved with respect to any one contract is not in excess of \$2,000.00;

(iv) Contract for the future purchase of services wherein receipt of said services is more than three months after the date of such contract;

(v) Distribution, sale agency contract, franchise agreement, or advertising commitment;

(vi) Pension, profit sharing, bonus, deferred compensation, retirement or other employee plan with respect to employees of the Business;

5

(vii) A lease of real or personal property under which the Business is a lessor or lessee, except as listed on EXHIBIT "E" attached hereto and by this reference made a part hereof;

(viii) Any consulting agreement;

(ix) Any other contract, agreement or commitment not made in the ordinary course of business;

There have been delivered or will be delivered prior to the Closing to Buyer true and correct copies of each of the contracts, agreements or commitments listed in each of the exhibits to this Agreement, and where consents to assignments of such contracts to Buyer is required, Seller shall obtain all consents to such assignments at or before the Closing. To the best of Seller's knowledge and belief, Seller has performed all obligations required to be performed by Seller to date and is not in default under any contract, agreement, lease, or other commitment to which it is a party, and all of such contracts are in full force and effect and enforceable in accordance with their respective terms.

H. NO CHANGE IN CIRCUMSTANCES. Except as set forth in EXHIBIT "F" attached hereto and by this reference made a part hereof, or otherwise expressly provided for herein, since June 30, 1997, Seller has not:

(i) Incurred any obligations or liabilities (absolute or contingent), known or unknown, except liabilities incurred and outstanding obligations under contracts entered into in the ordinary course of business, whether now due or to become due;

6

(ii) Discharged or satisfied any lien or encumbrance or paid any obligation or liability (absolute or contingent) other than liens, encumbrances, obligations or liabilities reflected in the Financials;

(iii) Mortgaged, pledged, subjected to any lien, charge or other encumbrances, any of its assets, tangible or intangible;

(iv) Sold or transferred any of its assets or cancelled any debts or claims, except in each case in the ordinary course of business;

(v) Suffered any material operating or extraordinary loss or waived any right of substantial value;

(vi) Made any loan to, borrowed any money from, or entered into any contract or understanding with any employee or principal of the Business;

(vii) Made any payment of or contracted for payment of any bonus, gratuity or other compensation, other than wages and salaries in effect on June 30, 1997, and wages and salary adjustments made in the ordinary course of business to non-officer employees;

(viii) Entered into any material transaction other than in the ordinary course of business;

(ix) Suffered any material adverse change in its business operations or conditions (financial or otherwise), business organization, personnel or properties, other than changes

7

applicable to the industry in general, in which it conducts its business.

I. NO BROKERAGE COMMISSION. Seller has not entered into any agreement with any person, firm, or corporation or become indirectly a party to any agreement for the payment of any commission, brokerage, or finder's fee in connection with this Agreement.

J. CONTINUATION OF FINANCIAL STATUS. Seller is not aware of any decrease in the profit margin of the Business since the preparation of the Financials, nor is aware of any of the principal customers of the Business intending to discontinue doing business which they are now doing business with.

K. NO UNTRUE STATEMENT. None of the warranties, representations and agreements made by Seller herein or in the exhibits, schedules or documents relating hereto, nor the Financials, nor any certificate or memorandum furnished or to be furnished by Seller or on its behalf, contains or will contain any statement of a material fact known to be untrue or knowingly omit to state a material fact necessary to make the statements contained herein or therein not misleading, and all warranties shall survive the Closing.

L. PURCHASE OF BUYER'S STOCK AND OPTIONS OF SELLER. Buyers shall deliver at the closing all of the stock of Seller owned by Buyer along with any options to purchase stock of Seller (collectively Buyer's Stock), all of which shall be purchased by Seller for \$1,000.00.

8

4. REPRESENTATIONS AND WARRANTIES BY BUYER. Hathaway, Ferrari and Acquisition Co. each individually, jointly and collectively, represent, warrant and agree as follows:

A. INDEPENDENT DUE DILIGENCE INVESTIGATION. Buyers have fully and completely inspected the Acquired Assets and the Business and have obtained the advice and counsel of independent consultants, attorneys, accountants and others in connection with their inspection, evaluation and purchase of the same.

B. FULL DISCLOSURE. Buyer confirms, acknowledges and affirms that they in fact have been running the Business and operating the Acquired Assets and have full and complete knowledge of the same.

