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CT CORPORATION

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BASIC AMENDMENT

INTERSEARCH GROUP, INC.

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**ARTICLES OF AMENDMENT TO AMENDED AND RESTATED ARTICLES OF
INCORPORATION
OF
INTERSEARCH GROUP, INC.**

**CERTIFICATE OF DESIGNATION OF RIGHTS, PREFERENCES, AND
LIMITATIONS OF SERIES B PREFERRED STOCK**

Pursuant to Sections 607.0602, 607.1002, and 607.1006 of the Florida Business Corporation Act (the "FBCA"), InterSearch Group, Inc., a Florida corporation (the "Corporation"), hereby certifies that:

FIRST: Pursuant to the authority of the Board of Directors of the Corporation pursuant to its Amended and Restated Articles of Incorporation and Section 607.0602 of the FBCA, the Board of Directors of the Corporation, by resolutions duly adopted as of February 9, 2005, has: (i) designated a series of Preferred Stock, par value \$0.001 per share (the "Preferred Stock"), of the Corporation, to be designated "Series B Preferred Stock," consisting of 100,000 shares of the authorized but unissued Preferred Stock (the "Series B Preferred"), (ii) authorized the issuance of a maximum of 100,000 shares of Series B Preferred, and (iii) set the rights, preferences, limitations, and other terms and conditions of the Series B Preferred. Approval of the shareholders of the Corporation was not required.

SECOND: The Series B Preferred shall have the following designation, number of shares, rights, preferences, privileges, restrictions, limitations, and other terms and conditions:

1. **Designation and Amount.** A total of 100,000 shares of Preferred Stock, \$0.001 par value per share, shall be designated "Series B Preferred Stock." The Series B Preferred shall rank *pari passu* with the Corporation's Series A Preferred Stock, par value \$0.001 per share (the "Series A Preferred"), and as determined by the Board of Directors of the Corporation with respect to all other series of Preferred Stock that may hereinafter be designated by the Corporation.
2. **Dividends.**
 - a. **Series B Preferred.** The holder of each share of Series B Preferred shall be entitled to receive dividends at the rate of \$0.25 per month on each outstanding share of Series B Preferred (as adjusted for any stock dividends, combinations or splits with respect to such shares). Such dividends shall be cumulative, and shall be payable (i) when, as, and if declared by the Board of Directors or (ii) upon a Liquidation Event (as defined below). Such dividends shall be payable in cash. If the Corporation at any time subdivides (by any stock split, stock dividend or otherwise) its outstanding shares of Series B Preferred into a greater

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number of shares, the amount in effect immediately before the subdivision will be proportionately reduced, and conversely, if the outstanding shares of Series B Preferred are combined into a smaller number of shares, the amount in effect immediately before the combination will be proportionately increased

- b. Preference. No dividends shall be paid or declared on any Common Stock of the Corporation during any fiscal year of the Corporation until all dividends on the Series B Preferred shall have been first paid or declared and set apart.

3. Liquidation Preference.

- a. Ranking. The Series B Preferred shall rank *pari passu* to the Series A Preferred, and shall rank senior to the Common Stock.
- b. Preferential Amounts to Series B Preferred. In the event of any liquidation, dissolution, or winding up of the Corporation (a "Liquidation Event"), either voluntarily or involuntarily, the holders of the Series B Preferred shall be entitled to receive, prior and in preference to any payment or distribution to the holders of the Common Stock, or any other shares of capital stock ranking junior as to liquidation, dissolution, or winding up to the Series B Preferred, an amount equal to \$10.00 (as adjusted for any stock dividends, combinations or splits with respect to such shares) for each share of Series B Preferred then so held, and the amount of any unpaid accrued dividend with respect to the Series B Preferred. If upon the occurrence of a Liquidation Event, the assets and funds of the Corporation are insufficient to permit the full payment of the liquidation preference to the holders of Series B Preferred and Series A Preferred, then the entire assets of the Corporation legally available for distribution shall be distributed ratably among the holders of Series B Preferred and Series A Preferred in proportion to the amount of Series B Preferred and Series A Preferred owned by each such holder.
- c. Distribution of Remaining Assets. Upon a Liquidation Event and the completion of the distributions required by Sections 2(b), the remaining assets of the Corporation legally available for distribution shall be distributed ratably among the holders of Series B Preferred, Series A Preferred and Common Stock based on the number of shares of Common Stock owned by each such holder (assuming conversion of all Series B Preferred and Series A Preferred).
- d. Deemed Liquidation. For purposes of this Section 3, a "Liquidation Event" includes (i) a sale of assets of the Corporation that are material to the ongoing operations of the Corporation or (ii) a merger, acquisition, or similar transaction, any of which results in the Corporation's shareholders

immediately prior to such transaction holding less than fifty (50%) of the voting power of the surviving, continuing or purchasing entity.

