

FORM PTO-1594  
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U.S. DEPARTMENT OF COMMERCE  
Patent and Trademark Office

101305804

To the Honorable Commissioner of Patents and Trademarks. Please record the attached original documents or copy thereof.

1. Name of conveying party(ies):  
 LTI International, Inc.  
 Individual  Association  
 General Partnership  Limited Partnership  
 Corporation  
 Other  
 Additional name(s) of conveying party(ies) attached?  yes  no

OPR/FINANCE

2. Name and address of receiving party(ies):  
 Name: Locus Telecommunications, Inc.  
 Internal Address: \_\_\_\_\_  
 Street Address: 2160 North Central Road  
 City Fort Lee State NJ Zip 07024  
 Additional name(s) & address(es) attached?  Yes  No

Individual(s) citizenship \_\_\_\_\_  
 Association \_\_\_\_\_  
 General Partnership \_\_\_\_\_  
 Limited Partnership \_\_\_\_\_  
 Corporation-State Delaware  
 Other \_\_\_\_\_

If assignee is not domiciled in the United States, a domestic representative designation is attached:  
 Yes  No  
 (Designations must be a separate document from Assignment)  
 Additional name(s) & address(es) attached?  Yes  No

3. Nature of Conveyance:  
 Assignment  
 Security Agreement  
 Merger  
 Change of Name  
 Other \_\_\_\_\_  
 Execution Date: May 19, 1999

4. Application number(s) or registration number(s):  
 A. Trademark Application No.(s) 75/653,767  
 B. Trademark Registration No.(s) 2,106,257  
 Additional numbers attached?  Yes  No

5. Name and address of party to whom correspondence concerning document should be mailed:  
 Name: JOHN K. KIM  
 Internal Address: \_\_\_\_\_  
 Street Address: P.O. BOX 1477  
 City: EDISON State: NEW JERSEY Zip: 08818

6. Total number of applications and trademarks involved: 2  
 7. Total fee (37 CFR 3.41): ----- \$ 65.00  
 Enclosed  
 Authorized to be charged to deposit account  
 8. Deposit account number: 19-1218  
 (Attach duplicate copy of this page if paying by deposit account)

DO NOT USE THIS SPACE

9. Statement and signature.  
 To the best of my knowledge and belief, the foregoing information is true and correct and any attached copy is a true copy of the original document.  
JOHN K. KIM John K. Kim 2/1/2000  
 Name of Person Signing Signature Date  
 Reg. No. 37,002 Total number of pages comprising cover sheet: 1

Do not detach this portion

Mail documents to be recorded with required cover sheet information to:  
 Commissioner of Patents and Trademarks  
 Box Assignments  
 Washington, D.C. 20231

04/05/2000 TTB11 00000017 131218 2106257  
 FE:481 48.00 CH  
 FE:482 65.00 CH

Public burden reporting for this sample cover sheet is estimated to average about 30 minutes per document to be recorded, including time for reviewing the document and gathering the data needed, and completing and reviewing the sample cover sheet. Send comments regarding this burden estimate to the U.S. Patent and Trademark Office, Office of Information, Systems, PK2-1000C, Washington, D.C. 20231, and to the Office of Management and Budget Paperwork Reduction Project, (0651-0011), Washington, D.C. 20503

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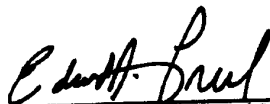
Office of the Secretary of State

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I, EDWARD J. FREEL, SECRETARY OF STATE OF THE STATE OF DELAWARE, DO HEREBY CERTIFY THE ATTACHED IS A TRUE AND CORRECT COPY OF THE RESTATED CERTIFICATE OF "LTI INTERNATIONAL, INC.", CHANGING ITS NAME FROM "LTI INTERNATIONAL, INC." TO "LOCUS TELECOMMUNICATIONS, INC.", FILED IN THIS OFFICE ON THE NINETEENTH DAY OF MAY, A.D. 1999, AT 4:30 O'CLOCK P.M.



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Edward J. Freel, Secretary of State  
0221248  
AUTHENTICATION: 01-27-00  
DATE:

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**AMENDED AND RESTATED  
CERTIFICATE OF INCORPORATION  
OF  
LTI INTERNATIONAL, INC.**

**(Pursuant to Sections 228, 242 and 245 of the General Corporation Law of the State of Delaware)**

The undersigned, acting in their capacities as President and Secretary, respectively, of LTI International, Inc., a corporation organized and existing under the laws of the State of Delaware (the "Corporation"), hereby certify as follows:

**FIRST:** That the name of the Corporation is LTI International, Inc. The Corporation's Certificate of Incorporation was originally filed with the Secretary of State of the State of Delaware on January 14, 1997.

**SECOND:** That the Board of Directors duly adopted resolutions proposing to amend and restate the Certificate of Incorporation, as amended, of the Corporation, and that thereafter, pursuant to such resolutions of the Board of Directors, a consent of stockholders in lieu of meeting was signed by the holders of outstanding stock having not less than the minimum number of votes that would be necessary to authorize or take such action at a meeting at which all shares entitled to vote thereon would have been present and voted.

**THIRD:** That said amendment was duly adopted in accordance with the provisions of Sections 228, 242 and 245 of the General Corporation Law of the State of Delaware (the "GCL").

**FOURTH:** The Certificate of Incorporation, as amended, of the Corporation shall be amended and restated in its entirety as follows:

**ARTICLE I**

The name of the Corporation is Locus Telecommunications, Inc.

**ARTICLE II**

The address of the registered office of the Corporation in the State of Delaware is 1013 Centre Road, Wilmington, New Castle County, Delaware 19801. The name of its registered agent at such address is Corporation Service Company.

**ARTICLE III**

The nature of the Corporation is to engage in any lawful act or activity for which a corporation may be organized under the GCL. The Corporation is to have perpetual existence.

**ARTICLE IV**

The total number of shares of capital stock of all classes which the Corporation shall have authority to issue is Thirty Eight Million (38,000,000) shares of which (a) Eight Million (8,000,000) shares shall be preferred stock, par value \$0.001 per share ("Preferred Stock"), (b) Twenty Five Million (25,000,000) shares shall be common stock, par value \$0.001 per share ("Common Stock"), and (c) Five Million (5,000,000) shares shall be Class A Common Stock, par value \$0.001 per share ("Class A Common Stock").

