

Division of Corporations

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Florida Department of State

Division of Corporations

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Katherine Harris, Secretary of State

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BASIC AMENDMENT

APPLIED GENETIC TECHNOLOGIES CORPORATION

Certificate of Status	0
Certified Copy	0
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SECRETARY OF STATE
TALLAHASSEE, FLORIDARESTATED ARTICLES OF INCORPORATION
OF
APPLIED GENETIC TECHNOLOGIES CORPORATIONTo the Department of State
State of Florida

Pursuant to the provisions of the Florida General Corporation Act, APPLIED GENETIC TECHNOLOGIES CORPORATION, a corporation existing under the laws of the State of Florida (the "Corporation"), does hereby amend and restate its Articles of Incorporation.

1. The name of the corporation is APPLIED GENETIC TECHNOLOGIES CORPORATION.

2. The text of the Restated Articles of Incorporation of the Corporation, as amended hereby, is annexed hereto and made a part hereof.

It is hereby certified that:

1. The annexed Restated Articles of Incorporation contains amendments to the Articles of Incorporation of the Corporation requiring shareholder approval.

2. Articles V, VI, VII, VIII and IX of the Articles of Incorporation of the Corporation are hereby amended so as henceforth to read as set forth in the Restated Articles of Incorporation annexed hereto as annexed hereto and made a part hereof.

3. The date of adoption of the aforesaid amendments was July 30, 2001.

4. Only one voting group of shareholders was entitled to vote on the said amendment and restatement.

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

Executed on August 1, 2001.

APPLIED GENETIC TECHNOLOGIES CORPORATION

By: Name: Nicholas Muzyczka
Title: Chief Executive Officer

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RESTATED ARTICLES OF INCORPORATION
OF
APPLIED GENETIC TECHNOLOGIES CORPORATION

ARTICLE I

NAME

The name of this Corporation is Applied Genetic Technologies Corporation.

ARTICLE II

PRINCIPAL OFFICE

The address of the principal office of the Corporation is 9837 S.W. 67th Drive,
Gainesville, FL 32608.

ARTICLE III

DURATION

The period of duration of this Corporation shall be perpetual, commencing on the date
of execution and acknowledgement of these Articles.

ARTICLE IV

PURPOSE

The purpose of this Corporation is to engage in any activities or businesses permitted
under the laws of the United States and under the Florida General Corporation Act including, but no
limited the acquisition of life insurance bonds, debentures, commodities, leaseholds, options, puts
and calls, easements, mortgages, notes, mutual funds, investment trusts, common trust funds, voting
trust certificates, and any class of stock or right to subscribe for stock, including trading on margin.

ARTICLE V

CAPITAL STOCK

The total number of shares of all classes of capital stock which the Corporation has
authority to issue is: Five Million Six Hundred Eighty-Six Thousand Eight Hundred Five
(5,686,805) consisting of (i) Five Million (5,000,000) shares of Common Stock, par value \$0.001 per

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share (the "Common Stock") and (ii) Six Hundred Eighty-Six Thousand Eight Hundred Five (686,805) shares of Preferred Stock, par value \$0.001 per share (the "Preferred Stock").

A. COMMON STOCK

Section 1 Voting Rights

The holders of shares of Common Stock shall be entitled to one vote for each share held with respect to all matters voted on by the stockholders of the Corporation, subject in all cases to Section 4 and Section 6 of Part B of this Article V.

Section 2 Liquidation Rights

Subject to the prior and superior right of the Preferred Stock upon any voluntary or involuntary liquidation, dissolution or winding up of the affairs of the Corporation, the holders of Common Stock shall be entitled to receive that portion of the remaining funds to be distributed. Such funds to be paid to the holders of Common Stock shall be paid to the holders of Common Stock on the basis of the number of shares of Common Stock held by each of them.

Section 3 Dividends

Dividends may be paid on the Common Stock as and when declared by the Board of Directors; provided, however, no such dividends may be declared or paid if dividends are not simultaneously declared and paid on the Preferred Stock.

B. PREFERRED STOCK

The rights, preferences, privileges and restrictions granted to and imposed upon the Preferred Stock are as follows:

Section 1 Designation

Preferred Stock. There is hereby designated a series of Preferred Stock that shall be known as "Series A Preferred Stock". The number of authorized shares constituting such series of Series A Preferred Stock shall be Six Hundred Eighty-Six Thousand Eight Hundred Five (686,805).

