

04-08-2002



To the Honorable Assistant Sec
original document(s) or copy(ies),

102047768

id Trademarks: Please record the attached

1. Name of conveying party(ies):
Plassein Packaging Corp.

Individual(s) Association

General Partnership Limited Partnership (Florida)

Corporation-State/Delaware **3-13-02**

Other

Additional name(s) of conveying party(ies) attached?

Yes or No?

2. Name and address of receiving party(ies):
Name: Plassein International Corp.
Street Address 165 River Road, Suite 2
Willington, Connecticut 06279

Individual(s) citizenship

Association

General Partnership

Limited Partnership (Florida)

Corporation (Delaware)

Other

If assignee is not domiciled in the United States, a domestic

Representative designation is attached: Yes or No?
(Designations must be a separate document from Assignment)

Additional name(s) & address(es) attached? Yes or No?

3. Nature of conveyance:

Assignment of Interest Merger

Security Agreement Change of Name

Other

Execution Date: November 14, 2001

4. Application number(s) or registration number(s): Attorney Docket No.: 42931.010100

A. Trademark Application No.(s): 76/319,130;
76/325,424;76/319,137; 76/325,405; 76/333,161

B. Trademark Registration No.(s)

Additional numbers attached? Yes or No?

6. Total number of applications and registrations involved: 5

7. Total fee (37 C.F.R. § 3.41).....\$140.00

Enclosed

Authorized any deficiency to be charged to deposit account

8. Deposit account Number: 50-1792

(Attach duplicate copy of this page if paying by deposit account)

5. Name and address of party to whom correspondence concerning document should be mailed:

Name: Manuel R. Valcarcel, Esq.

Internal Address: _____

Street Address: 1221 Brickell Avenue

City: Miami, State: Florida ZIP: 33131

Telephone No: 305.579.0812

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.

Manuel R. Valcarcel, Esq. 3/12/02

Name of Person Signing Signature Date

Total number of pages including cover sheet(s): 31

OMB No. 0651-0011 (exp. 4/94)

Do not detach this portion

Mail documents to be recorded with required cover sheet information:

Commissioner and Assistant Secretary of Patents and Trademarks
Box Assignments
Washington, D.C. 20231

04/05/2002 TDIAZ1 00000077 76319130

01 FC:481 40.00 OP
02 FC:482 100.00 OP

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 date 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, PK2-10000, Washington, D.C. 20231, and the Office of Management and Budget, Paperwork Reduction Project (0651-0011), Washington, D.C.

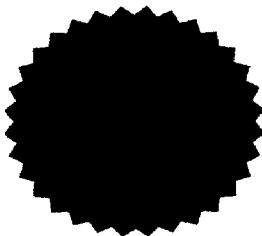
Delaware

PAGE 1

The First State

I, HARRIET SMITH WINDSOR, SECRETARY OF STATE OF THE STATE OF DELAWARE, DO HEREBY CERTIFY THE ATTACHED IS A TRUE AND CORRECT COPY OF THE RESTATED CERTIFICATE OF "PLASSEIN PACKAGING CORP.", CHANGING ITS NAME FROM "PLASSEIN PACKAGING CORP." TO "PLASSEIN INTERNATIONAL CORP.", FILED IN THIS OFFICE ON THE FOURTH DAY OF FEBRUARY, A.D. 2002, AT 9 O'CLOCK A.M.

A FILED COPY OF THIS CERTIFICATE HAS BEEN FORWARDED TO THE NEW CASTLE COUNTY RECORDER OF DEEDS.



Harriet Smith Windsor

Harriet Smith Windsor, Secretary of State

3058288 8100

020075916

AUTHENTICATION: 1598819

DATE: 02-06-02

TRADEMARK

REEL: 002477 FRAME: 0002

RESTATED
CERTIFICATE OF INCORPORATION
OF
PLASSEIN PACKAGING CORP.