C. NO BROKERAGE COMMISSION. Buyer has not entered into any agreement with any person, firm or corporation or become indirectly a party to any agreement for the payment of any commission, brokerage or finder's fee in connection with this agreement.

D. ORGANIZATION AND QUALIFICATION OF ACQUISITION CO. When Acquisition Co. is formed, it will be a corporation duly incorporated, validly existing and in good standing under the laws of the State of California and will have the requisite corporate power to conduct the Business.

E. ASSIGNMENT OF LEASE. At the Closing, Seller shall deliver to Buyer assignments of the Lease along with the consents of the landlord with respect thereto and a release of Seller with respect to any further obligations under the Leases. Provided,

9

however, if a Lease has only a month-to-month term, then no such assignment or consent will be required.

F. NO UNTRUE STATEMENTS. None of the warranties, representations and agreements made by Buyer herein or in the Exhibit Schedules or documents relating hereto contains or will contain any statement of a material fact known to be untrue, or knowingly omit to state a material fact necessary to make the statements contained herein or therein not misleading, and all warranties shall survive the Closing.

G. RESIGNATION AS OFFICERS AND DIRECTORS; TERMINATION OF EMPLOYMENT AGREEMENTS. At the Closing, Hathaway and Ferrari shall each tender their resignations as Officers and Directors of Seller (the "Resignation"). Additionally, at the Closing all employment agreements between Hathaway and Ferrari shall be terminated and cancelled, and except for the then current accrued and unpaid salary, vacation and sick days, no further payments, compensation, salary or termination or severance payment of any kind or nature will be due or payable to them or either of them, however, prepaid but unearned bonuses of Hathaway and Ferrari in the total amount of \$32,000, with respect to both of them, will be cancelled and the parties shall execute a release in the form attached hereto marked EXHIBIT G and by this reference made a part hereof (the Release).

5. ORDINARY COURSE OF BUSINESS AND ACCESS TO BOOKS AND RECORDS.

5.1 Seller agrees that from the date hereof to the

10

Closing, Seller will conduct its business and affairs only in the "ordinary course of business" and the ordinary course of business shall mean the conduct and operation of the Business of Seller only in the manner in which such business was conducted and operated during the twelve month period ending June 30, 1997, making due allowance for changes in the operation of the Business required by any increase in volume of sales subsequent thereto following usual and ordinary accounting practices making ordinary accruals incurring ordinary liabilities and expenditures and making ordinary commitments for merchandise, insurance, rentals, and other ordinary expenses.

5.2 From and after the date hereof, Seller shall afford to Buyer and the representatives of Buyer full and free access to the personnel, properties, records and books of account of Seller at all reasonable times during business hours, and shall furnish to such officers and representatives such other information as Buyer may reasonably request. Seller shall also authorize the independent accountants of Buyer to permit Buyer's accountants and employees to examine records and working papers pertaining to the Financials of Seller and its tax returns.

6. PURCHASE OF THE ACQUIRED ASSETS.

Subject to the terms and conditions of this Agreement, and in accordance with the provisions herein set forth, Seller hereby agrees at the Closing to transfer, convey, assign and deliver to Buyer and Buyer agrees to acquire and accept at the Closing Date all of the Acquired Assets.

11

7. ASSUMPTION OF LIABILITIES.

Buyer shall assume all obligations, liabilities or indebtedness relating to the Acquired Assets or Business operations and which are specifically set forth in paragraph (a) of EXHIBIT "C" attached hereto except the liabilities, obligations or indebtedness set forth in paragraph (b) of EXHIBIT "C" which are to be assumed by Seller.

8. DISCLAIMER BY SELLER; RELEASE BY BUYER. Seller and Buyer acknowledge, understand, confirm and agree that HATHAWAY and FERRARI have heretofore been managing and operating the Business and the Acquired Assets

and that each of them have reasonably complete knowledge of the nature and extent of the future prospects of the Business. Accordingly, Seller makes no warranties of any kind or nature express or implied as to the future profitability of the Business, continuation after the Closing of any existing contract between Seller and any customer of Seller, and future prospects of the Business, and Buyer is making its own independent judgment and decision and is additionally relying upon advice of counsel of Buyer's choice as to these matters.