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Section 2
Liquidation Rights

(a) Preferred Stock Liquidation Rights.

(i) Liquidation. In the event of any liquidation, dissolution or winding up of the affairs of the Corporation, each holder of shares of Series A Preferred Stock shall be entitled to receive: (A) prior and in preference to any distribution of any of the assets or surplus funds of the Corporation to the holders of Common Stock and any other series or class of stock which is junior to the Series A Preferred Stock by reason of their ownership thereof, US\$8.7361 (subject to adjustment as hereinafter provided), plus accrued dividends which remain unpaid at such time (the "Series A Preference Amount"); and (B) a pro rata share of the distribution of any of the assets or surplus funds remaining after payment in full of the Series A Preference Amount, calculated as if each such holder of Series A Preferred Stock had converted his, her or its shares of Series A Preferred Stock to Common Stock at the Applicable Conversion Price in effect on the date of the distribution (the "Series A Preferred Stock Participation Amount").

(ii) Pro Rata Distribution. If the assets or surplus funds to be distributed to the holders of the Series A Preferred Stock under subparagraph (i) of this Section 2(a) are insufficient to permit the payment to such holders of their full Series A Preference Amount, the assets and surplus funds legally available for distribution shall be distributed to the holders of Series A Preferred Stock (to the extent provided in Section 2(a)(i) hereof) in proportion to the number of shares of Series A Preferred Stock respectively held by them.

(b) Consolidation, Merger, Sale of Assets. Unless waived by the holders of greater than fifty percent (50%) of the then outstanding shares of Series A Preferred Stock, (i) a consolidation, merger, reorganization or similar transaction of the Corporation with or into another corporation, which results in the transfer of fifty percent (50%) or more of the Corporation's voting stock outstanding prior to such transaction, or (ii) a conveyance of all or substantially all of the assets of the Corporation, shall be regarded as a liquidation, dissolution or winding up of the affairs of the Corporation within the meaning of Section 2(a); provided, however, that each holder of Series A Preferred Stock shall have the right to elect the benefits of the provisions of Section 3(d)(vii) hereof in lieu of receiving payment in such voluntary liquidation, dissolution or winding up of the Corporation pursuant to this Section 2.

(c) Series A Preferred Stock Priority. The Series A Preference Amounts to be paid to the holders of the Series A Preferred Stock under this Section 2, shall be paid or set apart for payment in accordance with the provisions of this Section 2 before the payment or setting apart for payment of any amount for, or the distribution of any assets of the Corporation to, the holders of the Common Stock and any other series or class of stock which is junior to the Series A Preferred Stock in connection with such liquidation, dissolution or winding up. If and to the extent the holders of the Series A Preferred Stock are entitled by the terms of these Articles to the Series A Preferred Stock Participation Amount, the holders of Series A Preferred Stock and the holders of Common Stock shall share the remaining assets or surplus funds pro rata as if each holder of Series A Preferred Stock had converted his, her or its shares of Series A Preferred Stock to Common Stock at the Applicable Conversion Price in effect on the date of the distribution.

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Section 3 **Conversion**

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

(a) Right to Convert. Each share of Series A Preferred Stock shall be convertible, without the payment of any additional consideration by the holder thereof, at the option of the holder thereof, at the office of the Corporation or any transfer agent for the Series A Preferred Stock, into such number of fully paid and nonassessable shares of Common Stock as is determined by dividing US\$8.7361 by the Applicable Conversion Price, determined as hereinafter provided, in effect at the time of conversion (the "Conversion Ratio"). Each share of Series A Preferred Stock shall be so convertible at any time after the date of issuance of such share. The price at which shares of Common Stock shall be deliverable upon conversion of the Series A Preferred Stock without the payment of any additional consideration by the holder thereof shall initially be US\$8.7361 (the "Applicable Conversion Price"). Such initial Applicable Conversion Price shall be subject to adjustment, in order to adjust the number of shares of Common Stock into which each series of the Series A Preferred Stock is convertible, as hereinafter provided (as adjusted for stock splits, recombinations, consolidations and the like).