PLASSEIN PACKAGING CORP., a Delaware corporation (the "Corporation"), does hereby certify that the Corporation was organized in the State of Delaware on June 18, 1999 under the name Plassein Packaging Corp. and that this Restated Certificate of Incorporation, hereby amends, restates and integrates the provisions of the Corrected Restated Certificate of Incorporation of the Corporation as filed on August 18, 2000 and currently in effect (the "Certificate of Incorporation") in accordance with the provisions of Sections 242 and 245 of the General Corporation Law of the State of Delaware. The text of the Certificate of Incorporation is hereby restated to read in its entirety as follows:

FIRST: The name of the Corporation is Plassein International Corp. (hereinafter, the "Corporation").

SECOND: The address of the registered office of the Corporation in the State of Delaware is 2711 Centerville Road, Suite 400, in the City of Wilmington, County of New Castle 19808. The name of its registered agent at that address is the Corporation Service Company.

THIRD: The purpose of the Corporation is to engage in any lawful act or activity for which a corporation may be organized under the General Corporation Law of the State of Delaware as set forth in Title 8 of the Delaware Code (the "DGCL"). The Corporation will have perpetual existence.

FOURTH: The Corporation shall have authority to issue a total of 150,000,000 shares, consisting of (i) 105,000,000 shares of common stock, \$.001 par value per share (the "Common Stock"), of which 95,000,000 shares shall be Class A Common Stock (the "Class A Common Stock") and 10,000,000 shares shall be Class B Common Stock (the "Class B Common Stock") and (ii) 45,000,000 shares of preferred stock, \$.01 par value per share (the "Preferred Stock"), of which 30,000,000 have been designated Series A Convertible Preferred Stock (the "Series A Convertible Preferred Stock") and 7,000,000 have been designated Series B Convertible Preferred Stock (the "Series B Convertible Preferred Stock"). Article FOURTH hereof contains a description of the Preferred Stock and a statement of the designations and the powers, privileges and rights, and the qualifications, limitations or restrictions thereof.

Common Stock

A. General. The voting, dividend and liquidation rights of the holders of the Common Stock are subject to and qualified by the rights of the holders of the Preferred Stock. For all purposes other than the voting rights set forth in paragraph B and the conversion rights set forth in paragraph F below, the Class A Common Stock and Class B Common Stock shall be

treated as a single class of Common Stock and shall in all respects have the same powers, preferences, rights and qualifications and shall rank *pari passu* with each other.

B. Voting Rights. Each holder of record of Class A Common Stock shall be entitled to one vote for each share of Class A Common Stock standing in such holder's name of the books of the Corporation and each holder of a fraction of a share of Class A Common Stock shall have a corresponding fractional vote on all matters submitted to a vote of the shareholders for each fraction of a share of Class A Common Stock standing in the name of such holder on the books of this Corporation. The holders of Class B Common Stock shall have no voting rights except as otherwise provided herein or by law. Except as otherwise required by law or Article FOURTH of this Certificate of Incorporation, the holders of Common Stock and the holders of Preferred Stock shall vote together as a single class on all matters submitted to stockholders for a vote (including any action by written consent).

C. Dividends. Subject to provisions of law and Article FOURTH of this Certificate of Incorporation, the holders of Common Stock shall be entitled to receive dividends out of funds legally available therefor at such times and in such amounts as the Board of Directors may determine in its sole discretion.

D. Liquidation. Subject to provisions of law and Article FOURTH of this Certificate of Incorporation, upon any liquidation, dissolution or winding up of the Corporation, whether voluntary or involuntary, after the payment or provisions for payment of all debts and liabilities of the Corporation and all preferential amounts to which the holders of the Preferred Stock are entitled with respect to the distribution of assets in liquidation, the holders of Common Stock shall be entitled to share ratably in the remaining assets of the Corporation available for distribution.

E. Reclassification. On the date of filing of this Certificate of Incorporation with the Secretary of State of the State of Delaware, each issued and outstanding share of the Corporation's previously authorized voting common stock, par value \$.01 per share ("Old Common Stock"), shall thereby and thereupon be classified and converted into one validly issued, fully paid and nonassessable share of Class A Common Stock. Each certificate that heretofore represented shares of Old Common Stock shall now represent the number of shares of Class A Common Stock into which the shares of Old Common Stock represented by such certificate were reclassified and converted; provided, however, that each person holding of record a stock certificate or certificates that represented shares of Old Common Stock shall receive, upon surrender of each such certificate or certificate, a new certificate or certificates evidencing and representing the number of shares of Class A Common Stock to which such person is entitled.

