

Document Number Only

P93000065316

CT CORPORATION SYSTEM

Requestor's Name

660 East Jefferson Street

Address

Tallahassee, FL 32301 222-1092

City

State

Zip

Phone

CORPORATION(S) NAME

Futuretel, Inc.

☐ Profit

☐ NonProfit

☐ Limited Liability Co.

☐ Foreign

☒ Amendment

Restated Articles

☐ Merger

☐ Dissolution/Withdrawal

☐ Mark

☐ Limited Partnership

☐ Annual Report

☐ Other UCC Filing

☐ Reinstatement

☐ Reservation

☐ Change of R.A.

☐ Fic. Name

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FLORIDA DEPARTMENT OF STATE
Sandra B. Mortham
Secretary of State

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DIVISION OF CORPORATION

January 14, 1998

CT CORPORATION SYSTEM

TALLAHASSEE, FL

SUBJECT: FUTURETEL, INC.
Ref. Number: P93000065316

We have received your document for FUTURETEL, INC. and your check(s) totaling \$140.00. However, the enclosed document has not been filed and is being returned for the following correction(s):

The date of adoption of each amendment must be included in the document.

Please return your document, along with a copy of this letter, within 60 days or your filing will be considered abandoned.

If you have any questions concerning the filing of your document, please call (850) 487-6880.

Karen Gibson
Corporate Specialist

Letter Number: 998A00002244

*Karen,
Thank you for all your help. Please
backdate this filing ☺
Kpe*

ARTICLES OF RESTATEMENT

OF

FUTURETEL, INC.

To the Department of State

State of Florida

Pursuant to the provisions of the Florida Business Corporation Act, the corporation hereinafter named (the "Corporation") does hereby amend and restate its Articles of Incorporation as heretofore amended.

1. The name of the corporation is FutureTel, Inc.
2. The text of the Third Restated Articles of Incorporation of the Corporation, as amend hereby, is annexed hereto and made a part hereof.

* * * * *

CERTIFICATE

It is hereby certified that:

1. The annexed restatement (Third Restated Articles of Incorporation) contains amendments to the Articles of Incorporation of the corporation requiring shareholder approval.
2. The Articles of Incorporation of the Corporation are hereby amended in their entirety, so as henceforth to read as set forth in the Third Restated Articles of Incorporation annexed hereto and made a part hereof.
3. The date of adoption of the aforesaid amendments was January 13, 1998.
4. The designation of each voting group entitled to vote separately on the said amendments is hereby stated as follows:

Common Stock
Series A Preferred Stock
Series B Preferred Stock
Series C Preferred Stock

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TALLAHASSEE, FLORIDA

5. The number of votes cast for the said amendments by each said voting group was sufficient for the approval thereof.

Executed on January 13, 1998.

FutureTel, Inc.

A handwritten signature in cursive script, appearing to read "Masato Hata", written over a horizontal line.

Masato Hata, President

APPENDIX 1

RESTATED
ARTICLES OF INCORPORATION OF
FUTURETEL, INC.

I.

Name, Principal Place of Business and Duration

The name of the Corporation is FutureTel, Inc. (the "Corporation"). The principal place of business is 1092 E. Arques Avenue, Sunnyvale, California 94086. The duration of the Corporation is perpetual.

II.

Registered Office and Agent

The registered agent for the Corporation is The Prentice-Hall Corporation System, Inc. The address of the registered office is 1201 Hays Street, in the City of Tallahassee, in the County of Leon, Florida 32301.

III.

Corporate Purposes, Powers and Rights

A. The nature of the business to be conducted or promoted and the purposes of the Corporation are to engage in any lawful act of activity for which corporations may be organized under the Florida Business Corporation Act ("FBCA").

B. In furtherance of its corporate purposes, the Corporation shall have all of the general and specific powers and rights granted to and conferred on a corporation by the Florida Business Corporation Act.

IV.

Capital Stock

A. The Corporation is authorized to issue two classes of shares, designated "Common Stock" and "Preferred Stock", respectively. The number of shares of Common Stock authorized to be issued is Forty Million (40,000,000), par value \$0.50. The number of shares of Preferred Stock authorized to be issued is Sixteen Million (16,000,000), par value \$0.50.