The Preferred Stock authorized by this Certificate of Incorporation may be issued from time to time in one or more series. Except as otherwise restricted by this Certificate of Incorporation, the Board of Directors is hereby authorized to fix or alter the rights, preferences, privileges and restrictions granted to or imposed upon each series of Preferred Stock, and the number of shares constituting any such series and the designation thereof, or of any of them. Subject to the provisions of this Certificate of Incorporation, the rights, privileges, provisions and restrictions of any series of Preferred Stock (including, without limitation, provisions with respect to liquidation preference, redemption and/or approval of matters by vote or written consent) may be subordinated to, pari passu with, or senior to any of those of any present or future class or series of Preferred Stock or Common Stock. Except as otherwise restricted by this Certificate of Incorporation, the Board of Directors is also authorized to increase or decrease the number of shares of any series, prior or subsequent to the issue of that series, but not below the number of shares of such series then outstanding. In case the number of shares of any series shall be so decreased, the shares constituting such decrease shall resume the status which they had prior to the adoption of the resolution originally fixing the number of shares of such series.

The designations and the powers, preferences and rights, and the qualifications, limitations or restrictions of the shares of each class of stock are as follows:

**A. SERIES A CONVERTIBLE REDEEMABLE PREFERRED STOCK**

1. **Designation.** A total of Four Million (4,000,000) shares of the Corporation's Preferred Stock shall be designated Series A Convertible Redeemable Preferred Stock, \$0.001 par value per share (the "Series A Convertible Preferred Stock").

2. **Dividends.** The holders of Series A Convertible Preferred Stock shall be entitled to receive, out of funds legally available therefor, cumulative dividends on the Series A Convertible Preferred Stock in cash, at the rate per annum of \$0.244762 (the "Convertible Cumulative Dividend"). Such dividends will accumulate commencing as of the date of issuance of a share of the Series A Convertible Preferred Stock and shall be cumulative, to the extent unpaid, whether or not they have been declared and whether or not there are profits, surplus or other funds of the Corporation legally available for the payment of dividends. Convertible Cumulative Dividends shall become due and payable with respect to any share of Series A Convertible Preferred Stock as provided in Sections A.3 and A.4. Notwithstanding anything herein to the contrary, the holders of the Series A Convertible Preferred Stock shall not be entitled to the Convertible Cumulative Dividend (whether or not accrued) upon the closing of a QPO (as such term is defined in Section A.5.(b) below). So long as any shares of Series A

Convertible Preferred Stock are outstanding and the Convertible Cumulative Dividends have not been paid in full in cash: (a) no dividend whatsoever shall be paid or declared, and no distribution, except as permitted under Section A.7(c)(v), shall be made, on any capital stock of the Corporation ranking junior to the Series A Convertible Preferred Stock; and (b) except as permitted by Section A.7(c)(iii)(B), no shares of capital stock of the Corporation ranking junior to the Series A Convertible Preferred Stock shall be purchased, redeemed or acquired by the Corporation and no monies shall be paid into or set aside or made available for a sinking fund for the purchase, redemption or acquisition thereof. After all Convertible Cumulative Dividends accrued and payable as of a particular date have been paid in full, the holders of the Series A Convertible Preferred Stock shall be entitled to share in any additional dividends with the Common Stock on a pro rata basis (as if each share of Series A Convertible Preferred Stock had been converted into a number of shares of Common Stock issuable upon the conversion of each holder's shares of Series A Convertible Preferred Stock).

### 3. Liquidation.

(a) Liquidation Preference. Upon any liquidation, dissolution or winding up of the Corporation and its subsidiaries, whether voluntary or involuntary (a "Liquidation Event") or any Extraordinary Transaction (as defined in Section A.3(d) below), each holder of outstanding shares of Series A Convertible Preferred Stock shall be entitled to be paid first out of the assets of the Corporation available for distribution to stockholders, whether such assets are capital, surplus or earnings, and before any amount shall be paid or distributed to the holders of Common Stock or of any other stock ranking in liquidation junior to the Series A Convertible Preferred Stock (such Common Stock and other stock being referred to as "Junior Stock"), an amount in cash equal to (i) \$2.719578 per share of Series A Convertible Preferred Stock held by such holder (adjusted appropriately for stock splits, stock dividends, recapitalizations and the like with respect to the Series A Convertible Preferred Stock) (the "Convertible Base Liquidation Preference Amount"), plus (ii) the greater of (A) any accumulated but unpaid dividends to which such holder of outstanding shares of Series A Convertible Preferred Stock is then entitled pursuant to Sections A.2 and A.4(d) hereof (plus any interest accrued pursuant to Section A.4(c) to which such holder of Series A Convertible Preferred Stock is entitled) and (B) the amount per share of Series A Convertible Preferred Stock of the remaining assets of the Corporation that would be distributed to the holder thereof on such Liquidation Event or Extraordinary Transaction if the remaining assets of the Corporation available for distribution to stockholders, after payment of the Convertible Base Liquidation Amount, were distributed among the holder of Series A Convertible Preferred Stock and Junior Stock on a pro rata basis (as if each share of Series A Convertible Preferred Stock had been converted into the number of shares of Common Stock issuable upon the conversion of such holder's shares of Series A Convertible Preferred Stock immediately prior to any such Liquidation Event or Extraordinary Transaction) (the amount to be distributed to such holder is referred to as the "Convertible Preferred Liquidation Preference Amount"). If upon the occurrence of a Liquidation Event or an Extraordinary Transaction, the assets and funds thus distributed among the holders of the Series A Convertible Preferred Stock shall be insufficient to permit the payment to such holders the full aforesaid preferential amounts, then the entire assets and funds of the Corporation legally available for distribution shall be distributed ratably among the holders of the Series A Convertible Preferred Stock in proportion to the preferential amount

each such holder is otherwise entitled to receive and no liquidation payments shall be made to the holders of Junior Stock. The provisions of this Section A.3 shall not in any way limit the right of the holders of Series A Convertible Preferred Stock to elect to convert their shares of Series A Convertible Preferred Stock into Redeemable Preferred Stock and Common Stock pursuant to Section A.5 prior to or in connection with any Liquidation Event or Extraordinary Transaction.

(b) Distributions After Liquidation Preference. After all of the distributions described in Section A.3(a) above have been paid, all remaining assets of the Corporation available for distribution to stockholders shall be distributed among the holders of Junior Stock on a pro rata basis.

(c) Notice. Prior to the occurrence of any Liquidation Event or Extraordinary Transaction, the Corporation will furnish each holder of Series A Convertible Preferred Stock notice in accordance with Section A.8 hereof, together with a certificate prepared by the chief financial officer of the Corporation describing in detail the facts of such Liquidation Event or Extraordinary Transaction, stating in detail the amount(s) per share of Series A Convertible Preferred Stock that each holder of Series A Convertible Preferred Stock would receive pursuant to the provisions of Section A.3(a) hereof and stating in detail the facts upon which such amount was determined.

