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December 7, 1999

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Division of Corporations
409 East Gaines Street
Tallahassee, FL 32399

Dear Sirs,

Enclosed are two copies of the Articles of Amendment to Articles of Incorporation of Intelliswitch, Inc., a check for \$45.75 and a prepaid return FedEx envelope. Please return a certified copy to Intelliswitch, Inc.

Thank You,

Steven M. Friedman
V.P.

FILED
99 DEC 10 AM 8:02
SECRETARY OF STATE
TALLAHASSEE, FLORIDA

Amend

V. SHEPARD DEC 17 1999

FILED
99 DEC 10 AM 8:02
SECRETARY OF STATE
TALLAHASSEE, FLORIDA

ARTICLES OF AMENDMENT
TO
ARTICLES OF INCORPORATION
OF
INTELLISWITCH, INC.

INTELLISWITCH, INC., a corporation organized and existing under the laws of the State of Florida, adopts the following Articles of Amendment to its Articles of Incorporation:

1. The name of the corporation is IntelliSwitch, Inc.
2. The following amendment to the Article of Incorporation was unanimously recommended by the Board of Directors of the corporation and was unanimously adopted by the shareholders of the corporation in accordance with Florida Statutes Sections 607.0704, 607.0821 and 607.1003, on December 8th, 1999:

Article III of the Articles of Incorporation is hereby amended to read as follows:

"A. The aggregate number of shares which the corporation is authorized to issue is One Million One Hundred Fifty Thousand (1,150,000) shares, consisting of:

(1) One Million (1,000,000) shares of common stock with a par value of \$.01 per share.

(2) One Hundred Fifty Thousand (150,000) shares of preferred stock with a par value of \$.01 per share.

B. The preferences and relative, participating or other rights of the preferred stock, and the qualifications, limitations or restrictions thereof are as follows:

(1) Dividends. The preferred stock shall not be

entitled to any preference in the payment of dividends by the corporation. When and as declared by the board of directors of the corporation, dividends shall be payable to the holders of each share of common stock and each share of preferred stock on an equal basis. Each share of common stock will rank in parity with each share of preferred stock in respect of all dividends.

(2) Voting. Except as otherwise specifically provided in the Articles of Incorporation of the corporation, each share of preferred stock and each share of common stock shall be entitled to one (1) vote on all matters.

(3) Board of Directors. The holders of the shares of preferred stock, voting as a separate class, shall be entitled to elect one (1) member of the board of directors of the corporation. The holders of the shares of common stock, voting as a separate class, shall be entitled to fix and determine the number of members of the board of directors of the corporation and shall be entitled to elect all other members of the board of directors of the corporation.

(4) Conversion. The holders of the preferred stock shall have conversion rights as follows:

(a) (i) Optional. The holders of the shares of preferred stock may at any time, at their option, convert all, but not less than all, of the shares of preferred stock to shares of common stock at the rate of one (1) share of common stock for each share of preferred stock.

(ii) The conversion of shares of preferred stock into shares of common stock may be effected by the holders of the shares of preferred stock by surrendering all certificates for the shares of preferred stock, duly endorsed, at the office of the corporation, together with a written notice to the corporation that such holders elect to convert all shares of preferred stock. Promptly thereafter, the corporation shall issue and deliver to the holders of the shares of preferred stock a certificate or certificates for shares of common stock to which such holders shall be entitled, and shall cancel all the certificates for shares of preferred stock. Such conversion shall be deemed to have been made at the close of business on the date of surrender of the

certificates for the shares of preferred stock and the holders shall be treated for all purposes as the record holders of common stock on such date.

(b) Automatic. The corporation shall notify each holder of preferred stock at least thirty (30) days prior to the anticipated effective date of a registration statement filed by the corporation under the Federal Securities Act of 1933, as amended, with respect to a Qualified Public Offering (as defined below). Upon the closing of, but effective immediately prior to, the first sale in a Qualified Public Offering, each and every share of outstanding preferred stock held by all holders of preferred stock shall automatically be converted into common stock at the rate of one (1) share of common stock for each share of preferred stock. Such conversion will be automatic, without need for any further action by the holders of shares of preferred stock and regardless of whether the certificates representing such shares are surrendered to the corporation or its transfer agent; provided, however, that the corporation shall not be obligated to issue certificates evidencing the shares of common stock issuable upon such conversions unless certificates evidencing such shares of preferred stock so converted are surrendered to the corporation in accordance with the procedures described in Subsection (4)(c) below. Upon the conversion of the preferred stock pursuant to this Subsection (4)(b), the corporation shall promptly send written notice thereof, by registered or certified mail, return receipt requested and postage prepaid, by hand delivery or by overnight delivery, to each holder of record of preferred stock at his or its address then shown on the records of the corporation, which notice shall state that certificates evidencing shares of preferred stock must be surrendered at the office of the corporation (or of its transfer agent for the common stock, if applicable) in the manner described in Subsection (4)(c) below.

