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CORPORATION(S) NAME

PIT Telekom, Inc.

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**ARTICLES OF AMENDMENT TO  
ARTICLES OF INCORPORATION  
OF  
PTT TELEKOM, INC.**

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SECRETARY OF STATE  
TALLAHASSEE, FLORIDA

Pursuant to the provisions of Section 607.1006, Florida Statutes (the "Act"), the undersigned corporation adopts the following Articles of Amendment to its Articles of Incorporation:

FIRST: Amendment adopted:

**ARTICLE IV - CAPITAL STOCK**

(A) **Classes of Stock.** The corporation is authorized to issue two classes of stock to be designated, respectively, "Common Stock" and "Preferred Stock." The total number of shares which the corporation is authorized to issue is 400,000 shares, having no par value. 100,000 shares shall be Voting Common Stock, 100,000 shares shall be Non-voting Common Stock and 200,000 shares shall be Preferred Stock.

(B) **Series, Rights, Preferences and Restrictions of Preferred Stock.** The corporation shall be authorized to issue shares of Preferred Stock from time to time in one or more series. The first series of Preferred Stock shall be designated "Series A Preferred Stock" and shall consist of 1,000 shares, having no par value. The second series of Preferred Stock shall be designated "Series B Preferred Stock" and shall consist of 1,000 shares, having no par value. The rights, preferences, privileges, and restrictions granted to and imposed on the Series A Preferred Stock and the Series B Preferred Stock are as set forth below in this Article IV(B).

1. **Preferences.** Each share of Series A Preferred Stock and Series B Preferred Stock shall have equal preference with respect to dividend payments and distributions of the corporation's assets upon voluntary or involuntary liquidation, dissolution or winding up of the corporation, and shall be prior in right to all Common Stock of the corporation, whether now or hereafter authorized.

2. **Voting Rights.** Each Share of Series A Preferred Stock shall have the right to vote upon all matters brought before shareholders for a vote. Each share of Series A Preferred Stock shall entitle the holder thereof to cast one (1) vote. Shares of Series B Preferred Stock shall have no voting rights, except to the extent that non-waivable mandatory provisions of the Act require that the shares of the Series B Preferred Stock have voting rights.

3. **Dividend Provisions.**

(a) Subject to the rights of series of Preferred Stock which may from time to time come into existence, the holders of shares of Series A Preferred Stock and Series B Preferred Stock shall be entitled to receive dividends, out of any assets 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 of the corporation when, as and if declared by the Board of Directors. If any dividend is declared and paid upon Common Stock, there must at the same time be declared and paid on each share of Preferred Stock a dividend equal to the dividend per share so declared and paid upon Common Stock multiplied by the number of shares of Common Stock into which one share of Preferred Stock is convertible as of the record date for the dividend. Such dividends shall **not** be cumulative.

(b) After payment of such dividends, any additional dividends shall be distributed among all holders of Common Stock and all holders of Series A and Series B Preferred Stock in proportion to the number of shares of Common Stock which would be held by each such holder if all shares of Series A Preferred Stock and Series B Preferred Stock were converted to Common Stock at the then effective conversion rate.

4. **Liquidation.**

(a) **Preference.** In the event of any liquidation, dissolution or winding up of the corporation, either voluntary or involuntary, subject to the rights of series of Preferred Stock that may from time to time come into existence, the holders of the Series A Preferred Stock and Series B Preferred Stock shall be entitled to receive, prior and in preference to any distribution of any of the assets of the corporation to the holders of Common Stock by reason of their ownership thereof, an amount per share equal to \$27,892.52 (with respect to the Series A Preferred Stock) and \$69,298.71 (with respect to the Series B Preferred Stock) per share plus an additional amount equal to a twelve percent (12%) per annum non-compounded return on such amount from the date of issuance of the share to the date of payment of such liquidation preference plus all declared but unpaid dividends (if any) on such share (as adjusted for any stock splits, stock dividends, recapitalizations or the like). If, upon the occurrence of such event, the assets and funds thus distributed among the holders of the Series A Preferred Stock and Series B Preferred Stock shall be insufficient to permit the payment to such holders of the full aforesaid preferential amounts, then, subject to the rights of series of Preferred Stock that may from time to time come into existence, the entire assets and funds of the corporation legally available for distribution shall be distributed ratably among the holders of the Series A Preferred Stock and Series B Preferred Stock in proportion to the number of shares of Series A Preferred Stock and Series B Preferred Stock issued and outstanding. The preferential distribution required by this Section 4(a) shall be paid or set apart for payment before payment of any amount for or the making of any distribution to the holders of any Common Stock in connection with such event. Before any holder of Preferred Stock shall be entitled to receive the liquidation preference under this Section 4, he shall surrender the certificate or