B. The Preferred Stock shall consist of one or more series. The first series shall consist of Three Million (3,000,000) shares and is designated "Series A Preferred Stock." The second shall consist of Eight Million (8,000,000) shares and is designated "Series B Preferred Stock." The third shall consist of Five Million (5,000,000) shares and is designated "Series C Preferred Stock."

C. The rights, preferences, privileges, restrictions and other matters relating to the Preferred Stock and the Common Stock are as follows:

1. Definitions. For purposes of this Restated Certificate of Incorporation the following definitions shall apply:

- (i) "Board" shall mean the Board of Directors of the Company.
- (ii) "FBCA" shall mean the Florida Business Corporation Act.
- (iii) "Corporation" shall mean this corporation.
- (iv) "Common Stock" shall mean the Common Stock of the Corporation.
- (v) "Original Issue Date" shall mean the first date as of which the Corporation issues any shares of the series of Preferred Stock.
- (vi) "Preferred Stock" shall mean all series of Preferred Stock of the corporation outstanding from time to time.
- (vii) "Series A Preferred Stock" shall mean the Series A Preferred Stock of the Corporation.
- (viii) "Series B Preferred Stock" shall mean the Series B Preferred Stock of the Corporation.
- (ix) "Series C Preferred Stock" shall mean the Series C Preferred Stock of the Corporation.

2. Dividend Provisions. The holders of outstanding shares of Preferred Stock shall be entitled to receive dividends, out of any funds legally available therefor, prior and in preference to any declaration or payment of any dividend (payable other than in Common Stock

or other securities and rights convertible into or entitling the holder thereof to receive, directly or indirectly, additional shares of Common Stock of the Corporation) on the Common Stock, at the per annum rate of Five Cents (\$0.05) per share of Series A Preferred Stock, at the per annum rate of Five Cents (\$0.05) per share of Series B Preferred Stock, and at the per annum rate of Five Cents (\$0.05) per share of Series C Preferred Stock when and as declared by the Board of Directors. The right to such dividends shall not be cumulative, and no right shall accrue to holders of Preferred Stock by reason of the fact that dividends on such shares are not declared or paid in any prior year. In the event that any dividend is declared on the Preferred Stock at less than the full rates provided herein, or if, on any dividend payment date, the Corporation does not have funds legally available to pay such dividend at the full rates provided herein, then on such dividend payment date dividends shall be paid on all outstanding shares of Series A Preferred Stock, Series B Preferred Stock and Series C Preferred Stock, pro rata, based on the foregoing dividend rates, to the extent such dividend has been declared, or funds are legally available therefor prior and in preference to the payment of any dividend on the Common Stock.

3. Liquidation Rights.

(a) In the event of any voluntary or involuntary liquidation, dissolution or winding up of the affairs of the Corporation, its assets or surplus funds shall be distributed as follows:

(i) The holder of each share of Series A Preferred Stock, Series B Preferred Stock and Series C Preferred Stock then outstanding shall be entitled to receive, pari passu with respect to each such series, and prior and in preference to any distribution of any assets or surplus funds of the Corporation to the holders of the Common Stock of the Corporation by reason of their ownership thereof, an amount equal to (x) One Dollar (\$1.00) per share (plus an amount equal to all declared but unpaid dividends on such share), with respect to each outstanding share of Series A Preferred Stock and Series B Preferred Stock, respectively, and (y) Two Dollars (\$2.00) per share (plus an amount equal to all declared but unpaid dividends on such share), with respect to each outstanding share of Series C Preferred Stock. If the assets or surplus funds to be distributed to the holders of outstanding Series A Preferred Stock, Series B Preferred Stock and Series C Preferred Stock are insufficient to permit the payment to such holders of their full preferential amount, the entire assets and surplus funds legally available for distribution shall be distributed ratably among such holders in proportion to the full preferential amount each such holder is otherwise entitled to receive.

(ii) After the payment or the setting apart for payment to the holders of the Preferred Stock of the full preferential amounts payable to them under paragraph (i), the remaining assets and surplus funds of the Corporation shall be distributed ratably among the holders of Common Stock in proportion to the number of shares of Common Stock then held by them.