9. COVENANT NOT TO COMPETE. At the Closing, Seller shall deliver to Buyer a Covenant Not to Compete from Seller in the form attached hereto marked EXHIBIT "H" and by this reference made a part hereof.

10. BOARD OF DIRECTORS AND SHAREHOLDERS' APPROVAL. As a condition of Seller's obligation hereunder, Seller shall have obtained the approval of this Agreement and the sale of the

12

Business and Acquired Assets by the majority of the Board of Directors of Seller and an affirmative vote of greater than 50% of the record-holders of the voting stock of Seller (collectively the "Approvals").

11. AMENDMENT OF ARTICLES OF INCORPORATION OF SELLER. At the Closing, Seller shall deliver to Buyer a fully executed copy of an Amendment of the Articles of Incorporation of Seller changing the name of Seller from Warner Technologies, Inc. to a name dissimilar thereto (the "Amended Articles") along with a letter of consent to the Secretary of State of the State of California authorizing and consenting to the use of the name "Warner Technologies, Inc." by Acquisition Co. (the "Consent Letter"). At the Closing, Seller shall cause the Amended Articles to be forwarded to the Secretary of State of the State of California for filing along with a copy thereof to counsel for Seller.

12. EVALUATION AND FAIRNESS. Seller shall obtain an independent valuation of the Business and the Acquired Assets by the accounting firm of Singer, Lewak, Greenbaum & Goldstein and a fairness opinion from The Mentor Group. Seller shall be solely responsible for the costs of said evaluation and fairness opinion.

13. CLOSING.

13.1 The Closing of the transaction provided for herein (the "Closing") shall take place at the offices of Turner, Gerstenfeld, Wilk, Aubert & Young, 8383 Wilshire Boulevard, Suite 510, at 10:00 a.m., on March 31, 1998, effective as of December 31, 1997. The date and time when the Closing takes place is herein

13

referred to as the "Closing Date." The Closing Date may be postponed until a later time or date, by mutual agreement of the parties. In the event of any postponement, all references in this Agreement to the Closing Date shall be deemed to refer to the time and date to which the Closing Date shall have been postponed.

13.2 At the Closing, the parties hereto shall deliver the following items:

By BUYER:

- A. A cashier's check in the amount of the Purchase Price.
- B. All certificates of Buyer's Stock owned by Buyer with a due endorsement thereon selling and transferring to Seller said stock and Buyer's Stock options.
- C. The Resignations.

D. The Release executed by Hathaway and Ferrari.

By SELLER:

A. If applicable, the original assignments of the Leases to the Premises, the landlord's consent thereto and the release of Seller from any further obligation under the Lease.

B. A good and sufficient Bill of Sale in the form approved by counsel for Buyer transferring to Buyer all of the Acquired Assets and an Assignment by Seller to Buyer of all contracts relating to the Business including, but not limited to, Envest and LAUSD, together with consents to the assignments of all such contracts.

14

C. The Covenant Not to Compete in the form attached as EXHIBIT "H".

D. The Approvals.

E. The Amended Articles of Incorporation.

F. The Consent letter.

G. The Consents to Assignment of Contracts as described in the last paragraph of Paragraph 3G.

H. The Release executed by Seller

14. CONDITIONS PRECEDENT TO THE PAYMENT.

The obligations of Buyer to consummate this Agreement shall be subject to and shall be conditioned upon each of the following conditions precedent any of which may be waived in whole or in part by notice of waiver delivered, in writing, by Buyer to Seller:

A. No properties or assets of Seller shall have suffered any destruction or damage by fire, accident or other casualty or act of God affecting in a material and adverse way the conduct of the business of Seller, whether or not covered by insurance.

B. Except as otherwise permitted by this Agreement, or consented to, in writing by Buyer, the representations and warranties of Seller which are contained in this Agreement, or in any written statement which shall be delivered to Buyer pursuant to this Agreement, shall be correct in all material respects on and as of the Closing Date, as though such representations and warranties

15

were made at and as of such time and Seller shall have performed all obligations to be performed by Seller prior to the Closing Date.

15. COVENANTS TO SURVIVE CLOSING.

All covenants, agreements, representations and warranties made hereunder and in any collateral document delivered at the Closing pursuant hereto shall be deemed to have been relied upon by Buyer and shall survive the execution of this Agreement, the Closing, and any investigation that Buyer or its agent or employees may have made prior to the Closing.