(d) Extraordinary Transactions. For purposes of this Certificate of Incorporation, the following transactions shall be deemed "Extraordinary Transactions:"

- (i) the sale, lease or other disposition of (whether in one transaction or series of related transactions) all or substantially all of the assets or business of the Corporation and its subsidiaries;
- (ii) a merger or consolidation of the Corporation with or into another entity or any other transaction or series of related transactions, in any such case in connection with or as a result of which the owners of the Corporation's outstanding equity securities prior to the transaction or series of related transactions do not own at least a majority of the outstanding equity securities of the surviving, resulting or consolidated entity;
- (iii) any purchase by any party of shares of capital stock of the Corporation (either through a negotiated stock purchase or a tender for such shares), the effect of which is that such party that did not beneficially own a majority of the voting power of the outstanding shares of capital stock of the Corporation immediately prior to such purchase beneficially owns at least a majority of such voting power immediately after such purchase; or
- (iv) the redemption or repurchase of shares representing a majority of the voting power of the outstanding shares of capital stock of the Corporation.

(e) Value of Non-Cash Consideration. If the consideration received by the Corporation or its stockholders in a Liquidation Event or Extraordinary Transaction is

other than cash, such consideration shall be valued at its Fair Market Value. The "Fair Market Value" of any consideration so received shall be determined as follows:

(i) If the consideration is in the form of securities and such securities are traded on a national securities exchange or are listed on the Nasdaq National Market, the Fair Market Value shall be the average of the last reported sale prices of the securities on such exchange or on the Nasdaq National Market on the last thirty (30) trading days (or all such trading days on which such securities have been traded if fewer than 30 trading days) before the date of consummation of the Liquidation Event or Extraordinary Transaction or, if no such sale is made on any such day, the mean of the closing bid and asked prices for such day on such exchange or on the Nasdaq National Market; or

(ii) If the consideration is in the form of securities and such securities are not listed on a national securities exchange or the Nasdaq National Market, the Fair Market Value shall be the average of the mean of the last bid and asked prices reported on the last thirty (30) trading days (or all such trading days on which such securities have been traded if fewer than 30 trading days) before the date of consummation of the Liquidation Event or Extraordinary Transaction on the Nasdaq Stock Market or, if reports are unavailable, by the National Quotation Bureau Incorporated; or

(iii) If the consideration is in the form of securities and such securities are not listed on a national securities exchange or on the Nasdaq National Market, and bid and ask prices are not reported, or if the consideration consists of property other than securities, then the Fair Market Value shall be determined as follows:

(A) The holders of not less than 50% of the voting power of the outstanding Series A Convertible Preferred Stock shall promptly appoint an appraiser and the Corporation shall promptly appoint an appraiser to determine the market value of such consideration. Each holder and the Corporation shall furnish each other with written notice of the name, address, and telephone number of the appraiser selected by such party. The failure of either party to appoint an appraiser within thirty (30) days after the written request of the other party shall constitute a waiver of such party's rights to appoint an appraiser and the determination of the other party's appraiser shall be deemed to be the Fair Market Value, notwithstanding any other provision of this Section A.3(ii).

(B) If the appraisers, as selected above, agree upon the Fair Market Value of such consideration, they shall jointly render a single written report of their opinion thereon. If the appraisers cannot agree upon the Fair Market Value of such consideration, they shall each render a separate written report within thirty (30) days after their respective appointment as an appraiser and shall together, within fifteen (15) days after the end of such thirty-day period, appoint a third appraiser, who shall appraise such consideration, and shall render a written report of his or her opinion thereon. If the two appraisers cannot, within such a fifteen-day period, agree on the appointment of a third appraiser, either

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may petition the President of the American Society of Appraisers to appoint a third appraiser and such person as is appointed by such President shall serve as the third appraiser. The value contained in the aforesaid joint written report or, if none is agreed to, the value contained in the written report of the third appraiser, shall constitute the Fair Market Value of such consideration; provided, however, that if the value of the consideration contained in the appraisal report of the third appraiser is more than the higher of the first two appraisals, the higher of the first two appraisals shall constitute the Fair Market Value; and, provided further, that if the value of such consideration contained in the appraisal report of the third appraiser is less than the lower of the first two appraisals, the lower of the first two appraisals shall constitute the Fair Market Value. Any appraiser making any appraisal pursuant to this paragraph A.3(e) shall, in the case of securities received as consideration, assume an all-cash sale with respect to such securities, shall consider both public and private company valuations, and shall not apply any discount with respect to any restrictions on transfer applicable to such securities, whether arising under contract, federal or state securities laws, or otherwise, or with respect to the fact that such securities may constitute a minority interest in the issuing corporation.

(C) The fees and costs of the appraiser selected by the holders of Series A Convertible Preferred Stock shall be borne pro rata by such holders. The fees and costs of the appraiser appointed by the Corporation shall be borne by the Corporation. The fees and costs of the third appraiser shall be shared equally by the holders of Series A Convertible Preferred Stock, on a pro rata basis, and the Corporation.

4. Redemption.

(a) Redemption Events.

(i) At any time on or after May 20, 2004, the holder or holders of not less than fifty percent (50%) in voting power of the outstanding Series A Convertible Preferred Stock may require the Corporation to redeem the outstanding Series A Convertible Preferred Stock in three installments with the first such installment for thirty-three and one-third percent (33 1/3%) of the then outstanding shares of Series A Convertible Preferred Stock being due and payable on May 20, 2005, the second such installment for fifty percent (50%) of the then outstanding shares of Series A Convertible Preferred Stock being due and payable on May 20, 2006, and the third and final such installment for all remaining outstanding shares of Series A Convertible Preferred Stock being due and payable on May 20, 2007. At any time on or after May 20, 2005, the holder or holders of not less than fifty percent (50%) in voting power of the outstanding Series A Convertible Preferred Stock may require the Corporation to redeem the outstanding Series A Convertible Preferred Stock in two installments with the first such installment for fifty percent (50%) of the then outstanding shares of Series A Convertible Preferred Stock being due and payable on May 20, 2006, and the second such installment for all remaining outstanding shares of Series A Convertible Preferred Stock being due



and payable on May 20, 2007. At any time on or after May 20, 2006, the holder or holders of not less than fifty percent (50%) in voting power of the outstanding Series A Convertible Preferred Stock may require the Corporation to redeem all remaining outstanding shares of Series A Convertible Preferred Stock in one installment with such installment being due and payable on May 20, 2007.

(ii) **Notice.** An election pursuant to subparagraph (i) of this Section A.4(e) shall be made by such holders giving the Corporation and each other holder of Series A Convertible Preferred Stock not less than sixty (60) days written notice prior to the first Convertible Preferred Redemption Date (as defined in Section A.4(b) below).