(b) (i) For purposes of this Section 3, a liquidation shall be deemed to be occasioned by, or to include the Corporation's sale of all or substantially all of its assets or the acquisition of the Corporation by another entity by way of merger or consolidation (other than a merger or consolidation in which the holders of voting securities of the Corporation immediately before the merger or consolidation own, immediately after the merger or consolidation, voting

securities of the surviving or acquiring corporation or of a parent party of such surviving or acquiring corporation, possessing more than fifty percent (50%) of the voting power of the surviving or acquiring corporation or parent party) resulting in the exchange of the outstanding shares of the Corporation for securities or consideration issued, or caused to be issued, by the acquiring corporation or its subsidiary.

(ii) In any of such events, if the consideration received by the Corporation is other than cash or indebtedness, its value will be deemed to be its fair market value, in the case of publicly traded securities, fair market value shall mean the closing market price for such securities on the date such sale, merger or consolidation is consummated. If the consideration is in a form other than publicly traded securities, its value will be determined in good faith by the Board of Directors of the Corporation, which determination shall be binding on the Corporation and such holders.

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

(a) Right to Convert. Each share of Series C Preferred Stock shall be convertible, without the payment of any additional consideration by the holder thereof and at the option of the holder thereof, at any time, at the office of the Corporation or any transfer agent for such share, into such number of fully paid and nonassessable shares of Common Stock as is determined by dividing Two Dollars (\$2.00) by the Conversion Price for such series, determined as hereinafter provided. Each share of Series B Preferred Stock shall be convertible, without the payment of any additional consideration by the holder thereof and at the option of the holder thereof, at any time, at the office of the Corporation or any transfer agent for such share, into such number of fully paid and nonassessable shares of Common Stock as is determined by dividing One Dollar (\$1.00) by the Conversion Price for such series, determined as hereinafter provided. Each share of Series A Preferred Stock shall be convertible, without the payment of any additional consideration by the holder thereof and at the option of the holder thereof, at any time, at the office of the Corporation or any transfer agent for such share, into such number of fully paid and nonassessable shares of Common Stock as is determined by dividing Five Dollars (\$5.00) by the Conversion Price for such series, determined as hereinafter provided. The price at which shares of Common Stock will be deliverable upon conversion of each share of Series A Preferred Stock (the "Conversion Price" for such series) shall be Five Dollars (\$5.00) per share of Common Stock. The initial Conversion Price for Series C Preferred Stock shall initially be Two Dollars (\$2.00) per share of Common Stock. Such initial Conversion Price shall be subject to adjustment as hereinafter provided. The initial Conversion Price for Series B Preferred Stock shall initially be One Dollar (\$1.00) per share of Common Stock. Such initial Conversion Price shall be subject to adjustment as hereinafter provided.

(b) Automatic Conversion. Subject to applicable law, each share of Preferred Stock shall automatically be converted into shares of Common Stock at the then effective Conversion Price for such series or immediately upon the closing of a firm commitment underwritten public offering pursuant to an effective registration statement under the Securities Act of 1933, as amended. Covering the offer and sale of Common Stock for the account of the Corporation to the public having an aggregate offering to the public resulting in net proceeds of more than Ten Million Dollars (\$10,000,000). In the event of the automatic conversion of the

Preferred Stock upon a public offering as aforesaid, the person(s) entitled to receive the Common Stock issuable upon such conversion shall not be deemed to have converted such Preferred Stock until immediately prior to the closing of such sale of securities.

(c) Mechanics of Conversion. No fractional shares of Common Stock shall be issued upon conversion of the Preferred Stock. In lieu of any fractional shares to which the holder would otherwise be entitled (computing the number of shares of Common Stock to which any holder is entitled on an aggregate basis with respect to all shares to be converted by such holder at the time of such conversion), the Corporation shall pay cash equal to such fraction multiplied by the fair market value of the Common Stock, determined by the Board of Directors in good faith. Before any holder of Preferred Stock shall be entitled to convert the same into full shares of Common Stock pursuant to Section 4(a) hereof, and before the Corporation shall be obligated to issue certificates for shares of Common Stock upon an automatic conversion of the Preferred Stock as set forth in Section 4(b) hereof, such holder shall surrender the certificate or certificates therefor, duly endorsed, at the office of the Corporation or of any transfer agent for the Preferred Stock and, in the case of a conversion pursuant to Section 4(a) shall give written notice to the Corporation at such office that such holder elects to convert the same and shall state therein the name or names of the nominees in which such holder wishes the certificate or certificates for shares of Common Stock to be issued. The Corporation shall, as soon as practicable thereafter, issue and deliver to such holder of Preferred Stock, or to his or her nominee(s), a certificate or certificates for the number of shares of Common Stock to which such holder or nominee(s) shall be entitled as aforesaid, together with cash in lieu of any fraction of a share. 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 Preferred Stock to be converted (except that in the case of an automatic conversion pursuant to Section 4(b) hereof, such conversion shall be deemed to have been made immediately prior to the closing of the offering referred to in Section 4(b)), and the person or persons entitled to receive the shares of Common Stock issuable upon conversion shall be treated for all purposes as the record holder or holders of such shares of Common Stock on such date.