16. NOTICES.

Any notice or communication given pursuant hereto by either party to the other party shall be in writing and delivered or mailed by registered or certified mail, postage prepaid, return receipt requested, personal delivery or facsimile transmission, as follows:

If to Seller: WARNER TECHNOLOGIES, INC.
11859 Wilshire Boulevard
Suite 500
Los Angeles, CA 90025

With copy to: RUBIN M. TURNER, Esq.
8383 Wilshire Boulevard
Suite 510
Beverly Hills, CA 90211

If to Buyer: THOMAS HATHAWAY
JOSEPH FERRARI
11859 Wilshire Boulevard
Suite 500
Los Angeles, CA 90025

16

With copy to: PETILLON & HANSEN
1260 Union Bank Tower
21515 Hawthorne Boulevard
Torrance, CA 90503

or at such other address as hereafter shall be furnished, in writing, by either party hereto to the other. Notices shall be deemed given on the second business day (Saturdays excluded) following the day of mailing.

17. INDEMNIFICATION.

17.1 Seller hereby indemnifies and holds Buyer, Buyer's Board of Directors and Shareholders and their respective agents, representatives, attorneys and accountants, and their heirs, successors and assigns (collectively "Releasees") free and harmless from and of any and all liability, loss, cost, damage, or expense, including reasonable attorneys' fees which Releasees may suffer or incur as a consequence of (i) the incorrectness or breach of or the defense of any claim, action, or proceeding asserting the incorrectness or breach of any of the representations, warranties, promises or agreements of Seller which are set forth in this Agreement, or (ii) the liabilities and obligations assumed by Seller set forth in paragraph (b) of EXHIBIT "C".

17.2 Buyer hereby indemnifies and holds Seller, Seller's Board of Directors and Seller's Shareholders and their respective agents, representatives, attorneys and accountants, and their heirs, successors and assigns, (collectively Releasees) free and harmless from (i) any and all liability, loss, cost, damage or expense, including reasonable attorney's fees which Releasees may

17

suffer or incur as a consequence of the breach of any undertaking, warranty or representation of Buyer or any of them with respect to the matters set forth herein; (ii) the liabilities and obligations assumed by Buyer set forth in paragraph (a) of EXHIBIT "C"; (iii) ownership of the Acquired Assets and operation of the Business by Buyer after the Closing Date; and (iv) any and all liabilities and expenses arising out of the litigation described in EXHIBIT "I" attached hereto.

17.3 If either party hereunder determines that it may be entitled to indemnification, such party shall give written notice to the other party specifying the bases for its claim for indemnification, the nature of the claim and the estimated amounts for which the claimant is entitled to be indemnified. If the notified party fails, neglects or refuses to respond in writing within thirty days after receipt of such notice, the claiming party shall have the right to request Arbitration. The claiming party shall do so by making demand for Arbitration upon the other party, specifying in such

demand the nature of the dispute. The Arbitration shall be held in Los Angeles County, State of California in accordance with the Commercial Arbitration Rules of the American Arbitration Association to the extent that they do not conflict with the following provisions which shall supersede: the parties agree to submit the dispute to one arbitrator before the American Arbitration Association ("AAA") in Los Angeles County, California, and to use their best efforts to obtain an expeditious resolution. The decision of the AAA shall be final and binding and

18

may be enforced by judgment upon application to a court of competent jurisdiction. Notwithstanding any rule of the AAA to the contrary, California Code of Civil Procedure Section 1283.05 shall dictate the rights of both parties to conduct discovery. The parties also agree that a restraining order maintaining the status quo and/or a writ of attachment may be obtained by any party pending the resolution of the dispute from the AAA. If, for any reason AAA refuses to hear and decide the question of imposition of a restraining order and/or a writ of attachment as herein contemplated, a party then may apply to a court of competent jurisdiction for the issuance of such an order. The arbitration shall then proceed in regards to all other issues and matters. The award must be based on, and accompanied by, a written statement of decision explaining the factual and legal basis for the award as to each of the principal controverted issues at the hearing. The award shall be confirmed and entered as a judgment by the Superior Court of this state. The award may be appealed under the same standards specified in California law applicable to appeals from the Superior Court.