F. Conversion of Class B Common Stock.

1. At any time and from time to time, each holder of Class B Common Stock will be entitled to convert any and all of the shares of such holder's Class B Common Stock into the same number of shares of Class A Common Stock at such holder's election (appropriately adjusted to reflect stock splits, reorganizations, consolidations, and similar changes effected after the initial issuance of Class A Common Stock). Notwithstanding any right of conversion of Class B Common Stock provided for above, no such shares of Class B Common Stock originally

issued by the Corporation to a bank holding company or an affiliate of a bank holding company shall be converted into shares of Class A Common Stock by the original holder or any direct or indirect transferee thereof such that immediately after such conversion such person and its affiliates would own more than 4.9% of any class of voting securities of the Corporation, unless such shares are being distributed, disposed of or sold in any one of the following transactions (each a "Conversion Event"):

(a) such shares are being sold in a public offering of such shares registered under the Securities Act of 1933 or a public sale pursuant to Rule 144 of the Securities and Exchange Commission or any similar rule then in force;

(b) such shares are being sold (including by virtue of a merger, consolidation or similar transaction involving the Corporation to a person or group of persons (within the meaning of the Securities Exchange Act of 1934, as amended (the "1934 Act")) if, after such sale, such person or group of persons in the aggregate would own or control securities of the Corporation (excluding any Class A Common Stock converted and disposed of in connection with such Conversion Event) which possess in the aggregate the ordinary voting power to elect a majority of the Corporation's directors;

(c) such shares are being sold to a person or group of persons (within the meaning of the 1934 Act) if, after such sale, such person or group of persons in the aggregate would not own, control or have the right to acquire more than 2.0% of the outstanding securities of any class of voting securities of the Corporation, or

(d) such shares are being sold in any other manner permitted by the Federal Reserve Board.

For purposes of this paragraph, "persons" shall include any natural person and any corporation, partnership, joint venture, trust, unincorporated organization and any other entity or organization and percentages of the Corporation's outstanding voting securities shall include shares issuable upon exercise or conversion of Class B Common Stock and other convertible securities, options, warrants or other similar instruments owned by such bank holding company, its transferees and their respective affiliates, but shall not include shares issuable upon exercise or conversion of convertible securities, options, warrants or other similar instruments owned by any other person.

2. Each conversion of shares of Class B Common Stock into shares of Class A Common Stock will be effected by the surrender of the certificate or certificates representing the shares to be converted at the principal executive office of this Corporation (or such other office or agency of this Corporation as this Corporation may designate by notice in writing to the holder or holders of the Class B Common Stock) at any time during normal business hours, together with a written notice by the holder of such Class B Common Stock stating that such holder desires to convert the shares, or a stated number of the shares, of Class B Common Stock represented by such certificate or certificates into Class A Common Stock and that upon such conversion such holder and its affiliates will not directly or indirectly own, control or have the power to vote a greater quantity of securities of any kind issued by this Corporation than such holder and its affiliates are permitted to own, control or have the power to vote under any applicable law or under any regulation, rule or other requirement of any governmental authority

(and such statement will obligate this Corporation to issue such Class A Common Stock). Such conversion will be deemed to have been effected as of the close of business on the date on which such certificate or certificates have been surrendered and such written notice has been received, and at such time the rights of the holder of the converted Class B Common Stock as such holder will cease and the person or persons in whose name or names the certificate or certificates for shares of Class A Common Stock are to be issued upon such conversion will be deemed to have become the holder or holders of record of the shares of Class A Common Stock represented thereby.