(b) Automatic Conversion. Each share of Series A Preferred Stock shall automatically be converted into shares of Common Stock at the then effective Conversion Ratio upon the closing of a firm commitment underwritten public offering, managed by an underwriter reasonably acceptable to the holders of a majority of the Series A Preferred Stock, pursuant to an effective registration statement under the Securities Act of 1933, as amended, covering the offer and the sale of Common Stock for the account of the Corporation to the public at an aggregate offering price resulting in net cash proceeds to the Corporation as seller of not less than \$20,000,000, at a per share offering price of not less than US\$8.7361 (a "Qualified Offering"). In the event of such an offering, the party or parties entitled to receive the Common Stock issuable upon such conversion of Series A Preferred Stock shall not be deemed to have converted that Series A Preferred Stock until immediately prior to the effective date of the Qualified Offering.

(c) Mechanics of Conversion. No fractional shares of Common Stock shall be issued upon conversion of the Series A Preferred Stock. In lieu of any fractional shares to which the holder would otherwise be entitled, the Corporation shall pay cash equal to such fraction multiplied by the then effective Applicable Conversion Price. Except in the case of a conversion pursuant to Section 3(b), before any holder of Series A Preferred Stock shall be entitled to convert the same into full shares of Common Stock, he, she or it shall surrender the certificate or certificates therefor, duly endorsed, at the office of the Corporation or of any transfer agent for the Series A Preferred Stock, and shall give written notice to the Corporation at such office that he, she or it elects to convert the same. Upon the date of a conversion pursuant to Section 3(b), any party entitled to receive the shares of Common Stock issuable upon such conversion shall be treated for all purposes as the record holder of such shares of Common Stock on such date, whether or not such holder has surrendered the certificate or certificates for such holder's shares of Series A Preferred Stock. A holder surrendering his, her or its certificate or certificates shall notify the Corporation of his, her or its name or the name

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(B) to employees, officers or directors of, or consultants to, the Corporation pursuant to the stock option plan to be adopted by the Corporation, providing for the issuance of up to 137,361 shares of Common Stock, or such other employee stock purchase plans, stock option plans or the like that provide for the issuance of such number of shares of Common Stock as are specified in such plan or plans at such price per share as is specified therein, provided that each such plan is approved by the Board of Directors, including the directors elected by the Holders of Series A Preferred Stock for plans approved on or after August 7, 2001; all of such plans, options and grants shall be collectively referred to as the "Plans";

(C) to financial institutions in connection with commercial or equipment financing arrangements of the Corporation, provided that such issuances or grants are approved by the Board of Directors, including the directors elected by the holders of Series A Preferred Stock;

(D) issued as a dividend on Common Stock; or

(E) issued in connection with strategic business relationships approved by the Board of Directors, including the directors elected by the holders of Series A Preferred Stock.

(ii) No Adjustment of Conversion Price. Subject to the provisions of Section 3(d)(iii)(2) and Section 3(d)(vi) below, no adjustment in the number of shares of Common Stock into which the Series A Preferred Stock is convertible shall be made, by adjustment in the Applicable Conversion Price of the Series A Preferred Stock in respect of the issuance of Additional Shares of Common Stock or otherwise, unless the consideration per share for an Additional Share of Common Stock issued or deemed to be issued by the Corporation is less than the Applicable Conversion Price in effect on the date of, and immediately prior to, the issue of such Additional Share of Common Stock.

(iii) Issue of Securities Deemed Issue of Additional Shares of Common Stock.

(1) Options and Convertible Securities. 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 such Additional Shares of Common Stock shall not be deemed to have been issued unless the consideration per share (determined pursuant to Section 3(d)(v) hereof) of such Additional Shares of Common Stock would be less than the Applicable Conversion Price in effect on the date of and immediately prior to such issue, or such record date, as the case may be, and provided further that in any such case in which Additional Shares of Common Stock are deemed to

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be issued:

(A) no further adjustment in the Applicable 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 in the consideration payable to the Corporation, or decrease in the number of shares of Common Stock issuable, upon the exercise, conversion or exchange thereof, the Applicable 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 reflect such increase or decrease insofar as it affects such Options or the rights of conversion or exchange under such Convertible Securities;

(C) upon the expiration of any such Options or any rights of conversion or exchange under such Convertible Securities which shall not have been exercised, the Applicable 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:

(I) 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 the 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 which were actually converted or exchanged, plus the additional consideration, if any, actually received by the Corporation upon such conversion or exchange, and

(II) 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 3(d)(v) hereof) upon the issue of the Convertible Securities with respect to which such Options were actually exercised;