(d) Adjustments to Conversion Price for Dilutive Issues.

(i) Specific Definitions. For purposes of this Section 4(d), the following definitions shall apply:

(A) "Options" shall mean rights, options or warrants to subscribe for, purchase or otherwise acquire either Common Stock or Convertible Securities (as hereinafter defined);

(B) "Original Issue Date" shall mean, with respect to each series of Preferred Stock, the first date on which shares of such series were first issued:

(C) "Convertible Securities" shall mean any evidences of indebtedness, shares or other securities directly or indirectly convertible into or exchangeable for Common Stock; and

(D) "Additional Shares of Common Stock" shall mean all shares of Common Stock issued (or, pursuant to Section 4(d)(iii), deemed to be issued) by the Corporation after the Original Issue Date, other than shares of Common Stock issued or issuable:

- (1) upon conversion of shares of Preferred Stock authorized herein;
- (2) to officers, directors or employees of, or consultants to, the Corporation pursuant to equity incentive plans or other arrangements approved by the Board;
- (3) to leasing entities or financial institutions in connection with commercial leasing or borrowing transactions, or to vendors, key customers, or key strategic partners, pursuant to agreements approved by the Board;
- (4) upon recapitalization of any class or series of shares of the Corporation;
- (5) pursuant to warrants issued in connection with future stock issuance for financing of the Corporation;
- (6) as a dividend or distribution on the Preferred Stock;
- (7) any event for which adjustment is made pursuant to Sections 4(e) or 4(f) hereof, or
- (8) by way of dividend or other distribution on shares excluded from the definition of Additional Shares of Common Stock by the foregoing clauses (1), (2), (3), (4), (5), (6), (7) or on shares of Common Stock so excluded.

(ii) No Adjustment of Conversion Price. No adjustment in the number of shares of Common Stock into which any series of Preferred Stock is convertible shall be made, by adjustment in the Conversion Price for such series, in respect of the issuance of Additional Shares of Common Stock or otherwise, unless the consideration per share for Additional Shares of Common Stock issued or deemed to be issued by the Corporation is less than the Conversion Price for such series, in effect on the date of, and immediately prior to, the issue of such Additional Shares of Common Stock.

(iii) Deemed Issue of Additional Shares of Common Stock. In the event the Corporation at any time or from time to time after the Original Issue Date shall issue any Options or Convertible Securities or shall fix a record date for the determination of holders of any class of securities entitled to receive any such Options or Convertible Securities, then the maximum number of shares (as set forth in the instrument relating thereto without regard to any provisions contained therein for a subsequent adjustment of such number) of Common Stock issuable upon the exercise of such Options or, in the case of Convertible Securities and Options therefor, the conversion or exchange of such Convertible Securities, shall be deemed to be Additional Shares of Common Stock issued as of the time of such issue or, in case such a record date shall have been fixed, as of the close of business on such record date, provided that in any such case in which Additional Shares of Common Stock are deemed to be issued:

(A) no further adjustment in the Conversion Price shall be made upon the subsequent issue of Convertible Securities or shares of Common Stock upon the exercise of such Options or conversion or exchange of such Convertible Securities;