3. Promptly after such surrender and the receipt of such written notice, this Corporation will issue and deliver in accordance with the surrendering holder's instructions (i) the certificate or certificates for the Class A Common Stock issuable upon such conversion and (ii) a certificate representing any Class B Common Stock which was represented by the certificate or certificates delivered to this Corporation in connection with such conversion but which was not converted.

4. In the case of, and as a condition to, any capital reorganization of, or any reclassification of the capital stock of, this Corporation (other than a subdivision or combination of shares of any class of Common Stock into a greater or lesser number of shares (whether with or without par value) or a change in the par value of any class of Common Stock or from par value to no par value, or from no par value to par value) or in the case of, and as condition to, the consolidation or merger of this Corporation with or into another corporation (other than a merger in which this Corporation is the surviving corporation and which does not result in any reclassification of outstanding shares of Common Stock), each share of Class B Common Stock shall be reclassified so as to be convertible into the number of shares of stock or other securities or property receivable with respect to merger by the holders of the Class A Common Stock and, in any such case, appropriate adjustment shall be made in the application of the provisions set forth in this paragraph 4 with respect to the rights and interests thereafter of the holders of Class B Common Stock to the end that the provisions set forth in this paragraph 4 (including provisions with respect to the conversion rate) shall thereafter be applicable, as nearly as reasonably may be, in relation to any shares of stock or other securities or property thereafter deliverable upon the conversion of the shares of Class B Common Stock.

5. Shares of Class B Common Stock which are converted into shares of Class A Common Stock as provided herein shall not be reissued.

6. This Corporation will at all times reserve and keep available out of its authorized but unissued shares of Class A Common Stock, solely for the purpose of issue upon the conversion of the Class B Common Stock as provided in this paragraph (D), such number of shares of Class A Common Stock as shall then be issuable upon the conversion of all then outstanding shares of Class B Common Stock (assuming that all such shares of Class B Common Stock are held by persons entitled to convert such shares into Class A Common Stock).

7. The issuance of certificates for Class A Common Stock upon conversion of Class B Common Stock will be made without charge to the holders of such shares for any issuance tax in respect thereof or other cost incurred by this Corporation in connection with such conversion and the related issuance of Class A Common Stock. This Corporation will not close its books against the transfer of Class B Common Stock or of Class A Common Stock issued or

issuable upon conversion of Class B Common Stock in any manner which would interfere with the timely conversion of Class B Common Stock.

Preferred Stock

A. General.

1. Issuance of Preferred Stock in Classes or Series. The Preferred Stock of the Corporation may be issued in one or more classes or series at such time or times and for such consideration as the Board of Directors of the Corporation may determine. Each class or series shall be so designated as to distinguish the shares thereof from the shares of all other classes and series. Except as to the relative designations, preferences, powers, qualifications, rights and privileges referred to in this Article FOURTH, in respect of any or all of which there may be variations between different classes or series of Preferred Stock, all shares of Preferred Stock shall be identical. Different series of Preferred Stock shall not be construed to constitute different classes of shares for the purpose of voting by classes unless otherwise specifically set forth herein.

2. Authority to Establish Variations Between Classes or Series of Preferred Stock. The Board of Directors of the Corporation is expressly authorized, subject to the limitations prescribed by law and the provisions of this Certificate of Incorporation, to provide, by adopting a resolution or resolutions, for the issuance of the undesignated Preferred Stock in one or more classes or series, each with such designations, preferences, voting powers, qualifications, special or relative rights and privileges as shall be stated in a Certificate of Amendment to the Certificate of Incorporation, which shall be filed in accordance with the DGCL, and the resolutions of the Board of Directors creating such class or series. The authority of the Board of Directors with respect to each such class or series shall include, without limitation of the foregoing, the right to determine and fix:

(a) the distinctive designation of such class or series and the number of shares to constitute such class or series;

(b) the rate at which dividends on the shares of such class or series shall be declared and paid, or set aside for payment, whether dividends at the rate so determined shall be cumulative or accruing, and whether the shares of such class or series shall be entitled to any participating or other dividends in addition to dividends at the rate so determined, and if so, on what terms;