(D) no readjustment pursuant to clause (B) or (C) above shall have the effect of increasing the Applicable Conversion Price to an amount which exceeds the lower of (i) the Applicable Conversion Price on the original date on which an adjustment was made pursuant to this Section 3(d)(iii)(I), or (ii) the Applicable Conversion Price that would have resulted from any issuance of Additional Shares of Common Stock between such original adjustment date and the date on which a readjustment is made pursuant to clause (B) or (C) above;

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

(F) 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 Applicable Conversion Price that became effective on such record date shall be canceled as of the close of business on such record date, and thereafter the Applicable Conversion Price shall be adjusted pursuant to this Section 3(d)(iii) as of the actual date of their issuance.

(2) Stock Dividends, Stock Distributions and Subdivisions. In the event the Corporation at any time or from time to time after the Original Issue Date shall declare or pay any dividend or make any other distribution on the Common Stock payable in Common Stock, or effect a subdivision of the outstanding shares of Common Stock (by reclassification or otherwise than by payment of a dividend in Common Stock), then and in any such event, Additional Shares of Common Stock shall be deemed to have been issued:

(A) in the case of any such dividend or distribution, immediately after the close of business on the record date for the determination of holders of any class of securities entitled to receive such dividend or distribution, or

(B) in the case of any such subdivision, at the close of business on the date immediately prior to the date upon which such corporate action becomes effective.

If such record date shall have been fixed and such dividend shall not have been paid on the date fixed for the payment thereof, the adjustment previously made in the Applicable Conversion Price which became effective on such record date shall be canceled as of the close of business on such record date, and thereafter the Applicable Conversion Price shall be adjusted pursuant to this Section 3(d)(iii) as of the time of actual payment of such dividend.

(iv) Adjustment of Applicable Conversion Price of Series A Preferred Stock 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 3(d)(iii)(1), but excluding Additional Shares of Common Stock deemed to be issued pursuant to Section 3(d)(iii)(2), which event is dealt with in Section 3(d)(vi) hereof) without consideration or for a consideration per share less than the Applicable Conversion Price in effect on the date of and immediately prior to such issue, then and in such event, such Applicable Conversion Price shall be reduced concurrently with such issue, to a price (calculated to the nearest cent) equal to the product of (1) the Applicable Conversion Price immediately prior to such issuance, multiplied by (2) a fraction the numerator of which is the sum of the number of shares on a fully diluted basis outstanding before the issuance ("x") plus the number of shares on a fully diluted basis which would have been issued in such issuance at the Applicable Conversion Price immediately prior to such issuance ("y") and the denominator of which is the sum of the number of shares on a fully diluted basis outstanding immediately after the issuance ("z"). By way of example:

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$$\frac{x+y}{z} \text{ times Applicable Conversion Price immediately prior to issuance} = \text{Applicable Conversion Price after issuance}$$

(v) Determination of Consideration. For purposes of this Section 3(d), the consideration received by the Corporation for the issue of any Additional Shares of Common Stock shall be computed as follows:

(1) Cash and Property: Such consideration shall:

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

(B) insofar as it consists of property other than cash, be computed at the fair value thereof at the time of such issue, as determined in good faith by the Board of Directors; and

(C) in the event Additional Shares of Common Stock are issued together with other shares of securities or other assets of the Corporation for a single undivided consideration, be the proportion of such consideration so received allocable to such Additional Shares of Common Stock, computed as provided in clauses (A) and (B) above, as determined in good faith by the Board of Directors.

(2) Options 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 3(d)(iii)(1) shall be determined by dividing

(x) 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

(y) 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.

(vi) Adjustment for Stock Dividends, Stock Distributions, Subdivisions, Combinations or Consolidations of Common Stock.

(1) Stock Dividends, Stock Distributions or Subdivisions. In the event the Corporation shall issue Additional Shares of Common Stock pursuant to Section 3(d)(iii)(2) in a stock dividend, other stock distribution or subdivision, the Applicable Conversion Price in effect

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immediately prior to such stock dividend, stock distribution or subdivision shall, concurrently with the effectiveness of such stock dividend, stock distribution or subdivision, be proportionately decreased to adjust equitably for such dividend, distribution or subdivision.