(B) if such Options or Convertible Securities by their terms provide, with the passage of time or otherwise, for any increase or decrease in the consideration payable to the Corporation or any increase or decrease in the number of shares of Common Stock issuable, upon the exercise, conversion or exchange thereof, the Conversion Price computed upon the original issue thereof (or upon the occurrence of a record date with respect thereto), and any subsequent adjustments based thereon, shall, upon any such increase or decrease becoming effective, be recomputed to equal the lesser of (i) a price that reflects such increase or decrease insofar as it affects such Options or the rights of conversion or exchange under such Convertible Securities or (ii) price calculated as if such Options or Convertible Securities were excluded from the definition of "Additional Shares of Common Stock," such that the issuance of such Options or Convertible Securities, together with the foregoing adjustments in their terms, will not have the net effect of increasing the Conversion Price for any series of Preferred Stock;

(C) upon the expiration of any such Options or any rights of conversion or exchange under such Convertible Securities that shall not have been exercised, the Conversion Price computed upon the original issue thereof (or upon the occurrence of a record date with respect thereto), and any subsequent adjustments based thereon, shall, upon such expiration, be recomputed as if:

(1) in the case of Convertible Securities or Options for Common Stock the only Additional Shares of Common Stock issued were the shares of Common Stock, if any, actually issued upon the exercise of such Options or conversion or exchange of such Convertible Securities and the consideration received therefor was the consideration actually received by the Corporation for the issue of all such Options, whether or not exercised, plus the consideration actually received by the Corporation upon such exercise, or for the issue of all such Convertible Securities that were actually converted or exchanged, plus the additional consideration, if any, actually received by the Corporation upon such conversion or exchange, and

(2) in the case of Options for Convertible Securities, only the Convertible Securities, if any, actually issued upon the exercise thereof were issued at the time of issue of such Options, and the consideration received by the Corporation for the Additional Shares of Common Stock deemed to have been then issued was the consideration actually received by the Corporation for the issue of all such Options, whether or not exercised plus the consideration deemed to have been received by the Corporation (determined pursuant to Section (4)(d)(v)) upon the issue of the Convertible Securities with respect to which such Options were actually exercised;

(D) in the case of any Options that expire by their terms not more than thirty (30) days after the date of issue thereof, no adjustment of the Conversion Price shall be made until the expiration or exercise of all such Options, whereupon such adjustment shall be made in the some manner provided in clause (C) above; and

(E) if such record date shall have been fixed and such Options or Convertible Securities are not issued on the date fixed therefor, the adjustment previously made in the Conversion Price that became effective on such record date shall be cancelled as of the close of business on such record date, and thereafter the Conversion Price shall be adjusted pursuant to this Section 4(d)(iii) as of the actual date of their Issuance.

(iv) Adjustment of Conversion Price Upon Issuance of Additional Shares of Common Stock. In the event the Corporation shall issue Additional Shares of Common Stock (including Additional Shares of Common Stock deemed to be issued pursuant to Section 4(d)(iii)) without consideration or for a consideration per share less than the Conversion Price for a series of Preferred Stock in effect on the date of and immediately prior to such issue, then and in such event, the Conversion Price for such series shall be reduced, concurrently with such issue, to a price (calculated to the nearest cent) equal to the Conversion Price in effect immediately prior to such issue multiplied by a fraction:

(A) the numerator of which shall be (i) the number of shares of Common Stock outstanding immediately prior to such issue, plus (ii) the number of shares of Common Stock which the aggregate consideration received by the Corporation for the total number of Additional Shares of Common Stock so issued would purchase at such Conversion Price; and

(B) the denominator of which shall be the number of shares of Common Stock outstanding immediately prior to such issue plus the number of such Additional Shares of Common Stock so issued;

provided that, for the purposes of this Section 4(d)(iv), all shares of Common Stock issuable upon conversion of outstanding Options and Convertible Securities (including the Preferred Stock) shall be deemed to be outstanding, and immediately after any Additional Shares of Common Stock are deemed issued pursuant to Section 4(d)(iii), such Additional Shares of Common Stock shall be deemed to be outstanding.

(v) Determination of Consideration. For purposes of this Section 4(d), the consideration received by the Corporation for the issue of any Additional Shares of Common Stock shall be computed as follows:

(A) Cash and Property. Such consideration shall:

(1) insofar as it consists of cash, be computed at the aggregate amount of cash received by the Corporation excluding amounts paid or payable for accrued interest or accrued dividends;

(2) insofar as it consists of publicly traded securities, be computed on the basis of the closing market price for such securities on the date of such issue;

(3) insofar as it consists of (i) property other than cash or publicly-traded securities or (ii) services rendered, be computed at the fair value thereof at the time of such issue, as determined in good faith by the Board of Directors; and

(4) in the event Additional Shares of Common Stock are issued together with other shares or securities or other assets of the Corporation for consideration which covers both, be the proportion of such consideration so received, computed as provided in clauses (1), (2) and (3) above, as determined in good faith by the Board of Directors.