certificates therefor, duly endorsed, at the office of the corporation or of any transfer agent for such series of Preferred Stock.

(b) **Remaining Assets.** Upon the completion of the distribution required by Section 4(a) above and any other distribution that may be required with respect to a series of Preferred Stock that may from time to time come into existence, the remaining assets of the corporation available for distribution to stockholders shall be distributed among the holders of the Common Stock pro rata based on the number of shares of Common Stock held by each, and the holders of the Preferred Stock shall have no further rights under this Section 4.

(c) **Deemed Liquidation.** For purposes of this Section 4, a liquidation, dissolution or winding up of the corporation shall be deemed to be occasioned by, or to include, (A) the acquisition of the corporation by another entity by means of any transaction or series of related transactions (including, without limitation, any reorganization, merger or consolidation, but excluding any merger effected exclusively for the purpose of changing the domicile of the corporation); or (B) a sale of all or substantially all of the assets of the corporation, unless the corporation's stockholders of record as constituted immediately prior to such acquisition or sale will, immediately after such acquisition or sale (by virtue of securities issued as consideration for the corporation's acquisition or sale or otherwise) hold at least 50% of the voting power of the surviving or acquiring entity in approximately the same relative percentages after such acquisition or sale as before such acquisition or sale.

(d) **Valuation of Consideration.** In the event of a deemed liquidation as described in Section 4(c) above, if the consideration received by the corporation is other than cash, its value will be deemed its fair market value. Any securities shall be valued as follows:

(i) Securities not subject to investment letter or other similar restrictions on free marketability:

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

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

(C) If there is no active public market, the value shall be the fair market value thereof, as determined in good faith by the Board of Directors of the corporation.

(ii) The method of valuation of securities subject to investment letter or other restrictions on free marketability (other than restrictions arising solely by virtue of a stockholder's status as an affiliate or former affiliate) shall be to make an appropriate discount from

the market value determined as above in Section 4(c) to reflect the approximate fair market value thereof, as determined in good faith by the Board of Directors of the corporation.

(e) **Notice of Transaction.** The corporation shall give each holder of record of Preferred Stock written notice of such impending transaction not later than thirty (30) days prior to the stockholders' meeting called to approve such transaction, or thirty (30) days prior to the closing of such transaction, whichever is earlier, and shall also notify such holders in writing of the final approval of such transaction. The first of such notices shall describe the material terms and conditions of the impending transaction and the provisions of this Section 4, and the corporation shall thereafter give such holders prompt notice of any material changes. The transaction shall in no event take place sooner than thirty (30) days after the corporation has given the first notice provided for herein or sooner than thirty (30) days after the corporation has given notice of any material changes provided for herein; provided, however, that such periods may be shortened upon the written consent of the holders of Preferred Stock that are entitled to such notice rights or similar notice rights and that represent at least a majority of the voting power of all then outstanding shares of such Preferred Stock.

In the event the requirements of this Section 4(e) are not complied with, the corporation shall forthwith either cause the closing of the transaction to be postponed until such requirements have been complied with, or cancel such transaction, in which event the rights, preferences and privileges of the holders of the Preferred Stock shall revert to and be the same as such rights, preferences and privileges existing immediately prior to the date of the first notice referred to in Section 4(e) hereof.

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

(a) **Right to Optional Conversion.** Subject to Section 5(c), each share of Series A Preferred Stock shall be convertible, at the option of the holder thereof, at any time after the date of issuance of such share into one (1) share of fully paid and nonassessable Series A Common Stock, subject to adjustment from time to time in accordance with Section 5(d). Subject to Section 5(c), each share of Series B Preferred Stock shall be convertible, at the option of the holder thereof, at any time after the date of issuance of such share into one (1) share of fully paid and nonassessable Series B Common Stock, subject to adjustment from time to time in accordance with Section 5(d).