(b) **Redemption Date, Redemption Price.** Upon the election of the holders of not less than fifty percent (50%) of the voting power of the outstanding Series A Convertible Preferred Stock to cause the Corporation to redeem the Series A Convertible Preferred Stock pursuant to Section A.4(a)(i), all holders of Series A Convertible Preferred Stock shall be deemed to have elected to cause the Series A Convertible Preferred Stock to be so redeemed. Any date upon which a redemption shall occur in accordance with Section A.4(a) shall be referred to as a "Convertible Preferred Redemption Date." The redemption price for each share of Series A Convertible Preferred Stock redeemed pursuant to this Section A.4 (the "Convertible Preferred Redemption Price") shall be an amount in cash equal to the greater of:

(i) the sum of (A) Convertible Base Liquidation Preference Amount and (B) any accumulated but unpaid dividends on such share of Series A Convertible Preferred Stock pursuant to Sections A.2 and A.4(d) hereof, and (C) any interest accrued with respect to such share of Series A Convertible Preferred Stock pursuant to Section A.4(e) to which such holder of Series A Convertible Preferred Stock is entitled, or

(ii) the then current Fair Market Value determined in accordance with Section A.3(e).

The aggregate Convertible Preferred Redemption Price shall be payable in cash in immediately available funds to the respective holders of the Series A Convertible Preferred Stock on the Convertible Preferred Redemption Date, subject to Section A.4(e). Until the full Convertible Preferred Redemption Price has been paid to such holders for all shares of Series A Convertible Preferred Stock sought to be redeemed:

(i) no dividend whatsoever shall be paid or declared, and no distribution shall be made, on any capital stock of the Corporation (other than the Series A Convertible Preferred Stock in accordance with Section A.4(f)); and

(ii) no shares of capital stock of the Corporation shall be purchased, redeemed or acquired by the Corporation and no monies shall be paid into or made available for a sinking fund or as a debt or made available for the purchase, redemption or acquisition thereof, other than the Series A Convertible Preferred Stock in accordance with this Section A.4 and other than Employee Reserved Shares (as defined

in Section A.6(c)(i) if repurchased at the original purchase price paid pursuant to written agreements with officers, employees or directors of, or consultants to, the Corporation.

(c) Redemption Prohibited. If on a Convertible Preferred Redemption Date, the Corporation is prohibited under the General Corporation Law from redeeming all shares of Series A Convertible Preferred Stock for which redemption is required hereunder, then it shall redeem such shares on a pro rata basis among the holders of Series A Convertible Preferred Stock in proportion to the full respective redemption amounts to which they are entitled hereunder to the extent possible and shall redeem the remaining shares to be redeemed as soon as the Corporation is not prohibited from redeeming some or all of such shares under the General Corporation Law, subject to the last paragraph of Section A.7(c). The shares of Series A Convertible Preferred Stock not redeemed shall remain outstanding and be entitled to all of the rights and preferences provided in this Certificate of Incorporation. In the event that the Corporation fails to redeem shares for which redemption is required pursuant to this Section A.4, then during the period from the applicable Convertible Preferred Redemption Date through the date on which such shares are redeemed, the applicable Convertible Preferred Redemption Price of such shares shall bear interest at the per annum rate of 10%, compounded annually; provided, however, that in no event shall such interest exceed the maximum permitted rate of interest under applicable law (the "Maximum Permitted Rate"). In the event that fulfillment of any provision hereof results in such rate of interest being in excess of the Maximum Permitted Rate, the obligation to be fulfilled shall automatically be reduced to eliminate such excess; provided, however, that any subsequent increase in the Maximum Permitted Rate shall be retroactively effective to the applicable Convertible Preferred Redemption Date.

(d) Dividend After Convertible Preferred Redemption Date. From and after a Convertible Preferred Redemption Date, no shares of Series A Convertible Preferred Stock subject to redemption shall be entitled to dividends under Section A.2; provided, however, that in the event that shares of Series A Convertible Preferred Stock are unable to be redeemed and continue to be outstanding in accordance with Section A.4(c), such shares shall continue to be entitled to dividends and interest thereon as provided in Sections A.2 and A.4(e) until the date on which such shares are actually redeemed by the Corporation.

(e) Surrender of Certificates. Upon receipt of the applicable Convertible Preferred Redemption Price by certified check or wire transfer, each holder of shares of Series A Convertible Preferred Stock to be redeemed shall surrender the certificate or certificates representing such shares to the Corporation, duly assigned or endorsed for transfer (or accompanied by duly executed stock powers relating thereto), or, in the event the certificate or certificates are lost, stolen or missing, shall deliver an affidavit or agreement satisfactory to the Corporation to indemnify the Corporation from any loss incurred by it in connection therewith (an "Affidavit of Loss") with respect to such certificates at the principal executive office of the Corporation or the office of the transfer agent for the Series A Convertible Preferred Stock or such office or offices in the continental United States of an agent for redemption as may from time to time be designated by notice to the holders of Series A Convertible Preferred Stock, and each surrendered certificate shall be canceled and retired; provided, however, that if the holder has exercised its redemption right pursuant to Section A.4(a)(i) or the Corporation is prohibited from redeeming all shares of Series A Convertible Preferred Stock as provided in Section A.4(e), the holder shall not be required to surrender said certificate(s) to the Corporation





that the foregoing shall not be construed to provide or require the registration of any shares of Common Stock for sale and (y) for the payment of the Redeemable Liquidation Preference Amount (as defined in Section B.4) in connection with any Liquidation Event or the redemption of the Redeemable Preferred Stock (issued upon such conversion) upon election of such redemption in connection with any Extraordinary Transaction or initial public offering, if applicable, as provided herein.

(d) **Procedure for Automatic Conversion.** As provided in Section A.5(b), as of, and in all cases subject to, the closing of a QPO (the "Automatic Conversion Date"), all outstanding shares of Series A Convertible Preferred Stock shall be converted automatically into shares of Common Stock and Redeemable Preferred Stock at the applicable conversion rates specified in Section A.5(a) and without any further action by the holders of such shares and whether or not the certificates representing such shares of Series A Convertible Preferred Stock are surrendered to the Corporation or its transfer agent; provided, however, that all holders of Series A Convertible Preferred Stock shall be given prior written notice of the occurrence of a QPO in accordance with Section A.8 hereof. The Corporation shall not be obligated to issue certificates evidencing the shares of Redeemable Preferred Stock or Common Stock issuable on the Automatic Conversion Date (or the payment for the shares of Redeemable Preferred Stock which are redeemed immediately after such automatic conversion as provided below and in Section B.5(a)(i)) unless certificates evidencing such shares of the Series A Convertible Preferred Stock being converted, or an Affidavit or Affidavits of Loss with respect to such certificates, are delivered to the Corporation or its transfer agent. On the Automatic Conversion Date, all rights with respect to the Series A Convertible Preferred Stock so converted shall terminate, except any of the rights of the holders thereof upon surrender of their certificate or certificates therefor or delivery of an Affidavit of Loss thereof to receive certificates for the number of shares of Redeemable Preferred Stock and Common Stock into which such Series A Convertible Preferred Stock has been converted or the payment to which such holder is entitled. No accrued and unpaid Convertible Cumulative Dividends shall be payable upon the closing of such QPO. Certificates surrendered for conversion shall be endorsed or accompanied by written instrument or instruments of transfer, in form satisfactory to the Corporation, duly executed by the registered holder or by his or its attorney duly authorized in writing. Upon surrender of such certificates or Affidavit of Loss, the Corporation shall issue and deliver to such holder, promptly (and in any event in such time as is sufficient to enable such holder to participate in such QPO) at such office and in its name as shown on such surrendered certificate or certificates, a certificate or certificates for the number of shares of Common Stock and number of shares of Redeemable Preferred Stock into which the shares of the Series A Convertible Preferred Stock surrendered were convertible on the Automatic Conversion Date. Notwithstanding anything to the contrary set forth in this Section A.5(d), the Corporation may deliver, in lieu of certificates for Redeemable Preferred Stock, a payment in an amount and form determined pursuant to Section B.5(b) hereof on account of the redemption of such Redeemable Preferred Stock, and upon such payment the Redeemable Preferred Stock into which such Series A Convertible Preferred Stock would have been converted shall be deemed to have been issued and redeemed by the Corporation.