(c) Mechanics of Conversion. Before any holder of preferred stock shall be entitled to receive certificates representing the shares of common stock into which shares of preferred stock are converted in accordance with Subsections (4)(a) or (4)(b) above, such holder shall surrender the certificate or certificates for such shares of preferred stock duly endorsed at (or in the case of any lost, mislaid, stolen or destroyed certificate(s) for such shares, deliver an affidavit as to the loss

of such certificate(s), in such form as the corporation may reasonably require, along with such bond as the corporation may reasonably require, to) the office of the corporation or of any transfer agent for the preferred stock, and, in the case of an automatic conversion, shall give written notice to the corporation at such office of the name or names in which such holder wishes the certificate or certificates for shares of common stock to be issued, if different from the name shown on the books and records of the corporation. Said conversion notice shall also contain such representations as may reasonably be required by the corporation to the effect that the shares to be received upon conversion are not being acquired and will not be transferred in any way that might violate the then applicable securities laws. The corporation shall, as soon as practicable thereafter and in no event later than thirty (30) days after the delivery of said certificate, issue and deliver at such office to such holder of preferred stock, or to the nominee or nominees of such holder as provided in such notice, a certificate or certificates for the number of shares of common stock to which such holder shall be entitled as aforesaid. The person or persons entitled to receive the shares of common stock issuable upon a conversion pursuant to Subsections (4) (a) or (4) (b) shall be treated for all purposes as the record holder or holders of such shares of common stock as of the effective date of conversion specified in such section. All certificates issued upon the exercise or occurrence of the conversion shall contain a legend governing restrictions upon such shares imposed by law or agreement of the holder or his or its predecessors.

(d) Adjustment for Subdivisions or Combinations of Common Stock. In the event the corporation at any time or from time to time after the Original Issue Date (as defined below) effects a subdivision or combination of the outstanding common stock into a greater or lesser number of shares without a proportionate and corresponding subdivision or combination of the outstanding preferred stock, then and in each such event the conversion rate shall be increased or decreased proportionally, as appropriate.

(e) No Impairment. Except as provided in Section (6) hereof, the Corporation shall not, by amendment of its Articles of Incorporation or Bylaws 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 shall 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 the preferred stock against impairment.

(f) Notices of Record Date. In the event of any taking by the corporation of a record of the holders of any class of securities, other than preferred stock, for the purpose of determining the holders thereof who are entitled to receive any dividend or other distribution or to receive any other right, the corporation shall mail to each holder of preferred stock, at least twenty (20) days prior to the date specified therein, a notice specifying the date on which any such record is to be taken for the purpose of such dividend, distribution or rights, and the amount and character of such dividend, distribution or rights.

(g) Reservation of Stock Issuable Upon Conversion. The corporation shall at all times reserve and keep available out of its authorized but unissued shares of common stock solely for the purpose of effecting the conversion of the shares of the preferred stock 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 preferred stock; and if at any time the number of authorized but unissued shares of common stock shall be insufficient to effect the conversion of all then outstanding shares of the preferred stock, the corporation shall take such corporate action as may, in the opinion of its counsel, be necessary to increase its authorized but unissued shares of common stock to such number of shares as shall be sufficient for such purpose.

(5) Preemptive Rights. The holders of preferred stock shall have the right of first refusal to purchase its or their pro rata share of any New Securities (as defined in this Section (5)) that the corporation may, from time to time, propose to sell and issue. For the purpose of this Section (5), the pro rata share shall mean as to any holder of preferred stock the percentage of the number of shares of preferred stock owned by such holder of preferred stock to the number of the then issued and outstanding

shares of common stock, the number of the then issued and outstanding shares of common stock being determined as if all of the preferred stock had been converted into common stock. This right shall be subject to the following provisions:

(a) New Securities Defined. "New Securities" shall mean any common stock or preferred stock of the corporation, whether now authorized or not, and rights, options or warrants to purchase said common stock or preferred stock, and securities or any type whatsoever that are, or may become, convertible into said common stock or preferred stock; provided that "New Securities" does not include (A) any shares of common stock issuable upon the conversion of shares of preferred stock; (B) up to 10% of the fully diluted share capital of the corporation on the Original Issue Date; (C) securities offered to the public pursuant to a registration statement under the Federal Securities Act of 1933, as amended; (d) securities issued pursuant to the acquisition by the corporation of any product, technology, know-how or another corporation or entity by merger, purchase of all or substantially all of the assets, or any other reorganization whereby the corporation issues securities having less than fifty percent (50%) of its voting power in such transaction; (E) shares of the common stock or the preferred stock issued in connection with any stock split, stock dividend or recapitalization by the corporation, (F) the sale or issuance of shares of capital stock of the corporation (or rights thereto) to vendors or customers in connection with commercial arrangements, provided that such issuance was approved in advance by a majority of the members of the Board of Directors, and by the director appointed by the holders of preferred stock and (G) the issuance of capital stock of the corporation (or rights thereto) in connection with establishing strategic partnerships and alliances, provided such issuance is approved in advance by a majority of the members of the Board of Directors, and by the director appointed by the holders of the preferred stock.