(b) **Mandatory Conversion.** Subject to Section 5(c), each share of Series B Preferred Stock to be converted under this Section 5(b) shall convert to shares of Series B Common Stock as provided in Section 5(a) hereof in the event that shares of Series A Preferred Stock are converted into shares of Series A Common Stock. The number of shares of Series B Preferred Stock that shall be required to be converted shall be the same number of shares of Series A Preferred Stock that were converted to Series A Common Stock triggering this mandatory conversion feature.

(c) **Mechanics of Conversion.** Before any holder of Preferred Stock shall be entitled to convert the same into shares of Common Stock, he shall surrender the certificate or certificates therefor, duly endorsed, at the office of the corporation or of any transfer agent for such series of Preferred Stock, and shall give written notice to the corporation at its principal corporate office (or at such other place as the corporation may designate in a written notice sent to the holder by first-class mail, postage prepaid, at its address shown on the books of the corporation), of the election to convert the same and shall state therein the series of Common Stock into which the shares of Preferred Stock shall be converted, and the name or names in which the certificate or certificates for shares of Common Stock are to be issued. The corporation shall, as soon as practicable thereafter, issue and deliver at such office to such holder of Preferred Stock, or to the nominee or nominees of such holder, a certificate or certificates for the number of shares of Common Stock of the appropriate series to which such holder shall be entitled as aforesaid. Unless the Preferred Stock has been fully converted, a new Preferred Stock certificate, representing series of the Preferred Stock not so converted, if any shall also be delivered to such holder as soon as practical. 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 such series of 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 as of such date. Stock Certificates for the shares of Common Stock so acquired upon conversion shall be dated the date of such surrender.

If the conversion is in connection with an underwritten offering of securities registered pursuant to the Securities Act of 1933, as amended the conversion may, at the option of any holder tendering such Preferred Stock for conversion, be conditioned upon the closing with the underwriters of the sale of securities pursuant to such offering, in which event the person(s) entitled to receive Common Stock upon conversion of such Preferred Stock shall not be deemed to have converted such Preferred Stock until immediately prior to the closing of such sale of securities.

(d) **Adjustment of Conversion Ratio.** The number of shares of Common Stock issuable upon conversion of one share of Preferred Stock (the "Conversion Ratio") shall be subject to adjustment from time to time upon the happening of certain events, as follows:

(i) **Reclassification, Consolidation or Merger** In case of any reclassification or change affecting the Common Stock (other than a change in par value, or from par value to no par value, or from no par value to par value, or as a result of a subdivision or combination), or in case of any consolidation or merger of the corporation with or into another corporation (other than a merger with another corporation in which the corporation is the surviving corporation and which does not result in any reclassification or change - other than a change in par value, or from par value to no par value, or from no par value to par value - affecting the Common Stock) the rights of the holders of the outstanding Preferred Stock shall be adjusted in the manner described below:

(A) If the corporation is the surviving corporation, the Preferred Stock shall, without payment of additional consideration therefor, be deemed modified so

as to provide that upon conversion thereof the holder of the Preferred Stock being converted shall procure, in lieu of each share of Common Stock of the appropriate series theretofore issuable upon such conversion, the kind and amount of shares of stock, other securities, money and property receivable upon such reclassification, change, consolidation or merger by the holder of each share of Common Stock of the series in which the Preferred Stock is entitled to be converted. Such Preferred Stock shall be deemed to provide for adjustments which shall be as nearly equivalent as may be practicable to the adjustments provided for in this Section 5(d). The provisions of this clause (A) shall similarly apply to successive reclassifications, changes, consolidations and mergers.