(c) the right or obligation, if any, of the Corporation to redeem shares of the particular class or series of Preferred Stock and, if redeemable, the price, terms and manner of such redemption;

(d) the special and relative rights and preferences, if any, and the amount or amounts per share, which the shares of such class or series of Preferred Stock shall be entitled to receive upon any voluntary or involuntary liquidation, dissolution or winding up of the Corporation;

(e) the terms and conditions, if any, upon which shares of such class or series shall be convertible into, or exchangeable for, shares of capital stock of any other class or series, including the price or prices or the rate or rates of conversion or exchange and the terms of adjustment, if any;

(f) the obligation, if any, of the Corporation to retire, redeem or purchase shares of such class or series pursuant to a sinking fund or fund of a similar nature or otherwise, and the terms and conditions of such obligation;

(g) voting rights, if any, including special voting rights with respect to the election of directors and matters adversely affecting any class or series of Preferred Stock;

(h) limitations, if any, on the issuance of additional shares of such class or series or any shares of any other class or series of Preferred Stock; and

(i) such other preferences, powers, qualifications, special or relative rights and privileges thereof as the Board of Directors of the Corporation, acting in accordance with this Certificate of Incorporation, may deem advisable and are not inconsistent with law and the provisions of this Certificate of Incorporation.

B. Description and Designation of Series A Convertible Preferred Stock. Exhibit A hereto sets forth the rights, terms and privileges of the Series A Convertible Preferred Stock and is made a part hereof.

C. Description and Designation of Series B Convertible Preferred Stock. Exhibit B hereto sets forth the rights, terms and privileges of the Series B Convertible Preferred Stock and is made a part hereof.

FIFTH: In furtherance and not in limitation of the powers conferred by the laws of Delaware, each of the Board of Directors and stockholders is expressly authorized and empowered to make, alter, adopt, amend and repeal any provision of the Bylaws of the Corporation in any respect not inconsistent with the laws of the State of Delaware or with this Certificate of Incorporation. The stockholders of the Corporation may amend or adopt a bylaw that fixes a greater quorum or voting requirement for stockholders (or voting groups of stockholders) than is required by law.

SIXTH: Meetings of stockholders may be held within or without the State of Delaware, as the Bylaws may provide. The books of the Corporation may be kept (subject to any provision contained in the DGCL) outside the State of Delaware at such place or places as may be designated from time to time by the Board of Directors or in the Bylaws of the Corporation.

SEVENTH: The Corporation shall indemnify its directors and officers to the fullest extent authorized or permitted by law, as now or hereafter in effect, and such right to indemnification shall continue as to a person who has ceased to be a director or officer of the Corporation and shall inure to the benefit of his or her heirs, executors and personal and legal representatives; provided, however, that, except for proceedings to enforce rights to indemnification, the Corporation shall not be obligated to indemnify any director or officer (or

his or her heirs, executors or personal or legal representatives) in connection with a proceeding (or part thereof) initiated by such person unless such proceeding (or part thereof) was authorized or consented to by the Board of Directors. The right to indemnification conferred by this Article SEVENTH shall include the right to be paid by the Corporation the expenses incurred in defending or otherwise participating in any proceeding in advance of its final disposition only upon the Corporation's receipt of an undertaking by or on behalf of the director or officer to repay such amounts if it shall be ultimately determined that he or she is not entitled to be indemnified by the Corporation as authorized in this Article SEVENTH.

The Corporation may, to the extent authorized from time to time by the Board of Directors, provide rights to indemnification and to the advancement of expenses to employees and agents of the Corporation similar to those conferred in this Article SEVENTH to directors and officers of the Corporation.

The rights to indemnification and to the advance of expenses conferred in this Article SEVENTH shall not be exclusive of any other right which any person may have or hereafter acquire under this Certificate of Incorporation, the Bylaws of the Corporation, any statute, agreement, vote of stockholders or disinterested directors or otherwise.

Any repeal or modification of this Article SEVENTH shall not adversely affect any rights to indemnification and to the advancement of expenses of a director or officer of the Corporation existing at the time of such repeal or modification with respect to any acts or omissions occurring prior to such repeal or modification.