(2) Combinations or Consolidations. In the event the outstanding shares of Common Stock shall be combined or consolidated, by reclassification or otherwise, into a lesser number of shares of Common Stock, the Applicable Conversion Price in effect immediately prior to such combination or consolidation shall, concurrently with the effectiveness of such combination or consolidation, be proportionately increased to adjust equitably for such combination or consolidation.

(vii) Adjustment for Merger or Reorganization, etc. Subject to Section 2(b) of Part II of this Certificate, in case of any consolidation or merger of the Corporation with or into another corporation (in which the Corporation is not the surviving corporation) or the conveyance of all or substantially all of the assets of the Corporation to another corporation (other than to a directly or indirectly wholly-owned subsidiary of the Corporation), or any proposed reorganization or reclassification of the Corporation (except a transaction for which provision for adjustment is otherwise made in this Section 3), each share of Series A Preferred Stock shall hereafter 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 Series A Preferred Stock would have been entitled upon such consolidation, merger, conveyance, reorganization or reclassification; 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 Series A Preferred Stock, to the end that the provisions set forth herein (including provisions with respect to changes in and other adjustments of the Applicable Conversion Price) shall thereafter be applicable, as nearly as reasonably may be, in relation to any shares of stock or other property thereafter deliverable upon the conversion of the Series A Preferred Stock. Unless waived by the holders of a majority of the shares of Series A Preferred Stock, the Corporation shall not effect any such consolidation, merger or sale unless prior to or simultaneously with the consummation thereof the successor corporation or purchaser, as the case may be, shall assume by written instrument the obligation to deliver to the holders of the Series A Preferred Stock such shares of stock, securities or assets (including, without limitation, cash) as, in accordance with the foregoing provisions, each such holder is entitled to receive.

Upon the occurrence of a consolidation or merger 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 (unless upon consummation thereof the holders of voting securities of the Corporation own directly or indirectly a majority of the voting power to elect directors of the consolidated or surviving or acquiring corporation), each holder of Series A Preferred Stock shall have the option of electing treatment of its shares of Series A Preferred Stock under this Section 3(d)(vii) in lieu of Section 2(b) of Part II of this Certificate without giving effect to any rights to waive, notice of which election shall be submitted in writing to the Corporation at its principal offices no later than ten (10) business days before the effective date of such event.

(e) No Impairment. The Corporation will not, by amendment of these Articles or

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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 3 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 Series A Preferred Stock against impairment. Without limiting the generality of the foregoing, before taking any action which would result in any adjustment to the Applicable Conversion Price then in effect below the par value of the Common Stock, the Corporation will take or cause to be taken any and all necessary corporate or other action which may be necessary in order that the Corporation may validly and legally issue fully paid and nonassessable shares of such Common Stock upon receipt of such Applicable Conversion Price as so adjusted. The taking of such corporate or other action shall be a condition precedent to the Corporation's taking the action which would result in such adjustment.

(f) Certificate as to Adjustments. Upon the occurrence of each adjustment or readjustment of the Applicable 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 Series A 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 Series A Preferred Stock, furnish or cause to be furnished to such holder a like certificate setting forth (i) all such adjustments and readjustments theretofore made, (ii) the Applicable Conversion Price at the time in effect, and (iii) the number of shares of Common Stock and the amount, if any, of other property which at such time would be received upon the conversion of Series A 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 which is in the same amount per share as cash dividends paid in previous quarters, if any) or other distribution, the Corporation shall mail to each holder of Series A Preferred Stock at least ten (10) days prior to the date thereof, a notice specifying the date on which any such record is to be taken for the purpose of such dividend or distribution.

(h) Common Stock Reserved. The Corporation shall reserve and at all times keep available out of its authorized but unissued 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, such number of shares of Common Stock as shall from time to time be sufficient to effect conversion of the Series A Preferred Stock and shall amend these Articles to the extent required in order to have sufficient available shares of Common Stock in reserve.

Section 4 Voting Rights

(a) Series A Preferred Stock and Common Stock

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(i) Number of Votes. Except as otherwise required by law or in these Articles, the holders of Series A Preferred Stock and the holders of the Common Stock shall be entitled to notice of any stockholders' meeting and to vote together as a single class of capital stock upon any matter submitted to a stockholder for a vote, on the following basis:

(A) Holders of Common Stock shall have one vote per share; and

(B) Holders of Series A Preferred Stock shall have that number of votes per share as is equal to the number of shares of Common Stock into which each such share of Series A Preferred Stock held by such holder is convertible at the time of such vote.