(B) If the corporation is not the surviving corporation and the corporation is not liquidated pursuant to Section 4, the surviving corporation shall, without payment of any additional consideration therefor, issue new preferred stock providing that upon conversion thereof, the holder thereof shall procure in lieu of each share of Common Stock of the appropriate series theretofore issuable upon conversion of the Preferred Stock the kind and amount of shares of stock, other securities, money and property receivable upon such reclassification, change, consolidation or merger by the holder of each share of Common Stock of the series into which the Preferred Stock would have been converted into prior to the reclassification, consolidation or merger. Such new preferred stock shall provide for adjustments which shall be as nearly equivalent as may be practicable to the adjustments provided for in this Section 5(d). The provisions of this clause (B) shall similarly apply to successive reclassifications, changes, consolidations and mergers.

(ii) Other Distributions. In the event the corporation shall declare a distribution payable in securities of other persons evidences of indebtedness issued by the corporation or other persons, assets (excluding cash dividends) or options or rights not referred to in Section 3, then, in each such case for the purpose of this Section 5(d)(ii), the holders of Preferred Stock shall be entitled to a proportionate share of any such distribution as though they were the holders of the number of shares of Common Stock of the appropriate series of the corporation into which their shares of Preferred Stock are convertible as of the record date fixed for the determination of the holders of Common Stock of the corporation entitled to receive such distribution.

(iii) Recapitalizations. If at any time or from time to time there shall be a recapitalization of the Common Stock (other than a subdivision, combination or merger or sale of assets transaction provided for elsewhere in this Section 5), provision shall be made so that the holders of the Series A Preferred Stock and Series B Preferred Stock shall thereafter be entitled to receive upon conversion of such Preferred Stock the number of shares of stock or other securities or property of the corporation or otherwise, to which a holder of Common Stock deliverable upon conversion would have been entitled on such recapitalization. In any such case, appropriate adjustment shall be made in the application of the provisions of this Section 5 with respect to the rights of the holders of such Preferred Stock after the recapitalization to the end that the provisions of this Section 5 (including adjustment of the number of shares purchasable upon conversion of such Preferred Stock) shall be applicable after that event and be as nearly equivalent as practicable.

(iv) Subdivision or Combination of Shares. If the corporation, at any time while any of the Preferred Stock is outstanding, shall subdivide or combine its voting Common Stock, the Conversion Ratio shall be proportionately increased, in case of subdivision of Common Stock, as of the effective date of such subdivision (or, if the corporation shall take a record of holders of its Common Stock for the purpose of a subdivision, as of such record date, whichever is earlier), or shall be proportionately reduced, in the case of combination of Common stock, as of the effective date of such combination (or, if the corporation shall take a record of holders of its Common Stock for the purpose of a combination, as of such record date, whichever is earlier).

(v) Certain Dividends. If the corporation, at any time while any of the Preferred Stock is outstanding, shall pay a dividend in, effect a split-up of, or make any other distribution of Common Stock, the Conversion Ratio shall be adjusted, as of the date the corporation shall take a record of the holders of Common Stock for the purpose of receiving such dividend, stock split or other distribution (or if no such record is taken, as of the date of such payment or other distribution) by multiplying the Conversion Ratio by a fraction (x) the numerator of which shall be the total number of shares of Common Stock outstanding immediately after such dividend, split-up or distribution (plus in the event that the corporation paid cash for fractional shares, the number of additional shares that would have been outstanding had the corporation issued fractional shares in connection with said dividend, split-up or distribution) and (y) the denominator of which shall be the total number of shares of Common Stock outstanding immediately prior to such dividend, split-up or distribution.

(vi) Series A Adjustment. If PTT issues shares of Common Stock or securities convertible into Common Stock ("Additional Securities") to insiders of PTT other than the Sanders Group or any affiliates of the Sanders Group at a price per common equivalent share less than \$64,729.79, subject to adjustment to reflect any stock split, stock dividend or similar action ("the Notional Conversion Price"), then the number of shares of Series A Common Stock issuable upon conversion of Series A Preferred Stock shall be determined by dividing \$7,214, 782 by a new Notional Conversion Price determined by dividing:

(A) The sum of (x) the product of the total number of shares of Common Stock outstanding immediately prior to issuance of such Additional Securities plus the number of shares issuable upon conversion of the Series A Preferred Stock and Series B Preferred Stock multiplied by the Notional Conversion Price in effect at such time, plus (y) the aggregate consideration, if any, received by PTT upon issuance of such Additional Securities; by

(B) The total number of shares of Common Stock outstanding immediately after such issuance of Additional Securities, plus the number of shares of Common Stock issuable upon conversion of the Series A Preferred Stock, Series B Preferred Stock and any Additional Securities that are convertible into Common Stock outstanding immediately after such issue or sale.