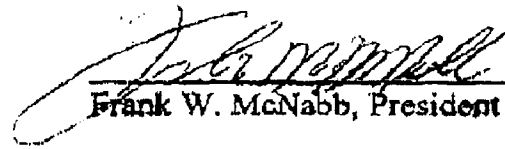
EIGHTH: No director shall be personally liable to the Corporation or any of its stockholders for monetary damages for breach of fiduciary duty as a director, except to the extent such exemption from liability or limitation thereto is not permitted under the DGCL as the same exists or may hereafter be amended. If the DGCL is amended hereafter to authorize the further elimination or limitation of the liability of directors, then the liability of a director of the Corporation shall be eliminated or limited to the fullest extent authorized by the DGCL, as so amended. Any repeal or modification of this Article EIGHTH shall not adversely affect any right or protection of a director of the Corporation existing at the time of such repeal or modification with respect to acts or omissions occurring prior to such repeal or modification.

NINTH: The Corporation reserves the right to amend, alter, change or repeal any provision contained in this Certificate of Incorporation, or any amendment thereto, in the manner now or hereafter conferred by statute, and any right conferred upon the stockholders is subject to this reservation.

TENTH: The Board of Directors of the Corporation shall consist of at least one director with the exact number to be fixed from time to time in the manner provided in the Corporation's Bylaws.

ELEVENTH: The number of authorized shares of Common Stock may be increased or decreased (but not below the number of shares of Common Stock then outstanding) by an affirmative vote of the holders of a majority of the outstanding shares of stock of the Corporation.

IN WITNESS WHEREOF, the Corporation has caused this Restated Certificate of Incorporation to be executed in its corporate name this 4th day of November, 2001.



Frank W. McNabb, President and Chief Executive Officer

**PLASSEIN INTERNATIONAL CORP.
SERIES A CONVERTIBLE PREFERRED STOCK
CERTIFICATE OF DESIGNATIONS**

The Corporation's Series A Convertible Preferred Stock shall have the following rights, terms and privileges:

1. Designation. A total of 30,000,000 shares of the Corporation's Preferred Stock shall be designated as "Series A Convertible Preferred Stock." As used herein, the term "Preferred Stock" used without references to the Series A Convertible Preferred Stock means the shares of Series A Convertible Preferred Stock and the shares of each series of authorized Preferred Stock of the Corporation issued and designated from time to time by a resolution or resolutions of the Board of Directors, share for share alike and without distinction as to class or series, except as otherwise expressly provided for in this Certificate of Designations or as the context otherwise requires.

2. Dividends. (a) Commencing on the date of issuance, the holders of record of shares of the Series A Convertible Preferred Stock shall be entitled to receive preferential cash dividends, which shall be payable when, as and if declared by the Board of Directors out of assets which are legally available for the payment of such dividends, accruing at an annual rate equal to \$0.10 per share of Series A Convertible Preferred Stock (which amount shall be subject to equitable adjustment whenever there shall occur after the date of issuance a stock dividend, stock split, combination, reorganization, recapitalization, reclassification or other similar event involving the Series A Convertible Preferred Stock). No dividends shall be paid or declared, and no other distribution shall be made, on or with respect to the Common Stock of the Corporation as long as there are shares of Series A Convertible Preferred Stock issued and outstanding.

(b) Accrual of Dividends. Dividends shall be cumulative, without compounding, and shall accrue daily on each share of Series A Convertible Preferred Stock from the date of issue thereof. Dividends payable on the Series A Convertible Preferred Stock for any period less than a full year shall be computed on the basis of the actual number of days elapsed and a 365-day year. Dividends on the Series A Convertible Preferred Stock shall accrue whether or not the Corporation has earnings or profits, whether or not there are funds legally available for the payment of such dividends and whether or not dividends are declared. The Corporation shall take all actions required to be permitted under Delaware law to permit the payment of dividends on the Series A Convertible Preferred Stock. Upon the conversion of the Series A Convertible Preferred Stock into Class A Common Stock of the Corporation, all cumulative dividends with respect to such converted shares shall be cancelled.