(e) The Corporation shall at all times reserve and keep available out of its authorized but unissued shares of Common Stock and Redeemable Preferred Stock solely for the purpose of effecting the conversion of the shares of Series A Convertible Preferred Stock

such number of its shares of Common Stock and Redeemable Preferred Stock as shall from time to time be sufficient to effect the conversion of all outstanding shares of Series A Convertible Preferred Stock; and if at any time the number of authorized but unissued shares of Common Stock and Redeemable Preferred Stock shall not be sufficient to effect the conversion of all then outstanding shares of Series A Convertible Preferred Stock, the Corporation will take such corporate action as may be necessary to increase its authorized but unissued shares of Common Stock and Redeemable Preferred Stock to such number of shares as shall be sufficient for such purpose.

(f) The Corporation shall not allow its books against the transfer of shares of Series A Convertible Preferred Stock in any manner which would interfere with the timely conversion of any shares of Series A Convertible Preferred Stock.

6. **Adjustments.** The initial Conversion Price of the Series A Convertible Preferred Stock shall be subject to adjustment from time to time and such Conversion Price as adjusted shall likewise be subject to further adjustment, all as hereinafter set forth. The term "Conversion Price" shall mean, as of any time, the conversion price of the Series A Convertible Preferred Stock at that time, as specified in Section A.5(a) in case no adjustment shall have been required, or such conversion price as adjusted pursuant to this Section A.6.

(a) **Issuance at Less than Conversion Price.** If at any time the Corporation shall issue any shares of Common Stock or any Convertible Securities, Rights or Related Rights (as herein defined) (such Convertible Securities, Rights or Related Rights being hereinafter referred to collectively as "Securities") without consideration or for a consideration per share of Common Stock (the consideration in each case to be determined in the manner provided in Section A.8(b)(v) and (vi) below) less than the Conversion Price in effect immediately prior to the issuance of such Common Stock or Securities, then the Conversion Price in effect immediately prior to each such issuance shall forthwith be adjusted to a Conversion Price determined by dividing: (x) an amount equal to the sum of (A) the total number of shares of Common Stock (including the number of shares of Common Stock issuable upon conversion of the Series A Convertible Preferred Stock) outstanding immediately prior to such issuance multiplied by the Conversion Price in effect immediately prior to such issuance, plus (B) the consideration, if any, received by the Corporation in connection with such issuance, by (y) the total number of shares of Common Stock (including the number of shares of Common Stock issuable upon conversion of the Series A Convertible Preferred Stock and the number of shares of Common Stock in which any such newly issued Securities are then convertible or issuable upon the exercise of Rights or Related Rights) outstanding immediately after such issuance.

(b) **Issuance of Rights, Convertible Securities and Related Rights.** For the purpose of any adjustment of the Conversion Price pursuant to this Section A.6(b), the following provisions shall be applicable:

(i) In the case of the issuance of options or warrants to purchase or rights to subscribe for Common Stock (collectively, such "Rights"), the aggregate maximum number of shares of Common Stock deliverable upon exercise of

such Rights shall be deemed to have been issued at the time such Rights were issued, for a consideration equal to the consideration (determined in the manner provided in Section A.6(b)(v) and (vi) below), if any, received by the Corporation upon the issuance of such Rights, plus the minimum purchase price provided in such Rights for the Common Stock covered thereby.

(ii) In the case of the issuance of securities which by their terms are convertible into or exchangeable for Common Stock (collectively, "Convertible Securities"; or options or warrants to purchase or rights to subscribe for securities which by their terms are convertible or exchangeable for Common Stock (collectively, "Related Rights"), the aggregate maximum number of shares of Common Stock deliverable upon conversion, exchange or exercise of any such Convertible Securities or such Related Rights shall be deemed to have been issued at the time such Convertible Securities or such Related Rights were issued and for a consideration equal to the consideration received by the Corporation upon issuance of such Convertible Securities or such Related Rights (excluding any cash received on account of accrued interest or accrued dividends), plus the additional consideration, if any, to be received by the Corporation upon the conversion, exchange or exercise of such Convertible Securities or Related Rights (the consideration in each case to be determined in the manner provided in A.6(b)(v) and (vi) below).

(iii) On any change in the number of shares of Common Stock deliverable upon the exercise of such Rights or Related Rights or upon the conversion, exchange or exercise of such Convertible Securities or on any change in the minimum purchase price of such Rights, Related Rights or Convertible Securities other than any change resulting from the antidilution provisions of such Rights, Related Rights or Convertible Securities, the Conversion Price shall forthwith be readjusted to such Conversion Price as would have been in effect had the adjustment that was made upon the issuance of such Rights, Related Rights or Convertible Securities not converted, exchanged or exercised prior to such change been made on the basis of such change, but no further adjustment shall be made for the actual issuance of Common Stock upon the exercise or conversion of any such Right, Related Right or Convertible Security.

(iv) On the expiration of any such Rights, Related Rights or Convertible Securities, the Conversion Price shall forthwith be readjusted to the Conversion Price as would have been obtained had the adjustment made upon the issuance of such Rights or Related Rights or the issuance of any such Convertible Securities been made upon the basis of the issuance of only the number of shares of Common Stock actually issued upon the exercise of such Rights or Related Rights or the conversion, exchange or exercise of any such Convertible Securities.

(v) In the case of the issuance of such Common Stock or Securities for cash, the consideration shall be deemed to be the amount of cash paid therefor.