(b) In the event the corporation proposes to undertake an issuance of New Securities, it shall give the holders of preferred stock written notice of its intention, describing the type of New Securities, the price, the closing date of the offering thereof, and the general terms upon which the corporation proposes to issue the same, and any information concerning the corporation made available to potential purchasers of the New Securities (the "Corporation Notice"). Upon receipt of the Corporation Notice, the

holders of preferred stock shall have the right to elect to purchase its pro rata share of such New Securities as provided in this Section (5), at the price and on the terms stated in the Corporation Notice. Such election is to be made by the holders of preferred stock by giving written notice to the corporation (the "Election Notice") within ten (10) days after receiving the Corporation Notice. The corporation may offer and sell any remaining New Securities not elected to be purchased as evidenced by the Election Notices timely received by the corporation, at a price and upon terms not more favorable than those stated in the Corporation Notice.

(c) Any offer by the corporation of securities in addition to those specified in the Corporation Notice, whether on the same or different terms as are specified therein, shall again require compliance by the corporation with the terms of this Section (5).

(d) The rights granted in this Section (5) shall terminate immediately prior to, and shall not apply to, a Qualified Public Offering.

(6) Protective Provisions

(a) Actions Requiring Majority Approval of Preferred Stock. In addition to any other rights provided by law, so long as any shares of preferred stock are then outstanding, except where the vote or written consent of the holders of a greater number of shares is required by law or by another provision of the Articles of Incorporation of the corporation, without first obtaining the affirmation vote or consent of the holders at least a majority of the total number of shares of the preferred stock outstanding, voting as a separate class, the corporation shall not:

(i) amend or repeal any provision of, or add any provision to, the corporation's Articles of Incorporation or Bylaws, or engage in any other action, that would alter or change the preferences, rights, privileges or powers of, or restrictions provided for the benefit of the preferred stock;

(ii) create or increase, or authorize the creation or increase of the authorized amount of any additional

class or series of shares of stock, unless the same ranks junior to the preferred stock as to redemption and the distribution of assets on the liquidation, dissolution or winding up of the corporation; or create or authorize any obligation or security convertible into shares of common stock or any other class or series of stock, whether voting or non-voting; regardless of whether any such creation, authorization or increase shall be by means of amendment to the Articles of Incorporation, or by merger, consolidation or otherwise;

(iii) increase or decrease the authorized number of shares of the preferred stock;

(iv) purchase, redeem or otherwise acquire for value any shares of any class of its capital stock or cause or permit any employee stock ownership plan, including any Employee Stock Ownership Plan as defined in § 4975(e)(7) of the Internal Revenue Code of 1986, as amended, to purchase shares of any class of its capital stock, except for shares of capital stock pursuant to the provisions of a shareholders agreement among the corporation and all holders of capital stock of the corporation or the redemption of the preferred stock pursuant to Section (8) hereof; and

(v) amend the provisions of this Section (6) (a).

(b) Termination. The rights granted in Section (6) (a) shall terminate immediately upon the consummation of a Qualified Public Offering.

(c) Original Issue Date. Original Issue Date shall mean the date of initial issuance of all the shares of preferred stock.

(d) Qualified Public Offering. Qualified Public Offering shall mean the underwritten offer on a firm commitment basis and sale of common stock to the public with aggregate net proceeds to the corporation of not less than \$10,000,000, prior to underwriters' commissions and expenses.

(7) Liquidation. In the event of a liquidation, dissolution or winding up of the corporation, the assets of the

corporation shall be distributed as follows:

(a) Six and 66/100 Dollars (\$6.66), shall be distributed to the holder of each share of preferred stock ("Preferential Distribution").


(b) All remaining assets shall be distributed to the holders of the common stock, in proportion to the number of shares of common stock owned by each holder.

If, upon any such liquidation, dissolution or winding up of the corporation, the assets distributable among the holders of the shares of preferred stock shall be insufficient to permit the payment in full to such holders of the Preferential Distribution, then the entire assets of the corporation shall be allocated among the holders of the preferred stock in proportion to the number of shares of preferred stock owned by each holder.

(8) Deemed Liquidation. The consolidation or merger of the corporation with or into another entity or entities (excluding any merger effected exclusively for the purpose of changing the domicile of the corporation) and the sale or transfer by the corporation of all or substantially all of its assets (determined on a consolidated basis), or any other fundamental change or reorganization of the corporation shall be deemed to be a liquidation, dissolution and winding up of the corporation, unless, (i) the corporation's record holders of common stock and preferred stock as constituted immediately prior to such acquisition or sale will immediately after such acquisition or sale (by virtue of securities issued as consideration of the corporation's acquisition or sale or otherwise) hold at least 50% of the voting power of the surviving or acquiring entity, and (ii) none of the rights of the holders of the preferred stock to appoint a member of the Board of Directors of the corporation is altered (a "Deemed Liquidation"). Upon such a Deemed Liquidation, the holders of the preferred stock shall be entitled to receive payment of the amounts payable with respect to the preferred stock upon a liquidation, dissolution or winding up of the corporation in accordance with Section (7) hereof, in redemption and cancellation of their shares upon the consummation of any such transaction.

Executed on this 8th day of December, 1999

INTELLISWITCH, INC.

By: 
David R. Dragon, Chairman and
Chief Executive Officer

Attest: 
Roger B. Wozniak III,
President