

JAN. 9. 2003 11:31AM

NO.176 P.1

Division of Corporations

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BASIC AMENDMENT

INTELLIGENXIA INC.

Certificate of Status	0
Certified Copy	1
Page Count	07
Estimated Charge	\$43.75

AMEND
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**ARTICLES OF AMENDMENT
TO
ARTICLES OF INCORPORATION
OF**

INTELLIGENXIA INC.

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1. The name of this corporation is Intelligenxia Inc., a Florida corporation (the "Corporation").
2. The Board of Directors of the Corporation approved the following amendments to the Corporation's Articles of Incorporation at a board meeting on January 9, 2003.
3. The shareholders of the Corporation approved the following amendments by written consent dated as of January 9, 2003, and the number of votes cast for the amendments by the shareholders was sufficient for approval.
4. The Articles of Incorporation as heretofore granted by the Secretary of the State of Florida, as amended, are hereby further amended in the following particulars:
5. Article IV of the Articles of Incorporation is hereby amended and restated in its entirety to read as follows:

"ARTICLE IV. CAPITAL

Section 4.1 Authorized Capital. The total number of shares of capital stock which this corporation is authorized to issue is fifteen million five hundred (15,500,000) shares (the "Capital Stock") divided into classes as follows:

(a) Ten million (10,000,000) shares of voting common stock having a par value of \$0.01 per share (the "Voting Common Stock");

(b) One hundred thousand (100,000) shares of non-voting common stock having a par value of \$0.01 per share (the "Non-Voting Common Stock"); and

(c) Five million (5,000,000) shares of preferred stock having a par value of \$0.01 per share (the "Preferred Stock"), and which may be issued in one or more classes or series as further described in Section 4.3.

All such issued shares shall be fully paid and nonassessable.

Section 4.2 Common Stock. Holders of Voting Common Stock are entitled to one vote per share on all matters required by Florida law to be approved by the shareholders. Holders of Non-Voting Common Stock are not entitled to vote on matters required by Florida law to be approved by the shareholders or on any other matters. Subject to the rights of any outstanding classes or series of Preferred Stock having preferential dividend rights, holders of Voting Common Stock and Non-Voting Common Stock are entitled to such dividends as may be

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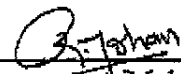
declared by the Board of Directors out of funds lawfully available therefor. Upon the dissolution of the Corporation, holders of Voting Common Stock and Non-Voting Common Stock are entitled to receive, pro rata in accordance with the number of shares owned by each, the net assets of the corporation remaining after the holders of any outstanding classes or series of Preferred Stock having preferential rights to such assets have received the distributions to which they are entitled.

Section 4.3 Preferred Stock. The Board of Directors is authorized to provide for the issuance of the Preferred Stock in one or more classes and in one or more series within a class and, by filing the appropriate Articles of Amendment with the Secretary of State of Florida which shall be effective without shareholder action, is authorized to establish the number of shares to be included in each class and each series and the preferences, limitations and relative rights of each class and each series. Such preferences must include the preferential right to receive distributions of dividends or the preferential right to receive distributions of assets upon the dissolution of the corporation before shares of Common Stock are entitled to receive such distributions."

6. The Articles of Incorporation are hereby further amended to append to the end thereof "Addendum Number 1 to Articles of Incorporation of Intelligenxia Inc. Designating the Rights, Preferences and Limitations of Series A Preferred Stock, \$0.01 Par Value", which is attached to these Articles of Amendment.

IN WITNESS WHEREOF, Intelligenxia Inc. has caused this Amendment to be signed by Rengaswamy Mohan, its President and Chief Executive Officer, this 9th day of January, 2003.

INTELLIGENXIA INC.

By: 
Rengaswamy Mohan, President and Chief
Executive Officer

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**ADDENDUM NUMBER 1
TO
ARTICLES OF INCORPORATION
OF
INTELLIGENXIA INC.**

**DESIGNATING THE RIGHTS, PREFERENCES AND
LIMITATIONS OF
SERIES A PREFERRED STOCK, \$0.01 PAR VALUE**

Intelligenxia Inc., a Florida corporation (the "Corporation"), DOES HEREBY CERTIFY:

That pursuant to authority vested in the Board of Directors of the Corporation by Section 4.3 of its Articles of Incorporation, the Board of Directors duly adopted the following resolution, pursuant to a meeting held January 9, 2003, creating a series of 750,000 shares of Preferred Stock, \$.01 par value, to be designated the "Series A Preferred Stock":

"RESOLVED, that pursuant to authority vested in the Board of Directors of the Corporation by Section 4.3 of its Articles of Incorporation, the Board of Directors does hereby create a series of the authorized Preferred Stock, \$.01 par value (the "Preferred Stock"), of the Corporation, and does hereby establish the number of shares to be included in such series, and does hereby fix the designation, powers, preferences, and rights of the shares of such series and the qualifications, limitations or restrictions thereof as follows:

SERIES A PREFERRED STOCK

1. Definitions.

"Disposition" means (i) the sale of all or substantially all of the Corporation's operating assets; (ii) any transaction or series of transactions involving a consolidation of or merger or reorganization by the Corporation with or into any other entity (other than a transaction or series of transactions in which the holders of a majority of the outstanding equity securities of the Corporation immediately prior to such transaction or series of transactions own a majority of the outstanding equity securities of the surviving corporation after such transaction or series of transactions); and (iii) the sale or other disposition of voting control of the Corporation, whether such sale occurs through the Corporation's issuance of shares of equity securities in a single transaction or upon the sale by an equity holder or group of equity holders in any one transaction or group of integrated transactions (other than a transaction or series of transactions in which the holders of a majority of the outstanding equity securities of the Corporation immediately prior to such transaction or series of transactions own a majority of the outstanding equity securities of the surviving corporation after such transaction or series of transactions).