- c. Non-cash Distribution. If any of the assets of the Corporation are to be distributed to shareholders other than in cash under this Section 3 or for any purpose, the value of the assets to be distributed will be deemed its fair market value. Any securities to be distributed to the shareholders shall be valued as follows:

- i. If traded on a securities exchange or on the Nasdaq national market list, the value shall be deemed to be the average of the closing prices of the securities on such exchange or the Nasdaq national market list over the thirty (30) day period ending three (3) business days prior to the closing of the transaction;
- ii. If actively traded over-the-counter (but not on the Nasdaq national market list), the value shall be deemed to be the average of the closing bid prices over the thirty (30) day period ending three (3) business days prior to the closing of the transaction; and
- iii. If there is no active public market, the value shall be the fair market value thereof, as mutually determined by the Board of Directors of the Corporation and the holders of a majority of the Series B Preferred; and in the absence of an agreement as to same, said valuation issue shall be submitted to arbitration for resolution, and the costs of such arbitration shall be born by the Corporation.

4. Voting Rights. Except as otherwise required by law and the provisions of this Section 4, the holders of Series B Preferred shall be entitled to notice of any shareholders' meeting and to vote together with the holders of the Series A Preferred and the holders of the Common Stock as a single class of capital stock upon any matter submitted to the shareholders for a vote, on the following basis: holders of Series B Preferred shall have one vote per share.

5. Conversion. The holders of the Series B Preferred have conversion rights as follows:

- a. Optional Conversion: Right to Convert. Each share of Series B Preferred shall be convertible, at the option of the holder thereof, at any time after the date of issuance of such share, at the office of the Corporation or any transfer agent for the Series B Preferred, into ten (10) shares of Common Stock (as adjusted for any stock dividends, combinations or splits with respect to such shares).
- b. Automatic Conversion. Each share of Series B Preferred shall be converted automatically into the number of shares of Common Stock into

which such shares of Series B Preferred are convertible pursuant to this Section 5, without any further action by the holders of such shares and whether or not the certificates representing such shares are surrendered to the Corporation or its transfer agent, upon the earlier of (i) the closing of an underwritten initial public offering pursuant to an effective registration statement under the Securities Act of 1933, as amended, (ii) the election of the holders of at least a majority of the then outstanding shares of Series B Preferred, voting together as a single class, to convert such shares into Common Stock, or (iii) February 9, 2010.

- c. Mechanics of Conversion. No fractional shares of Common Stock shall be issued upon conversion of Series B Preferred. The Corporation shall round up fractional shares to which the holder would otherwise be entitled to the nearest whole number. Before any holder of Series B Preferred shall be entitled to convert such shares into shares of Common Stock and receive certificates therefor, such holder shall surrender the certificate or certificates therefor, duly endorsed, at the office of the Corporation or of any transfer agent for the Series B Preferred and shall give written notice to the Corporation at such office that it elects to convert the same. The Corporation shall issue and deliver at such office to such holder of Series B Preferred a certificate or certificates for the number of shares of Common Stock to which it shall be entitled. 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, 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.
- d. Reservation of Stock Issuable upon Conversion. The Corporation shall at all times reserve and keep available out of its authorized and unissued shares of Common Stock, free from preemptive or other preferential rights, restrictions, reservations, dedications, allocations, options, other warrants and other rights under any stock option, conversion option or similar agreement, solely for the purpose of effecting the conversion of the shares of the Series B Preferred, such number of its shares of Common Stock as shall from time to time be sufficient to effect the conversion of all outstanding shares of the Series B Preferred.
6. No Pre-emptive Rights. No shareholder of the Corporation shall have any preferential or pre-emptive rights to subscribe for or purchase from the Corporation any new or additional shares of capital stock, or securities convertible into shares of capital stock, of the Corporation, whether now or hereafter authorized.
7. Savings Clause. The Corporation and the holders of the Series B Preferred intend to comply strictly with applicable law regulating the maximum allowable

rate or amount of interest that may be charged and collected on amounts due with respect to the Series B Preferred. Accordingly, the maximum aggregate amount of interest and other charges constituting interest under applicable law that are payable, chargeable, or receivable with respect to the Series B Preferred shall not exceed the maximum amount allowable amount under applicable law. The Corporation shall not be liable for any amounts in excess of the maximum lawful amounts, and any excess interest charged or collected by the holders of the Series B Preferred will constitute an inadvertent mistake and, if charged but not paid, will be cancelled automatically, or if paid, will either be refunded to the Corporation or credited against future amounts owed by the Corporation to the holders of the Series B Preferred at the discretion of the Corporation

THIRD: These Articles of Amendment have been approved by the Board of Directors of the Corporation in the manner and by the vote required by the FBCA.

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IN WITNESS WHEREOF, the undersigned has executed these Articles of Amendment as of February 9, 2005.



Daniel M. O'Donnell
President and Chief Executive Officer