(B) Optional and Convertible Securities. The consideration per share received by the Corporation for Additional Shares of Common Stock deemed to have been issued pursuant to Section 4(d)(iii), relating to Options and Convertible Securities, shall be determined by dividing,

(1) the total amount, if any, received or receivable by the Corporation as consideration for the issue of such Options or Convertible Securities, plus the minimum aggregate amount of additional consideration (as set forth in the instruments relating thereto, without regard to any provision contained therein for a subsequent adjustment of such consideration), payable to the Corporation upon the exercise of such Options or the conversion or exchange of such Convertible Securities, or in the case of Options for Convertible Securities, the exercise of such Options for Convertible Securities and the conversion or exchange of such Convertible Securities, by

(2) the maximum number of shares of Common Stock (as set forth in the instruments relating thereto, without regard to any provision contained therein for a subsequent adjustment of such number) issuable upon the exercise of such Options or the conversion or exchange of such Convertible Securities.

(e) Adjustment for Stock Splits, Dividends and Combinations. If the corporation at any time or from time to time after the Original Issue Date shall effect a subdivision of the outstanding Common Stock, or shall fix a record date for determination of shareholders entitled to receive a dividend of Common Stock on its outstanding Common Stock, the respective Conversion Prices then in effect immediately before such subdivision or as of such record date shall be proportionately reduced, and if the Corporation shall combine the outstanding shares of Common Stock, the respective Conversion Prices then in effect immediately before the combination shall be proportionately increased. Any adjustment under this Section 4(e) shall become effective at the close of business on the date the subdivision or combination becomes effective or on the record date for determining holders of any class of securities entitled to receive the dividend, provided that if such record date shall have been fixed and such dividend shall not have been fully paid on the date fixed therefor, the adjustment previously made in the Conversion Price that became effective on such record date shall be cancelled as of the close of business on such record date, and thereafter the Conversion Price shall be adjusted pursuant to this Section 4(e) as of the time of actual payment of such dividend.

(f) Adjustments for Other Dividends and Distributions. In the event the Corporation at any time or from time to time shall make or issue, or fix a record date for the determination of holders of Common Stock entitled to receive, a dividend or other distribution payable in securities of the Corporation other than shares of Common Stock, then and in each such event provision shall be made so that the holders of Preferred Stock shall receive upon conversion thereof, in addition to the number of shares of Common Stock receivable thereupon, the amount of securities of the Company that they would have received had their Preferred Stock

been converted into Common Stock on the date of such event, giving effect to all adjustments called for with respect to such securities during the period from the date of such event to and including the conversion date.

(g) Adjustment for Reclassification, Exchange and Substitution. If the Common Stock issuable upon the conversion of the Preferred Stock shall be changed into the same or different number of shares of any class or series of stock, whether by capital reorganization, reclassification or otherwise (other than a subdivision or combination of shares or stock dividend provided for in Sections 4(e) and 4(f) above, or a merger, consolidation, sale of assets or other transaction provided for in Section 4(h) below), then and in each such event the holder of each share of Preferred Stock shall have the right thereafter to convert such share into the kind and amount of shares of stock and other securities and property receivable upon such reorganization, reclassification or other change by holders of the number of shares of Common Stock into which such share of Preferred Stock might have been converted immediately prior to such reorganization, reclassification or change, all subject to further adjustment as provided herein.

(h) Adjustment for Merger or Reorganization, etc. In the event of any merger or consolidation of the Corporation with or into another corporation or the conveyance of all or substantially all of the assets of the Corporation to another corporation in a transaction not deemed to be a liquidation pursuant to Section 3(b) hereof, each share of Preferred Stock shall thereafter be convertible into the number of shares of stock or other securities or property to which a holder of the number of shares of Common Stock of the Corporation deliverable upon conversion of such Preferred Stock would have been entitled upon such consolidation, merger or conveyance; and, in any such case, appropriate adjustment (as determined by the Board of Directors) shall be made in the application of the provisions herein set forth with respect to the rights and interest thereafter of the holders of the Preferred Stock, to the end that the provisions set forth herein (including provisions with respect to changes in and other adjustments of the respective Conversion Prices) shall thereafter be applicable, as nearly as reasonably may be, in relation to any share of stock or other property thereafter deliverable upon the conversion of the Preferred Stock.