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"Liquidation Event" means any voluntary or involuntary liquidation, dissolution or winding up of the affairs of the Corporation, including, without limitation, a Disposition, unless such Disposition is a Qualifying Disposition.

"Liquidation Price" means \$0.87 per share outstanding, plus an amount in cash equal to all accrued but unpaid dividends thereon to the date fixed for the Liquidation Event.

"Qualifying Disposition" means a Disposition that results in per share consideration to the holders of the Series A Preferred Stock of at least \$0.87 per share, plus an amount in cash equal to all accrued but unpaid dividends thereon to the date fixed for the Disposition.

2. Designation and Amount.

The shares of such series shall be designated "Series A Preferred Stock" (the "Series A Preferred Stock") and the number of shares constituting such series shall be 750,000.

3. Rank.

With respect to rights on liquidation, winding up and dissolution, the Series A Preferred Stock shall rank senior to the Voting Common Stock, \$.01 par value and Non-Voting Common Stock, \$.01 par value (collectively, the "Common Stock"), of the Corporation.

4. Dividends.

If any cash dividends or other distributions are declared by the Board of Directors with respect to the Common Stock, then a dividend or distribution, as the case may be, shall be declared and paid at the same time to the holders of Series A Preferred Stock at the rate per share equal to the per share dividend declared on the Common Stock; provided, however, that the Board of Directors shall not declare a cash dividend or other distribution at any time that the Board of Directors has knowledge of a pending Liquidation Event.

5. Liquidation Preference.

In the event of any Liquidation Event, the holders of shares of the Series A Preferred Stock then outstanding shall be entitled to be paid out of the assets of the Corporation available for distribution to its stockholders an amount in cash equal to the Liquidation Price (or, if there are insufficient assets available to make the full distributions required by this section, the holders of the Series A Preferred Stock shall share, ratably, according to the number of the shares of Series A Preferred Stock then held by them, in the assets available for distribution), before any payment shall be made or any assets distributed to the holders of the Common Stock, but without any further right to participate in the residual assets of the Corporation after receiving cash equal to the Liquidation Price. In the event of a Qualifying Disposition, the holders of shares of the Series A Preferred Stock then outstanding shall be entitled to the consideration to which they are otherwise entitled in the Qualifying Disposition.

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6. Voting Rights.

Holders of Series A Preferred Stock are entitled to one vote per share on all matters required by Florida law to be approved by the shareholders of the Corporation. Except as otherwise provided by law or the Corporation's Articles of Incorporation, each issued and outstanding share of Series A Preferred Stock and voting Common Stock shall vote together as a single class of stock, and not as a separate class, on all matters on which the holders of voting Common Stock are entitled to vote.

7. Preemptive Rights.

(a) If the Corporation proposes to issue new shares of stock (a "Subsequent Stock Issuance"), the Corporation shall, as a condition of any such Subsequent Stock Issuance, first offer to each holder of the Series A Preferred Stock the opportunity to purchase, for the price and on the terms established by the Corporation for all purchasers in such Subsequent Stock Issuance, such portion of shares of stock being offered in such Subsequent Stock Issuance as the number of shares of Series A Preferred Stock owned by such holder at such time shall bear to the total number of shares of stock owned by all shareholders of the Corporation.

(b) Such preemptive right shall not apply to: (a) stock (including stock options, stock grants and restricted shares) issued to employees, consultants or directors of the Corporation pursuant to any incentive agreement or arrangement approved by the Board of Directors of the Corporation, including under Intelligenxia's Employee Stock Option Plan; (b) stock issued pursuant to any stock dividend, stock split, combination or other reclassification by the Corporation of any of its capital stock; (c) shares of stock issued pursuant to preemptive rights under the Investment Agreement dated as of January 4, 2002, as amended, between the Corporation and Demetree Brothers, Inc.; (d) shares issued pursuant to preemptive and anti-dilution rights under the Investment Agreement dated as of January 4, 2002, among the Corporation, Thomas Timbie, Timbie & Company, LLC, Charles A. Clarkson and Jerome Hayes; (e) shares issued pursuant to rights of first refusal and anti-dilution rights under the Investment Agreement dated as of January 26, 2001, among the Corporation, Thomas Timbie, Timbie & Company, LLC, Charles A. Clarkson, Jerome Hayes and GG Tech, Inc.; (f) shares issued pursuant to preemptive rights under the Equity Agreement dated January 4, 2002, between the Corporation and University of Florida Research Foundation, Incorporated; (g) shares issued pursuant to preemptive rights under the Loan Agreement dated June 7, 2002, between the Corporation and Invest in North Florida, Inc.; and (h) the issuance or sale of the Corporation's common stock in an initial public offering.