18. INTEGRATION, INTERPRETATION AND MISCELLANEOUS PROVISIONS.

18.1 ENTIRE AGREEMENT. This Agreement is the entire Agreement between the parties hereto with respect to the subject matter hereof.

18.2 ADDITIONAL DOCUMENTS. Each of the parties hereto agrees to execute, acknowledge and deliver at or after the Closing such additional instruments, writings, or documents, including

19

without limitation, documents of transfer or assignment as may be required in order to carry out and give effect of the transaction contemplated by this Agreement.

18.3 ATTORNEYS' FEES. If any party brings an action against the other party hereto with respect to the interpretation of the terms herein or by reason of any breach of any agreements, representations, warranties, duties, obligations or other provisions of this Agreement by the other party, then the prevailing party in whose favor judgment is entered in such action, shall be entitled to have and recover of the other party all costs and expenses incurred or sustained by such party in connection with the initiation and prosecution of the action including, without limitation, attorneys' fees, expert witness fees, accountants' fees and court costs, even though not taxable as such. As used herein, attorneys' fees shall be deemed to mean the full and actual cost of any legal services actually performed in connection with the matters involved calculated on the basis of the usual fee charged by the attorneys performing such services and shall not be limited to "reasonable attorneys' fees" as defined in any statute or court rule.

18.4 HEIRS, SUCCESSORS AND ASSIGNS. This Agreement shall be binding upon and inure to the benefit of Seller's and Buyer's heirs, successors and assigns. It is acknowledged, understood and agreed that HATHAWAY and FERRARI shall have the right to assign all rights hereunder to Acquisition Co. upon condition, however, that the warranties, representations and

20

indemnifications of HATHAWAY and FERRARI shall not be impaired, diminished, reduced or exonerated.

18.5 PARTIES IN INTEREST. Nothing herein, whether express or implied, is intended to confer any rights or remedies under or by reason of this Agreement on any persons other than the parties to it and their respective successors and assignees, nor is anything in this Agreement intended to relieve or discharge the obligation or liability of any third persons to any party to this Agreement, nor shall any provision give any third party any right of subrogation or action over or against any parties to this Agreement.

18.6 EXPENSES. Seller shall pay all costs and expenses incurred or to be incurred by it in negotiating and preparing this Agreement and in closing and consummating the transactions contemplated by this Agreement, including all costs for legal, accounting, fairness opinion and related services, not to exceed an aggregate of \$75,000. Buyer shall pay any such costs in excess of \$75,000.

18.7 WAIVERS AND AMENDMENTS. This Agreement may be amended, modified, superseded, cancelled, renewed or extended and the terms and conditions hereof may be waived only by written instrument signed by the parties or, in the case of a waiver, by the party waiving compliance.

18.8 GOVERNING LAW. This Agreement shall be governed and construed in accordance with the laws of the State of California.

21

18.9 COUNTERPARTS. This Agreement may be executed in two or more counterparts, each of which shall be deemed an original but all of which together shall constitute one and the same instrument.

18.10 HEADINGS. The headings in this Agreement are intended solely for convenience of reference and shall be given no effect in the interpretation of this Agreement.

18.11 VALIDITY. In the event that any provision in this Agreement shall be held invalid, the same shall not affect in any respect whatsoever the validity of the remainder of this Agreement.

18.12 EXHIBITS AND SCHEDULES. The Exhibits and Schedules attached hereto are part of this Agreement as if set forth in full herein. Any material or information disclosed or set forth in this Agreement or in any Exhibit or Schedule delivered in connection herewith shall be deemed set forth at each relevant portion of this Agreement without the necessity of repetition thereof.

18.13 FURTHER ASSURANCES. If, at any time, any of the parties hereto shall consider or be advised that any further assignments or assurances in law or any other things are necessary or desirable to assure itself the benefit of this Agreement according to the terms hereof, or the title to any property or rights transferrable hereunder, the other party shall execute and make all such reasonable, proper assurances and assignments and do all things reasonably necessary and proper to vest title in such property or rights in such party, and otherwise carry out the terms of this Agreement.

22

IN WITNESS WHEREOF, the parties hereto have executed this Agreement the day and year first set forth above.