(vi) In the case of the issuance of such Common Stock or Securities for a consideration in whole or in part other than cash, the consideration other

than cash shall be deemed to be the fair value thereof as determined in good faith by the Board of Directors of the Corporation.

(vii) In the event of any adjustment to the Conversion Price resulting from the issuance of any Securities, no further adjustment shall be made for the actual issuance of Common Stock upon the exercise or conversion of any such Securities.

(c) Excluded Issuances. Anything to the contrary contained in this Section A.6 notwithstanding, no adjustment shall be made in the Conversion Price as a result of or pursuant to the following:

(i) the granting of any Right or Related Right, or the issuance of Common Stock to, officers, employees or directors of, or consultants to, the Corporation, by the Board of Directors of the Corporation pursuant to any agreement, plan or arrangement approved by the Board of Directors of the Corporation; provided that the maximum number of shares of Common Stock or Rights or Related Rights granted or issued may not exceed Two Million Five Hundred Thousand (2,500,000) shares of Common Stock in the aggregate (the "Employee Reserved Shares"), except as otherwise approved by the Board of Directors of the Corporation (including approval by the Series A Convertible Preferred Stock Designee (as defined in Section A.7.7(b));

(ii) a dividend or distribution on the Series A Convertible Preferred Stock;

(iii) the conversion of shares of Series A Convertible Preferred Stock;

(iv) a dividend or other distribution payable in Common Stock or Securities or a transaction described in Section A.6(d);

(v) the granting of any Right or Related Right, or the issuance of any Common Stock, as consideration for the acquisition of another corporation or the purchase of all or substantially all of its assets, if such transaction has been approved by the Board of Directors, including approval by the Series A Convertible Preferred Stock Designee; and

(vi) the granting of any Right or Related Right, or the issuance of any Common Stock, pursuant to any equipment leasing transaction or debt financing from a bank or other financial institution which has been approved by the Board of Directors, including approval by the Series A Convertible Preferred Stock Designee.

(d) Stock Split. If the Corporation shall effect a subdivision of the outstanding Common Stock, the Conversion Price then in effect immediately before such subdivision shall be proportionately decreased so that the number of shares of Common Stock issuable on conversion of each share of such series shall be increased in proportion to such increase of the aggregate of shares of Common Stock outstanding. If the Corporation shall combine the outstanding shares of Common Stock, the Conversion Price then in effect immediately before the combination shall be proportionately increased. If the Corporation shall



make or issue a dividend or other distribution payable in securities, then and in each such event provision shall be made so that the holders of shares of Series A Convertible Preferred Stock shall receive upon conversion thereof in addition to the number of shares of Common Stock receivable thereupon, the amount of securities that they would have received had their Series A Convertible Preferred Stock been converted into Common Stock on the date of such event and had they thereafter, during the period from the date of such event to and including the Conversion Date, retained such securities receivable by them as aforesaid during such period.

(e) Recapitalization. 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 A.6 or Section A.3), provision shall be made so that the holders of the Series A Convertible Preferred Stock shall thereafter be entitled to receive upon conversion the number of shares of stock or other securities or property of the Company, to which a holder of the Common Stock deliverable upon conversion of the Series A Convertible Preferred Stock 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 A.6 with respect to the rights of the holders of the Series A Convertible Preferred Stock after the recapitalization to the end that the provisions of this Section A.6 (including adjustment of the Conversion Price then in effect and the number of shares purchasable upon conversion of the Series A Convertible Preferred Stock) shall be applicable after that event as nearly equivalent as may be practicable.

(f) No Infringement. This 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 A.6 and in the taking of all such action as may be necessary or appropriate in order to protect the rights of the holders of the Series A Convertible Preferred Stock under this Section A.6 against impairment.

(g) Calculations. All calculations under this Section A.6 shall be made to the nearest cent or to the nearest one one-hundredth (1/100) of a share, as the case may be.

(h) Certificate of Adjustment. Upon the occurrence of each adjustment or readjustment pursuant to this Section A.6, 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 Series A Convertible 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 written request at any time of any holder of Series A Convertible Preferred Stock, furnish or cause to be furnished to such holder a like certificate setting forth (i) such adjustments and readjustments, (ii) the Conversion Prices before and after such adjustment or readjustment, and (iii) the number of shares of Common Stock and Redeemable Preferred Stock and the amount, if any, of other property which at the time would be received upon the conversion of such holder's shares of Series A Convertible Preferred Stock.



as a single class, with each share of Series A Convertible Preferred Stock (or Redeemable Preferred Stock, as applicable) entitling the holder thereof to one vote per share of Series A Convertible Preferred Stock held by such holder:

- (i) effect (i) any Extraordinary Transaction or other sale or transfer of all or substantially all of the properties and assets of any subsidiary of the Corporation, (ii) any recapitalization of the Corporation or (iii) any other transaction or series of related transactions in which more than 50% of the voting power of the Corporation is transferred;
- (ii) dissolve, liquidate or wind up its operations;
- (iii) directly or indirectly redeem purchase, or otherwise acquire for consideration any shares of its Common Stock or any other class of its capital stock except for (A) redemption of Series A Convertible Preferred Stock or Redeemable Preferred Stock pursuant to and as provided in this Certificate, and (B) redemption or repurchase of Common Stock constituting Employee Reserved Shares pursuant to an agreement containing vesting and/or repurchase provisions approved by the Board of Directors of the Corporation or the compensation committee thereof;
- (iv) propose or adopt any amendment to this Certificate, any amendment to the Corporation's Certificate of Incorporation or by-laws or propose or adopt any certificate of designations, preferences and rights for another series of the Corporation's capital stock that eliminates, amends or restricts or otherwise adversely affects the right and preferences of the Series A Convertible Preferred Stock or the Redeemable Preferred Stock, or increase the authorized shares of Series A Convertible Preferred Stock or Redeemable Preferred Stock;
- (v) declare or make dividend payments or other distributions on any shares of Common Stock or any other class of the Corporation's capital stock;
- (vi) create or obligate itself to create any class or series of shares having preference over or being on a parity with the Series A Convertible Preferred Stock or the Redeemable Preferred Stock; or
- (vii) increase the size of the Board of Directors to more than five (5) members.

8. Notice.

(a) Liquidation Events, Extraordinary Transactions. In the event (i) the Corporation establishes a record date to determine the holders of any class of securities who are entitled to receive any dividend or other distribution or who are entitled to vote at a meeting (or by written consent) in connection with any of the transactions identified in clause (ii) hereof, or (ii) any Liquidation Event (as defined in Section A.3), any Extraordinary Transaction (as defined in this Section A.3(d)), QPO (as defined in Section A.3) or any other public offering becomes reasonably likely to occur, the Corporation shall mail or cause to be mailed by first



holders of the Redeemable Preferred Stock shall share ratably in any distribution of assets in proportion to the full respective preferential amounts to which they are entitled.