(c) In furtherance of the preemptive rights hereby granted, the Corporation agrees to provide the holders of Series A Preferred Stock with not less than fifteen (15) days prior written notice (an "Equity Security Issuance Notice") of its intent to issue any stock. Such notice should specify in reasonable detail the stock to be issued, including class, total number of shares and the applicable rights and preferences associated therewith, including, if applicable, conversion rights, and the purchase price for the stock that holders may purchase pursuant to their preemptive rights hereby granted. The terms and

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conditions of holders' exercise of their preemptive rights, including the consideration to be paid for such stock, shall be no less favorable to the holders than the most favorable price, terms and conditions offered to any other shareholder or prospective shareholder with respect to the stock then being issued.

(d) In order to exercise their preemptive rights, holders shall deliver written notice thereof to the Corporation within fifteen (15) days following their receipt of the Equity Securities Issuance Notice to which such exercise relates, accompanied by full payment of the purchase price for the stock to be purchased in connection with the exercise of such preemptive rights. Holders may, at their option, exercise such preemptive rights to some or all of the stock to which they have preemptive rights under this Section 7. In the event that any stock is to be issued by the Corporation in return for property (other than cash) or services, in calculating the purchase price of the stock with respect to which holders have preemptive rights pursuant to this Section 7, the purchase price for the stock to be issued in exchange for non-cash property or services shall be equal to the fair market value of such property or services as determined in good faith by the Board of Directors of the Corporation and stated in the Equity Securities Issuance Notice.

8. Sales of Securities at a Reduced Price.

(a) In the event that there shall be any subsequent sales of shares of the Corporation's common stock at a price per share less than \$0.435 per share (after adjustment for any stock dividend, stock split, stock issuance, reverse stock split, combination, recapitalization, reclassification, merger, consolidation or otherwise), the shares of Series A Preferred Stock shall be subject to full anti-dilution adjustment, such that the holders thereof will receive such number of additional shares of Series A Preferred Stock at no consideration as will make such holder's total purchase price per share for the Series A Preferred Stock (initially \$0.435 per share) equal to the lower price paid by the subsequent investor(s), after adjustment for any stock dividend, stock split, stock issuance, reverse stock split, combination, recapitalization, reclassification, merger, consolidation or otherwise. In the event that any portion of the consideration consists of property (other than cash) or services, in calculating the purchase price of the stock with respect to which holders have rights pursuant to this Section 8, the consideration consisting of non-cash property or services shall be equal to the fair market value of such property or services as determined in good faith by the Board of Directors of the Corporation.

(b) The provisions of this Section 8 shall remain in effect for the holders until January 9, 2004. This Section 8 shall not apply to (a) stock (including stock options, stock grants and restricted shares) issued to employees, consultants or directors of the Corporation pursuant to any incentive agreement or arrangement approved by the Board of Directors of the Corporation, including under Intelligenxia's Employee Stock Option Plan; (b) stock issued pursuant to any stock dividend, stock split, combination or other reclassification by the Corporation of any of its capital stock; (c) shares of stock issued pursuant to preemptive rights under the Investment Agreement dated as of January 4, 2002, as amended, between the Corporation and Demetree Brothers, Inc.; (d) shares issued pursuant to preemptive and anti-dilution rights under the Investment Agreement

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dated as of January 4, 2002, among the Corporation, Thomas Timbie, Timbie & Company, LLC, Charles A. Clarkson and Jerome Hayes; (e) shares issued pursuant to rights of first refusal and anti-dilution rights under the Investment Agreement dated as of January 26, 2001, among the Corporation, Thomas Timbie, Timbie & Company, LLC, Charles A. Clarkson, Jerome Hayes and GG Tech, Inc.; (f) shares issued pursuant to preemptive rights under the Equity Agreement dated January 4, 2002, between the Corporation and University of Florida Research Foundation, Incorporated; (g) shares issued pursuant to preemptive rights under the Loan Agreement dated June 7, 2002, between the Corporation and Invest in North Florida, Inc.; and (h) the issuance or sale of the Corporation's common stock in an initial public offering. In the event that this Section 8 and Section 7 both apply to a sale of shares of stock in the Corporation, Section 7 will be applied to such sale of shares prior to application of this Section 8.

9. Notice of Liquidation Events and Qualifying Dispositions.

If at any time there is a Liquidation Event or a Qualifying Disposition, then the Corporation shall give the holders of Series A Preferred Stock at least thirty (30) but not more than ninety (90) days written notice of the date on which the books of the Corporation will close or upon which a record will be taken with regard to such occurrence. Such notice will also specify the date as of which the holders of the Corporation's stock will be entitled to exchange their shares for securities or other property. The notice may state that the record date is subject to the effectiveness of a registration statement under the Securities Act or a favorable vote or determination of shareholders or of any governmental agency or other similar condition."