(ii) Election of Directors. The number of directors on the Board of Directors of the Corporation shall be seven (7). Notwithstanding anything to the contrary in Section 4 (a) (i), the holders of the then outstanding shares of Series A Preferred Stock, voting as a separate class, shall be entitled to elect two (2) directors of the Corporation (provided, however, if the issued and outstanding shares of Series A Preferred Stock constitute less than seventeen percent (17%) of the issued and outstanding capital stock of the Corporation on a fully-diluted, as-converted basis, the holders of Series A Preferred Stock shall only be entitled to elect one (1) director); the holders of the then outstanding shares of Common Stock, voting as a separate class, shall be entitled to elect three (3) directors of the Corporation; and the holders of a majority of the outstanding shares of Series A Preferred Stock voting as a separate class and the holders of a majority of the shares of Common Stock, voting as a separate class, together shall be entitled to elect two (2) directors of the Corporation, both of which shall be independent, outside directors.

At any meeting held for the purpose of electing directors, the presence in person or by proxy of the holders of a majority of the Series A Preferred Stock then outstanding shall constitute a quorum of the Series A Preferred Stock for the election of directors to be elected solely by the holders of Series A Preferred Stock. At any meeting held for the purpose of electing directors, the presence in person or by proxy of the holders of a majority of the Common Stock then outstanding shall constitute a quorum of the Common Stock for the election of directors to be elected solely by the holders of Common Stock. At any meeting held for the purpose of electing directors, the presence in person or by proxy of the holders of a majority of the Series A Preferred Stock (on an as-converted basis) outstanding and the holders of a majority of the Common Stock outstanding shall constitute a quorum of the Series A Preferred Stock and the Common Stock for the election of directors to be elected solely by the holders of Series A Preferred Stock (on an as-converted basis) and the Common Stock. A vacancy in any directorship elected by the holders of Series A Preferred Stock voting as a separate class shall be filled only by vote of the holders of a majority of the shares of Series A Preferred Stock, voting as a single class, a vacancy in any directorship elected by the holders of Common Stock shall be filled only by vote of the holders of a majority of the shares of Common Stock, and a vacancy in the directorship elected by the holders of the Series A Preferred Stock and the Common Stock voting as separate classes, shall be filled only by the vote of the holders of a majority of the shares of the Series A Preferred Stock and the holders of a majority of the shares of Common Stock voting as provided above.

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Section 5
Dividend Rights

No class of stock of any kind shall have greater dividend rights than those pertaining to the Series A Preferred Stock.

Section 6
Covenants

(a) Without limiting the rights of the holders of Series A Preferred Stock to vote as a class, as required by law and the provisions of Section 4 hereof, except as otherwise provided by law, the Corporation shall not, without first obtaining the affirmative vote or written consent of the holders of a majority of the shares of Series A Preferred Stock:

(i) Amend the Corporation's Articles of Incorporation or the Corporation's By-laws in any manner that would alter or change the rights, preferences, privileges or powers of the Series A Preferred Stock so as to affect them adversely;

(ii) Reclassify, authorize or issue, directly or indirectly, any securities of the Corporation;

(iii) Increase or decrease the number of authorized shares of Common Stock or Preferred Stock;

(iv) Apply any of its assets to the redemption, retirement, purchase or other acquisition directly or indirectly, through subsidiaries or otherwise, of any of its securities including, without limitation, any shares of Common Stock, except as provided herein and/or from employees, consultants or directors of the Corporation upon termination of their respective relationship with the Corporation or pursuant to the Corporation's rights of first refusal or rights of repurchase;

(v) Consolidate or merge the Corporation into or with any other corporation, partnership or other entity in which the stockholders of the Corporation immediately after such merger or consolidation hold stock representing less than a majority of the voting power of the outstanding stock of the surviving corporation; acquire the stock or substantially all of the assets of, any other corporation, partnership or other entity; or liquidate, or sell, lease or convey, encumber or otherwise dispose of all or substantially all of the property or business of the Corporation;

(vi) Liquidate or dissolve the Corporation;

(vii) Pay, set aside for payment or declare any dividend or other distribution on any share of Common Stock or any shares of any other class or series of stock except the Series A Preferred Stock and except as otherwise provided in Section 4 hereof;

(viii) Increase or decrease the authorized number of Directors of the Corporation.