4. Redemption.

(a) Redemption Events.

(i) Immediately upon and as of, and in all cases subject to, the closing of an initial public offering or a QPO and without any notice on the part of the holders thereof, the Corporation shall redeem all (and not less than all) of the outstanding shares of Redeemable Preferred Stock.

(ii) (A) At any time after the later of the first anniversary of the date of the conversion of the Series A Convertible Preferred Stock as set forth in Section A.5 (other than in connection with an Extraordinary Transaction) and May 20, 2005, on any one occasion any holder of Redeemable Preferred Stock may require the Corporation to redeem up to thirty-three percent (33%) of the outstanding shares of Redeemable Preferred Stock held by such holder at such time.

(B) At any time after the later of the second anniversary of the date of the conversion of the Series A Convertible Preferred Stock as set forth in Section A.5 (other than in connection with an Extraordinary Transaction) and May \_\_, 2006, on any one occasion any holder of Redeemable Preferred Stock may require the Corporation to redeem up to sixty-six percent (66%) of the outstanding shares of Redeemable Preferred Stock held by such holder at such time.

(C) At any time after the later of the third anniversary of the date of the conversion of the Series A Convertible Preferred Stock as set forth in Section A.5 (other than in connection with an Extraordinary Transaction) and May \_\_, 2007, on any one occasion any holder of Redeemable Preferred Stock may require the Corporation to redeem up to one hundred percent (100%) of the outstanding shares of Redeemable Preferred Stock held by such holder at such time.

(iii) Upon the election of the holder or holders of not less than fifty percent (50%) of the outstanding Redeemable Preferred Stock, the Corporation shall redeem all (and not less than all, other than pursuant to Section B.4(c) below) of the outstanding shares of Redeemable Preferred Stock upon the occurrence of an Extraordinary Transaction (as defined in Section A.3(d)) or a public offering not constituting a QPO. The foregoing election shall be made by such holders giving the Corporation and each other holder of Redeemable Preferred Stock (or Series A Convertible Preferred Stock, as applicable) not less than sixty (60) days' prior written notice, which notice shall set forth the date for such redemption.

(b) Redemption Date: Redemption Price. Upon the election of the holders of not less than fifty percent (50%) in voting power of the outstanding Redeemable Preferred Stock to cause the Corporation to redeem the Redeemable Preferred Stock pursuant to Section B.4(a)(iii), all holders of Redeemable Preferred Stock shall be deemed to have elected to

cause the Redeemable Preferred Stock subject to such election to be so redeemed. Any date upon which a redemption shall actually occur in accordance with Section B.4(a) shall be referred to as a "Redemption Date." The redemption price for each share of Redeemable Preferred Stock redeemed pursuant to this Section B.4 (the "Redemption Price") shall be the per share Redeemable Base Liquidation Preference Amount. The aggregate Redemption Price shall be payable in cash in immediately available funds on the Redemption Date. Until the aggregate Redemption Price, including any interest thereon, has been paid in cash for all shares of Redeemable Preferred Stock redeemed as of the applicable Redemption Date: (A) no dividend whatsoever shall be paid or declared, and no distribution shall be made, on any capital stock of the Corporation and (B) no shares of capital stock of the Corporation shall be purchased, redeemed or acquired by the Corporation and no monies shall be paid into or made available for a sinking fund or set aside or made available for the purchase, redemption or acquisition thereof, other than the Redeemable Preferred Stock in accordance with this Section B.4 and other than Employee Reserved Shares (as defined in Section A.6(e)(i)) if repurchased at the original purchase price paid pursuant to written agreements with officers, employees or directors of, or consultants to, the Corporation.

(c) **Redemption Prohibited.** If, on a Redemption Date, the Corporation is prohibited under the General Corporation Law from redeeming all shares of Redeemable Preferred Stock for which redemption is required hereunder, then it shall redeem such shares on a pro rata basis among the holders of Redeemable Preferred Stock in proportion to the full respective redemption amounts to which they are entitled hereunder to the extent possible and shall redeem the remaining shares to be redeemed as soon as the Corporation is not prohibited from redeeming some or all of such shares under the General Corporation Law of the State of New York, subject to the last paragraph of Section A.7(c). The shares of Redeemable Preferred Stock not redeemed shall remain outstanding and entitled to all of the rights and preferences provided in this Certificate. In the event that the Corporation fails for any reason to redeem shares for which redemption is triggered pursuant to this Section B.4, including without limitation due to a prohibition of such redemption under the General Corporation Law, then during the period from the applicable Redemption Date through the date on which such shares are redeemed, the applicable Redeemable Base Liquidation Preference Amount of such shares shall bear interest at the rate of ten percent (10%) per annum, with such interest to accrue daily in arrears and to be compounded annually; ~~provided, however,~~ that in no event shall such interest rate exceed the Maximum Permitted Rate.

(d) **Surrender of Certificates.** Upon receipt of the applicable Redemption Price by certified check or wire transfer, each holder of shares of Redeemable Preferred stock to be redeemed shall surrender the certificate or certificates representing such shares to the Corporation, duly assigned or endorsed for transfer (or accompanied by duly executed stock powers relating thereto), or shall deliver an Affidavit of Loss with respect to such certificates at the principal executive office of the Corporation or the office of the transfer agent for the Redeemable Preferred Stock or such office or offices in the continental United States of an agent for redemption as may from time to time be designated by notice to the holders of Redeemable Preferred Stock (or the holders of Series A Convertible Preferred Stock, as applicable), and each surrendered certificate shall be canceled and retired; ~~provided, however,~~ that if the holder has exercised its redemption right pursuant to Section B.4(a)(1)(A), the holder

shall not be required to surrender said certificates) to the Corporation until said holder has received a new stock certificate for those shares of Redeemable Preferred Stock not so redeemed.

#### 5. Voting: Election of Directors.

(a) Voting Generally. Except with respect to (i) the provision of consent or lack thereof, to those actions identified in Section A.7, (ii) the election of the Redeemable Preferred Stock Director Designee pursuant to Section B.3(b), and (iii) the election to redeem the Redeemable Preferred Stock pursuant to Section B.4, the holders of Redeemable Preferred Stock shall not be entitled to vote on any matters except to the extent otherwise required under the General Corporation Law of the State of New York.