/s/ Thomas S. Hathaway

THOMAS HATHAWAY

/s/ Joseph A. Ferrari

JOSEPH FERRARI

WARNER TECHNOLOGIES ACQUISITION
COMPANY
11859 Wilshire Boulevard,
Suite 500
Los Angeles, California 90025
Telephone: (310) 444-0488

By: /s/ Thomas S. Hathaway

By: /s/ Joseph A. Ferrari

"Buyer"

WARNER TECHNOLOGIES, INC.

By: /s/ Peter Schlesinger

"Seller"

23

LIST OF ATTACHMENTS TO EXHIBIT 6.1

The following attachments to Exhibit 6.1 will be furnished supplementally to the Securities and Exchange Commission upon request:

EXHIBIT "A"	Seller's Balance Sheet and Profit and Loss Statement for the Twelve Months Ended June 30, 1997
EXHIBIT "B"	Seller's Quarterly Report for the Three-Month and Six-Month Period Ended December 31, 1997
EXHIBIT "C"	Schedule of Liabilities and Obligations of Seller
EXHIBIT "D"	Contracts, Agreements and Commitments As of December 31, 1997
EXHIBIT "E"	Lease of Real or Personal Property
EXHIBIT "F"	No Change in Circumstances
EXHIBIT "G"	General Release
EXHIBIT "H"	Seller's Covenant Not to Compete
EXHIBIT "I"	Litigation

MGPX Ventures, Inc.
(Formerly known as Warner
Technologies, Inc.)

March 24, 1998

Mr. Buddy Young
President, C.E.O.
Advantage Mergers & Acquisitions
17337 Ventura Blvd. Suite 224.
Encino, CA 91316

Dear Mr. Young:

This letter, when signed by both of us, will constitute a letter of intent with respect to the matters set forth herein:

1. We agree that you will be elected President, C.E.O. and Secretary, effective concurrent with the closing of the sale of the Company's assets, as approved by the shareholders at the annual meeting held on March 10. You will serve in these capacities as a non exclusive independent contractor, and not an employee of the Company.

2. Your compensation will be at the annual rate of \$50,000, payable monthly. In addition, you will be reimbursed for any expenses incurred on behalf of the Company. Prior approval will be required for any expense exceeding \$100.

3. You will be indemnified and held harmless from any and all matters and things arising, occurring or existing prior to the date hereof.

4. You will provide an office facility for our operations at your present offices located at 17337 Ventura Blvd., Encino, California 91316. The Company will pay all costs relating to the installation and monthly charges for its telephone and fax lines.

5. We will not provide any medical or health plans or programs for you, nor any life insurance.

6. In addition to performing the general duties of the President and C.E.O., as called for in the Company's Articles of Incorporation and By Laws, you will use your best efforts to re-establish MGPX Ventures as a fully reporting company with the S.E.C., insure that all necessary disclosure forms and tax returns are filed in a timely manner, communicate with the preferred shareholders, and seek a reverse merger or other business opportunities for the Company.

7. We will consider the possibility of a stock position being made available to you, however, this matter is solely within the Board of Director's complete discretion and does not constitute a commitment, assurance or obligation of any kind or nature to, in fact, provide a stock position with our company.

This arrangement will be on a month-to-month basis, subject to termination by either of us upon thirty (30) days written notice. You agree to resign as President and Director of the Company, immediately upon termination.

The parties will use their best efforts to execute a more definitive agreement. Until such time, both parties shall abide by the terms of this Letter of Intent.

If the foregoing fully sets forth our understanding, please indicate this by signing below.

Very truly yours,

MGPX Ventures, Inc.
(Formerly known as
Warner Technologies, Inc.)

By: /s/ Peter Schlesinger

PETER SCHLESINGER,
CHIEF FINANCIAL OFFICER

The foregoing is understood, acknowledged, accepted and agreed to:

/s/ Buddy Young

BUDDY YOUNG

<ARTICLE> 5

<LEGEND>

THIS SCHEDULE CONTAINS SUMMARY FINANCIAL INFORMATION EXTRACTED FROM THE COMPANY'S FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 1998 AND IS QUALIFIED IN ITS ENTIRETY BY REFERENCE TO SUCH FINANCIAL STATEMENTS.

</LEGEND>

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<FN> Includes (.01) from continuing operations and (.17) from discontinued operations.

</FN>