(vi) Series B Adjustment. If PTT issues Additional Securities to insiders of PTT other than the Sanders Group or any affiliates of the Sanders Group at a price per common equivalent share less than the Notional Conversion Price, then the number of shares of Series B Common Stock issuable upon conversion of Series B Preferred Stock shall be determined by dividing \$4,300,000 by a new Notional Conversion Price determined by dividing:

(A) the sum of (x) the product of the total number of shares of Common Stock outstanding immediately prior to the issuance of such Additional Securities plus the number of shares issuable upon conversion of the Series A Preferred Stock and Series B Preferred Stock, multiplied by the Notional Conversion Price in effect at such time, plus (y) the aggregate consideration, if any, received by PTT upon such issuance of Additional Securities; by

(B) the total number of shares of Common Stock outstanding immediately after such issuance of Additional Securities, plus the number of shares of Common Stock issuable upon conversion of the Series A Preferred Stock, Series B Preferred Stock and any Additional Securities that are convertible into Common Stock outstanding immediately after such issue or sale.

(viii) Other Action Affecting Voting Common Stock. If the corporation takes any other action in respect of Common Stock to which the provisions of this Section 5 are not strictly applicable or if strictly applicable would not fairly protect the rights of the holders of the Preferred Stock in accordance with the essential intent and principles of such provisions, then the Board in good faith shall propose an appropriate adjustment, if any, of the Conversion Ratio, in accordance with such essential intent and principles, so as to protect such rights as aforesaid. If the holders of a majority of the issued and outstanding shares of Preferred (the "Holders of a Majority") believe that any such action warranting an adjustment has occurred, they may by written request to the Board request that an adjustment be made. In either event, the Board shall give each holder written notice within ten (10) days after the taking of any action by the Board pursuant to this Section 5(d)(vi), or within forty-five (45) days after receiving such written request from the Holders of a Majority, describing any such adjustment in reasonable detail and, if no adjustment is made, the reason therefor. If, within thirty (30) days after receipt of said notice from the Board, the Holders of a Majority shall notify the Board in writing of their objection to such determination, a determination of an adjustment, if any, to the Conversion Ratio shall be made by arbitration in accordance with the commercial arbitration rules of the American Arbitration Association, by an arbitrator in Chicago, Illinois.

(e) No Impairment. The corporation will not, by amendment of its Certificate of Incorporation or through any reorganization, recapitalization, 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 5 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.

(f) **No Fractional Shares and Certificate as to Adjustments.**

(i) No fractional shares shall be issued upon the conversion of any share or shares of the Preferred Stock, and the number of shares of Common Stock to be issued shall be rounded to the nearest whole share. Whether or not fractional shares are issuable upon such conversion shall be determined on the basis of the total number of shares of Preferred Stock the holder is at the time converting into Common Stock and the number of shares of Common Stock issuable upon such aggregate conversion.

(ii) Upon the occurrence of each adjustment or readjustment of the number of shares of Common Stock into which shares of Preferred Stock shall be converted 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 such 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 (A) such adjustment and readjustment, and (B) the number of shares of Common Stock, the appropriate series thereof and the amount, if any, of other property which at the time would be received upon the conversion of a share of such series of Preferred Stock.

(g) **Notices of Record Date.** In the event of any taking by the corporation of a record of the holders of any class of securities for the purpose of determining the holders thereof who are entitled to receive any dividend (other than a cash dividend) or other distribution, any right to subscribe for, purchase or otherwise acquire any shares of stock of any class or any other securities or property, or to receive any other right, the corporation shall mail to each holder of Preferred Stock, at least thirty (30) 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, distribution or right, and the amount and character of such dividend, distribution or right.