(i) No Impairment. The Corporation will not, by amendment of these Articles of Incorporation or through any reorganization, transfer of assets, consolidation, merger, dissolution, issue or sale of securities 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 Corporation but will at all times in good faith assist in the carrying out of all the provisions of this Section 4 and in the taking of all such action as may be necessary or appropriate in order to protect the Conversion Rights of the holders of Preferred Stock against impairment.

(j) Certificate as to Adjustments. Upon the occurrence of each adjustment or readjustment of any Conversion Price pursuant to this Section 3, the Corporation at its expense shall promptly compute such adjustment or readjustment in accordance with the terms hereof and furnish to each holder of Preferred Stock, a certificate setting forth such adjustment or readjustment and showing in detail the facts upon which such adjustment or readjustment is based. The Corporation shall, upon the written request at any time of any holder of Preferred Stock, furnish or cause to be furnished to such holder a like certificate setting forth (i) such

adjustments and readjustments, (ii) the Conversion Price for each series of Preferred Stock 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 holders shares of Preferred Stock.

(k) Notices of Record Date. In the event that the Corporation shall propose at any time:

(i) to declare any dividend or distribution upon its Common Stock, whether in cash, property stock or other securities, whether or not a regular cash dividend and whether or not out of earnings or earned surplus, other than distributions to shareholders in connection with the repurchase of shares of former employees or consultants, to which the holders of Preferred Stock have consented in Section 5 hereof, or

(ii) to offer for Subscription pro rata to the holders of any class or series of its stock any additional shares of stock of any class or series or other rights; or

(iii) to effect any reclassification or recapitalization of its outstanding Common Stock involving a change in the Common Stock; or

(iv) to merge or consolidate with or into any other corporation, or sell, lease or convey all or substantially all its assets, or to liquidate, dissolve or wind up;

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

(A) at least twenty (20) days' prior written notice of the date on which a record shall be taken for such dividend, distribution or subscription rights (and specifying the date on which the holders of Common Stock shall be entitled thereto) or for determining rights to vote in respect of the matters referred to in (iii) and (iv) above; and

(B) In the case of the matters referred to in (iii) and (iv) above, at least twenty (20) days' prior written notice of the date when the same shall take place (and specifying the date on which the holders of Common Stock shall be entitled to exchange their shares of Common Stock for securities or other property deliverable upon the occurrence of such event).

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

(l) 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 such number of its shares of Common Stock as shall from time to time be sufficient to effect the conversion of all outstanding Preferred Stock and all outstanding securities convertible into 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 Preferred Stock and all outstanding securities convertible into Preferred Stock, in addition to such other

remedies as shall be available to the holders of such shares of Preferred Stock and such other securities, 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 purposes.

(m) Notices. Any notice required by the provisions of this Section 4 to be given to the holders of the Preferred Stock shall be deemed given if deposited in the United States mail, postage prepaid, and addressed to each holder of record at his address appearing on the books of the Corporation.

5. Voting Rights.

(a) Voting Other Than for Directors. Except as otherwise provided in this Section 5, in Section 6 hereof or by the FBCA or other applicable law, the holders of Preferred Stock and the holders of Common Stock shall be entitled to notice of any stockholders' meeting and to vote upon any matter submitted to stockholders for a vote on the following basis:

(i) each holder of shares of Common Stock shall be entitled to one vote for each share of Common Stock so held,

(ii) each holder of shares of Preferred Stock shall be entitled to a number of votes equal to the number of shares of Common Stock into which such shares of Preferred Stock could then be converted (with any fractional share being determined on the basis of aggregation of all shares of Preferred Stock held by such holder and rounded to the nearest whole share),

(iii) Election of Directors. The holders of shares of Series C Preferred Stock shall be entitled, voting as a series to elect one (1) director of the Corporation by majority vote at each election of directors. The holders of shares of Series B Preferred Stock shall be entitled, voting as a series, to elect one (1) director of the Corporation by majority vote at each election of directors. Any remaining members of the Board shall be elected by the holders of the Common Stock and the Preferred Stock, voting together for such purpose.