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thereupon be entitled to receive payment. If less than all of the shares represented by any such surrendered certificate or certificates are redeemed, the Corporation shall issue a new certificate for the unredeemed shares.

(c) If at the time of any required redemption the funds legally available for such redemption shall be insufficient to redeem the number of shares of Series A Preferred Stock specified in the immediately preceding paragraph, redemptions shall be made pro rata among the holders of such shares of Series A Preferred Stock, to the extent funds are then legally available for such redemptions. Thereafter, as and to the extent legally available funds for the redemption thereof exist from time to time, the Corporation shall redeem additional shares of Series A Preferred Stock, pro rata as among the holders thereof in the manner set forth in the preceding sentence, until all shares of Series A Preferred Stock required by this subparagraph (b) to be redeemed have been redeemed.

(d) The redemption price (the "Series A Preferred Stock Redemption Price") for each share of Series A Preferred Stock redeemed pursuant to this Section 8 shall be equal to the fair market value of a share of Series A Preferred Stock on each Redemption Date, as determined in good faith by the Board of Directors of the Corporation; provided, however, in the event that holders of a majority of the Series A Preferred Stock then outstanding disagree with the Board of Directors' determination of the fair value, then in each such case, if so required by such holders of a majority of the shares of Series A Preferred Stock then outstanding, such fair value shall be determined by an independent investment bank selected by the Corporation and reasonably acceptable to the holders of Series A Preferred Stock, and the determination of such bank shall be final and binding on the Corporation and the holders of the Series A Preferred Stock; provided, further, if an active public market for the securities exists, then the stock shall be valued as follows:

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

If traded on a securities exchange or through The Nasdaq National Market System, the value shall be deemed to be the average of the closing prices of the securities on such exchange over the twenty (20)-day period ending three (3) days prior to the closing of the redemption transaction; or

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 twenty (20)-day period ending three (3) days prior to the closing of the redemption transaction.

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 shareholder's status as an affiliate or former affiliate) shall be to make an appropriate discount from the market value determined as above, to reflect the approximate fair market value thereof, as determined in good faith by the Board of Directors; provided, however, in the event that holders of a majority of the Series A Preferred Stock then outstanding disagree with the Board of Directors' determination of the fair value, then in each such case if so required by such holders of a majority of the shares of Series A Preferred Stock then outstanding, such fair value shall be determined by an independent investment bank and the

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determination of such bank shall be final and binding on the Corporation and the holders of the Series A Preferred Stock.

Section 9
Residual Rights

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

ARTICLE VI

REGISTERED OFFICE; REGISTERED AGENT

The street address of the registered office of the Corporation in the State of Florida is 9837 S.W. 67th Drive, Gainesville, Florida 32608; and the name of the registered agent of the Corporation in the State of Florida at such address is Nicholas Muzyeczka.

ARTICLE VII

INDEMNIFICATION

The Corporation shall have power to indemnify and advance expenses to any person to the full extent permitted from time to time by the Florida General Corporation Act.

The indemnification and advancement of expenses provided by this Article shall not be deemed exclusive of any other rights to which those seeking indemnification or advancement of expenses may be entitled under any By-Law, agreement, vote of stockholders or disinterested directors or otherwise, both as to action in such person's official capacity and as to action in another capacity while holding such office, and shall continue as to a person who has ceased to be a director, officer, employee or agent and shall inure to the benefit of the heirs, executors and administrators of such a person.

ARTICLE VIII

DIRECTORS' LIABILITY

To the fullest extent permitted by the Florida General Corporation Act, as the same exists or may hereafter be amended, a director shall not be liable to the Corporation or its stockholders for monetary damages for breach of fiduciary duty as a director. Notwithstanding the foregoing, if the Florida General Corporation Act is amended to further eliminate or limit the personal liability of directors, then the liability of a director of the Corporation shall be eliminated or limited to the fullest extent permitted by the Florida General Corporation Act, as so amended, without further stockholder action. Any repeal or modification of this Article VIII shall not result in

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any liability for a director with respect to any action or omission occurring prior to such repeal or modification.

ARTICLE IX

BY-LAWS

In furtherance and not in limitation of the powers conferred upon the stockholders by statute, the Board of Directors of the Corporation is expressly authorized to make, alter or repeal the By-Laws of the Corporation, subject to the power of the stockholders to alter or repeal the By-Laws made or altered by the Board of Directors.

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