(b) Election of Directors. Upon conversion of all of the outstanding shares of Series A Convertible Preferred Stock pursuant to Section A.5 hereof, the holders of outstanding shares of Redeemable Preferred Stock shall, voting together as a separate class, be entitled to elect one (1) director. Such directors shall be the candidates receiving the highest number of affirmative votes (with each holder of Redeemable Preferred Stock entitled to cast one vote for or against each candidate with respect to each share of Redeemable Preferred Stock held by such holder) of the outstanding shares of Redeemable Preferred Stock (the "Redeemable Preferred Stock Director Designee"), with votes cast against such candidates and votes withheld having no legal effect. The election of the Redeemable Preferred Stock Director Designee by the holders of the Redeemable Preferred Stock shall occur (i) at the annual meeting of holders of capital stock (ii) at any special meeting of holders of capital stock, (iii) at any special meeting of holders of Redeemable Preferred Stock called by holders of a majority of the outstanding shares of Redeemable Preferred Stock, or (iv) by the unanimous written consent of holders of the outstanding shares of Redeemable Preferred Stock. Upon conversion of the Series A Convertible Preferred Stock, the Series A Convertible Preferred Stock Director Designee then serving on the Corporation's Board of Directors shall continue in such capacity as the Redeemable Preferred Stock Director Designee. If at any time when any share of Redeemable Preferred Stock is outstanding the Redeemable Preferred Stock Director Designee should cease to be a Director for any reason, the vacancy shall only be filled by the vote or written consent of holders of the outstanding shares of Redeemable Preferred Stock, voting together as a separate class, in the manner and on the basis specified above.

6. Notice. In the event that the Corporation provides or is required to provide notice to any holder of Series A Convertible Preferred Stock or any holder of Common Stock in accordance with the provisions of this Certificate (including the provisions of Section A.9) and/or the Corporation's by-laws, the Corporation shall at the same time provide a copy of any such notice to each holder of outstanding shares of Redeemable Preferred Stock.

7. No Rescission of Redeemable Preferred Stock. No shares or shares of Redeemable Preferred Stock acquired by the Corporation by means of redemption, purchase, conversion or otherwise shall be rescinded, and all such shares shall be canceled, retired and eliminated from the shares which the Corporation shall be authorized to issue.

8. - **Covenants.** So long as any shares of Redeemable Preferred Stock shall be outstanding, the provisions of Section A.7(c) shall apply to all shares of Redeemable Preferred Stock as if such shares were shares of Series A Convertible Preferred Stock.

#### **COMMON STOCK: CLASS A COMMON STOCK**

Except as otherwise expressly set forth herein, the shares of Common Stock and Class A Common Stock shall be identical and entitle the holders thereof to the same rights and privileges. Subject to all of the rights of the Preferred Stock, and except as may be expressly provided with respect to the Preferred Stock herein, by law or by the Board of Directors pursuant to this Article IV:

(a) dividends may be declared and paid or set apart for payment upon Common Stock and Class A Common Stock, on a *pari passu* basis as if a single class, out of any assets or funds of the Corporation legally available for the payment of dividends and may be payable in cash, stock or otherwise;

(b) the holders of Common Stock shall have the exclusive right to vote for the election of directors and on all other matters requiring shareholder action, each share being entitled to one vote and holders of Class A Common Stock shall not be entitled to vote on any matters except and to the extent otherwise required under the OCL;

(c) upon the voluntary or involuntary liquidation, dissolution or winding up of the Corporation, after the payment or provision for payment of all debts and liabilities of the Corporation and all preferential amounts to which the holders of Preferred Stock are entitled with respect to the distribution of assets in liquidation, the net assets of the Corporation shall be distributed pro rata to the holders of Common Stock and Class A Common Stock, on a *pari passu* basis as if a single class, in accordance with their respective rights and interests to the exclusion of the holders of Preferred Stock; and

(d) as of the closing of the Corporation's first public offering of equity securities registered under the Securities Act of 1933, as amended, each outstanding share of Class A Common Stock shall automatically be converted into one share of Common Stock. Upon the occurrence of (i) the issuance of additional shares of Common Stock as a dividend or other distribution to outstanding shares of Common Stock, (ii) a repurchase of outstanding shares of Common Stock into a greater number of shares of Common Stock, or (iii) a combination or reverse stock split of outstanding shares of Common Stock into a smaller number of shares of Common Stock, the applicable conversion ratio shall be adjusted accordingly. Upon conversion, each converted share of Class A Common Stock shall be deemed retired and such shares of Class A Common Stock shall not be returned, and (b) the provisions of this Certificate of Incorporation regarding Class A Common Stock shall have no further force and effect and shall be deemed to be deleted from this Certificate of Incorporation and any other agreements to which the Corporation is a party shall be deemed to refer to the same number of shares of Common Stock. Until presented and surrendered for cancellation following such conversion, each certificate for shares of Class A Common Stock outstanding shall be deemed to represent the number of shares of Common Stock determined in accordance with this paragraph, and upon such presentation and



surrender each holder of a certificate or certificates for such Class A Common Stock shall be entitled to receive a certificate for the appropriate number of shares of Common Stock. The Corporation shall reserve for issuance the number of shares of Common Stock into which all outstanding shares of Class A Common Stock may be converted pursuant to this paragraph.

**ARTICLE V**

The duration of the Corporation is perpetual.


**ARTICLE VI**

The Corporation shall, to the fullest extent permitted by the General Corporation Law, as the same time as may be amended and supplemented from time to time, indemnify any and all persons whom it shall have power to indemnify thereunder from and against any and all of the expenses, liabilities, or other matters referred to therein or covered thereby. The indemnification provided for herein shall not be deemed exclusive of any other rights to which any person may be entitled under any by-law, resolution of shareholders, resolution of directors, agreement or otherwise, as permitted by the General Corporation Law, as to action in any capacity in which such person served at the request of the Corporation.

**ARTICLE VII**

Any action required or permitted by law to be taken at any annual or special meeting of stockholders may be taken without a meeting if a consent or consents in writing, setting forth the action so taken, shall be signed by the holders of the outstanding shares of stock having not less than the minimum number of votes that would be necessary to authorize or take such action at a meeting at which all shares entitled to vote thereon were present and voted and shall be delivered to the Corporation by delivery to its registered office, by hand or by certified mail, return receipt requested or to the Corporation's principal place of business or to the officer of the Corporation having custody of the minute book. Every written consent shall bear the date of signature and no written consent shall be effective unless, within sixty days of the earliest dated consent delivered pursuant to this Article VII, written consents signed by the sufficient number of stockholders entitled to take action are delivered to the Corporation in the manner set forth in this Article VII. Prompt notice of the taking of the corporate action without a meeting by less than unanimous written consent shall be given to those stockholders who have not consented in writing.

IN WITNESS WHEREOF, this Amended and Restated Certificate of Incorporation has been signed by the President and the Secretary of the Corporation this 19 day of May, 1999, and they hereby affirm that the statements made herein are true under the penalties of perjury.

  
\_\_\_\_\_  
Jason Chen, President

  
\_\_\_\_\_  
Jason Chen, Secretary

RECORDED: 02/07/2000

TRADEMARK  
REEL: 002044 FRAME: 0026