3. Liquidation, Dissolution or Winding Up.

(a) Treatment at Sale, Liquidation, Dissolution or Winding Up. In the event of any liquidation, dissolution or winding up of the Corporation, whether voluntary or involuntary, before any distribution or payment is made to any holders of any shares of Common Stock, Series B Convertible Preferred Stock or any other class or series of capital stock of the Corporation designated to be junior to the Series A Convertible Preferred Stock, and subject to the liquidation rights and preferences of any class or series of Preferred Stock designated to be senior to, or on a parity with, the Series A Convertible Preferred Stock, the holders of 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 holders of the Corporation's capital stock whether such assets are capital, surplus or earnings, an amount equal to \$1.00 per share of Series A Convertible Preferred Stock (which amount shall be subject to equitable adjustment whenever there shall occur a stock dividend, stock split, combination, reorganization, recapitalization, reclassification or other similar event involving the Series A Convertible Preferred Stock) plus any dividends accrued or declared but unpaid on such shares (such amount, as so determined, is referred to herein as the "Series A Liquidation Value" with respect to such shares).

(b) Insufficient Funds. If upon such liquidation, dissolution or winding up the assets or surplus funds of the Corporation to be distributed to the holders of shares of Series A Convertible Preferred Stock and any other then-outstanding shares of the Corporation's capital stock ranking on a parity with respect to payment on liquidation with the Series A Convertible Preferred Stock (such shares being referred to herein as the "Series A Parity Stock") shall be insufficient to permit payment to such respective holders of the full Series A Liquidation Value and all other preferential amounts payable with respect to the Series A Convertible Preferred Stock and such Series A Parity Stock, then the assets available for payment or distribution to such holders shall be allocated among the holders of the Series A Convertible Preferred Stock and such Series A Parity Stock, pro rata, in proportion to the full respective preferential amounts to which the Series A Convertible Preferred Stock and such Series A Parity Stock are each entitled.

(c) Distributions of Property. Whenever the distribution provided for in this Section 3 shall be payable in property other than cash, the value of such distribution shall be the fair market value of such property as determined in good faith by the Board of Directors, unless the holders of 50% or more of the then outstanding shares of Series A Convertible Preferred Stock request, in writing, that an independent appraiser perform such valuation, then by an independent appraiser selected by the Board of Directors and reasonably acceptable to the holders of 50% or more of the then outstanding shares of Series A Convertible Preferred Stock.

4. Voting Power.

(a) General. Except as otherwise expressly provided in Section 8 hereof or as otherwise required by law, each holder of Series A Convertible Preferred Stock shall be entitled to vote on all matters and shall be entitled to that number of votes equal to the number of whole shares of Class A Common Stock into which such holder's respective shares of Series

A Convertible Preferred Stock could then be converted, pursuant to the provisions of Section 5 hereof, at the record date for the determination of stockholders entitled to vote on such matter or, if no such record date is established, at the date such vote is taken or any written consent of stockholders is solicited. Except as otherwise expressly provided in Section 8 hereof or as otherwise required by law, the holders of shares of Preferred Stock and Common Stock shall vote together as a single class on all matters.

5. Conversion Rights. The holders of the Series A Convertible Preferred Stock shall have the following rights with respect to the conversion of such shares into shares of Common Stock:

(a) General. Subject to and in compliance with the provisions of this Section 5, any or all shares of the Series A Convertible Preferred Stock may, at the option of the holder thereof, be converted at any time into fully-paid and non-assessable shares of Class A Common Stock. The number of shares of Class A Common Stock to which a holder of Series A Convertible Preferred Stock shall be entitled to receive upon conversion shall be the product obtained by multiplying the Series A Applicable Conversion Rate (determined as provided in Section 5(b)) by the number of shares of Series A Convertible Preferred Stock being converted at any time.