6. Protective Provisions. The Corporation shall not, without first obtaining the approval (by vote or written consent, as provided by law) of the holders of a majority of the then outstanding shares of each series of Preferred Stock:

(a) amend or repeal any provision of, or add any provision to, the Corporation's Articles of Incorporation or Bylaws, as then in effect, if such action would alter or change adversely the preferences, rights, privileges or powers of, or the restrictions provided for the benefit of the Preferred Stock;

(b) reclassify any Common Stock into shares having any preference or priority as to dividends, assets, redemption rights or voting rights superior to or on a parity with any preference or priority of the Preferred Stock, except as provided herein;

(c) authorize or issue shares of any class or classes of stock or series of Preferred Stock having any preference or priority as to dividends, assets, redemption rights or

voting rights superior to or on a parity with any preference or priority of the Preferred Stock, or increase or decrease the number of shares of Preferred Stock;

(d) apply any of its assets to the payment of dividends on the Common Stock or the redemption, retirement, purchase or other acquisition, directly or indirectly, through subsidiaries or otherwise, of any shares of Common Stock, except from employees, officers, directors or consultants of or to the Corporation or its subsidiaries upon termination of their employment or services pursuant to agreements providing for the right of repurchase at the option of the Corporation upon termination; or

(e) sell, convey or otherwise dispose of all or substantially all of its property or business, or merge into or consolidate with any other entity or person (other than a wholly-owned subsidiary corporation) or enter into any other corporate reorganization in which the Corporation shall not be the continuing or surviving entity of such liquidation, merger or reorganization or any transaction or series of related transactions by the Corporation in which in excess of fifty percent (50%) of the Corporation's voting power is transferred.

7. Consent to Certain Repurchases of Common Stock Deemed to be Distributions. If and to the extent that the corporation is subject to certain provisions of the General Corporation Law of the State of California (including Sections 500 to 505, inclusive, of the California Corporations Code) in addition to the provisions of the FBCA, each holder of an outstanding share of Preferred Stock shall be deemed to have consented, for purposes of Sections 602, 603 and 606 of the California Corporations Code, to distributions made by the Corporation in connection with any repurchase of shares of Common Stock issued to or held by officers, directors, employees or consultants upon termination of their employment or services pursuant to agreements providing for the right of repurchase between the Corporation and such persons. Notwithstanding anything to the contrary contained in this Certificate of Incorporation, no consent or approval by the holders of Preferred Stock shall be required for any repurchase described in this Section 7.

8. Residual Rights All rights accruing to the outstanding shares of the Corporation not expressly provided for to the contrary herein shall be vested in the Common Stock.

V.

Directors Liability and Indemnity

A. Limitation of Directors' Liability. The liability of the directors of the Corporation for monetary damages shall be eliminated to the fullest extent permissible under Florida law.

B. Indemnification of Corporate Agents. The Corporation shall indemnify the directors and officers of the Corporation to the fullest extent permissible under Florida law.

C. Repeal or Modification. Any repeal or modification of the foregoing provisions of this Article V by the shareholders of the corporation shall not adversely affect any right or protection of a director or officer of the Corporation existing at the time of such repeal or modification.

VI.

Board of Directors

A. All corporate powers shall be exercised by or under the authority of, and the business and affairs of the corporation shall be managed under the direction of, the Board of Directors, except as otherwise herein provided or reserved to the holders of the Common Stock.

B. If any vacancy occurs in the Board of Directors during a term, the shareholders of such classes that originally elected the vacating member to the Board of Directors shall elect a director to fill the vacancy until the next annual meeting of the shareholders.

VII.

Records

The books of the Corporation may be kept (unless prohibited by law) outside the State of Florida, at such place or places as may be designated from time to time by the Board of directors or in the Bylaws of the Corporation.

VIII.

Amendment

The Corporation reserves the right to amend, after, change or repeal any provision contained in these Restated Articles of Incorporation, in the manner now or hereafter prescribed by statute, and all rights conferred upon shareholders herein are granted subject to this reservation.