(h) **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 A Preferred Stock and the Series B Preferred Stock, such number of its shares of Common Stock of the appropriate series as shall from time to time be sufficient to effect the conversion of all outstanding shares of such series of 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 such series of Preferred Stock, in addition to such other remedies as shall be available to the holder of such 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 purposes, including, without limitation, engaging in

best efforts to obtain the requisite stockholder approval of any necessary amendment to this Certificate of Incorporation.

(i) **Notices.** Any notice required by the provisions of this Section 5 to be given to the holders of shares of Preferred Stock shall be deemed given if deposited in the United States mail, postage prepaid, and addressed to each holder of record at his or her address appearing on the books of the corporation.

6. **Status of Liquidated or Converted Stock.** In the event any shares of Preferred Stock shall be liquidated pursuant to Section 4 or converted pursuant to Section 5 hereof, the shares so converted shall be canceled and shall not be issuable by the corporation. The Certificate of Incorporation of the corporation shall be appropriately amended to effect the corresponding reduction in the corporation's authorized capital stock.

7. **No Pre-Emptive Rights.** No holder of Preferred Stock shall have any pre-emptive rights.

8. **Redemption Right.** Upon not less than thirty (30) days prior written notice to the holders of Preferred Stock, the corporation may redeem on a date stated in the notice (the "Redemption Date") all Preferred Stock then issued and outstanding for a price equal to the Liquidation Preference Per Share thereof (calculated by substituting the Redemption Date for the date of the Liquidation Event). Surrender of the certificates for Preferred Stock and payment will be effected in the same manner as in the case of a Liquidation Event. Payment for all outstanding Preferred Stock will be effected on the Redemption Date, subject to surrender of the certificate representing any particular share of Preferred Stock being redeemed. The right of each holder to convert shares of Preferred Stock to the appropriate series of Common Stock shall remain in effect until the Redemption Date.

(C) **Common Stock.** The corporation is authorized to issue Common Stock from time to time in one or more series. The first series shall be designated "**Series A Common Stock**". The corporation shall be authorized to issue 100,000 shares of Series A Common Stock, having no par value. The second series shall be designated "**Series B Common Stock**". The corporation shall be authorized to issue 100,000 shares of Series B Common Stock, having no par value ("Series B Common Stock" and collectively with Series A Common Stock, referred to as "Common Stock"). The rights and other attributes of each shares of Series A Common Stock and Series B Common Stock shall be identical except as follows:

1. **Rights of Series A Common Stock.** Each share of Series A Common Stock shall have the right to vote upon all matters brought before shareholders for a vote. Each share of Series A Common Stock shall entitle the holder thereof to cast one (1) vote. Holders of Series A Common Stock shall have all other rights provided by the Act, including the right to receive dividends and other distributions if and when declared by the Board of Directors.

have the same rights and limitations as and shall be on a parity with each share of Series A Common Stock, including but not limited to, all other rights provided by the Act, including the right to receive dividends and other distributions if and when declared by the Board of Directors.

3. **Automatic Conversion of Series B Common Stock to Series A Common Stock.** At such time as the Securities Exchange Commission declares effective a registration statement for the initial public offering ("IPO") of PTT's Common Stock, upon the sale of all or substantially all of PTT's assets or upon consummation of a transaction resulting in a "change of control" of PTT (which for purposes hereof shall mean a transaction resulting in the ownership by Sabino and his affiliate of less than 30% of the outstanding voting securities of PTT), all shares of Series B Common Stock held by the Lenders shall automatically convert to an equal number of shares of Series A Common Stock upon the effective date of the registration statement registering the shares of Common Stock to be offered and sold in the IPO.

4. **Liquidation Rights.** Upon the liquidation, dissolution or winding up of the corporation, the assets of the corporation shall be distributed as provided in Section (B) 4 of this Article IV.

5. **No Pre-Emptive Rights.** No holder of Common Stock shall have any pre-emptive rights.

6. **Redemption.** The Common Stock is not redeemable.

SECOND: The date of the Amendment's Adoption: December 1, 1999.

THIRD: The Amendment was adopted by the Board of Directors and approved by the stockholders. The number of voted cast for the Amendment was sufficient for approval.

Signed this 1st day of December, 1999.

PTT TELEKOM, INC.

By: Fernando L. Sabino / Pres.

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