(b) Applicable Conversion Rate. The conversion rate in effect at any time for the Series A Convertible Preferred Stock (the "Series A Applicable Conversion Rate") shall be the quotient obtained by dividing \$0.66 by the Series A Applicable Conversion Value, as defined in Section 5(c). Initially, the Series A Applicable Conversion Rate shall be one (1), and each share of Series A Convertible Preferred Stock shall initially be convertible into one (1) share of Class A Common Stock.

(c) Applicable Conversion Value. The Series A Applicable Conversion Value in effect from time to time, except as adjusted in accordance with Section 5(d) hereof, shall be \$0.66 with respect to the Series A Convertible Preferred Stock (the "Series A Applicable Conversion Value").

(d) Adjustment to Series A Applicable Conversion Value.

(i) (A) Effect on Series A Applicable Conversion Value Upon Dilutive Issuances of Common Stock or Convertible Securities. If the Corporation shall, while there are any shares of Series A Convertible Preferred Stock outstanding, issue or sell shares of its Common Stock (or Common Stock Equivalents, as defined below) without consideration or at a price per share less than the Series A Applicable Conversion Value in effect immediately prior to such issuance or sale, then and in such event, such Series A Applicable Conversion Value upon each such issuance or sale, except as hereinafter provided, shall be reduced, concurrently with such issue, to a price (calculated to the nearest cent) determined by multiplying the Series A Applicable Conversion Value in effect immediately prior to such calculation by a fraction:

(1) the numerator of which shall be (a) the number of shares of Common Stock outstanding immediately prior to the issuance of such additional shares of Common Stock or Common Stock Equivalents (calculated on a fully diluted basis assuming the exercise or conversion of all then exercisable options, warrants, purchase rights or convertible securities), plus (b) the number of shares of Common Stock which the net aggregate consideration, if any, received by the Corporation for the total number of such additional shares of Common Stock or Common Stock Equivalents so issued would purchase at the Series A Applicable Conversion Value in effect immediately prior to such issuance, and

(2) the denominator of which shall be (a) the number of shares of Common Stock outstanding immediately prior to the issuance of such additional shares of Common Stock or Common Stock Equivalents (calculated on a fully diluted basis assuming the exercise or conversion of all then exercisable options, warrants, purchase rights or convertible securities), plus (b) the number of such additional shares of Common Stock or Common Stock Equivalents so issued.

The provisions of this Section 5(d)(i)(A) may be waived in any instance (without the necessity of convening any meeting of stockholders of the Corporation) upon the written consent of the holders of at least 66.66% of the outstanding shares of Series A Convertible Preferred Stock.

(i) (B) Effect on Series A Applicable Conversion Value Upon Other Dilutive Issuances of Warrants, Options and Purchase Rights to Common Stock or Convertible Securities.

(1) For the purposes of this Section 5(d)(i), the issuance of any warrants, options, subscription or purchase rights with respect to shares of Common Stock and the issuance of any securities convertible into or exchangeable for shares of Common Stock, or the issuance of any warrants, options, subscription or purchase rights with respect to such convertible or exchangeable securities (collectively, "Common Stock Equivalents"), shall be deemed an issuance of Common Stock with respect to the Series A Convertible Preferred Stock if the Net Consideration Per Share (as hereinafter determined) which may be received by the Corporation for such Common Stock Equivalents shall be less than the Series A Applicable Conversion Value in effect at the time of such issuance. Any obligation, agreement or undertaking to issue Common Stock Equivalents at any time in the future shall be deemed to be an issuance at the time such obligation, agreement or undertaking is made or arises. No adjustment of the Series A Applicable Conversion Value shall be made under this Section 5(d)(i) upon the issuance of any shares of Common Stock which are issued pursuant to the exercise, conversion or exchange of any Common Stock Equivalents if any adjustment shall previously have been made upon the issuance of any such Common Stock Equivalents as above provided.

(2) Should the Net Consideration Per Share of any such Common Stock Equivalents be decreased from time to time, then, upon the

effectiveness of each such change, the Series A Applicable Conversion Value will be that which would have been obtained (1) had the adjustments made upon the issuance of such Common Stock Equivalents been made upon the basis of the actual Net Consideration Per Share of such securities, and (2) had adjustments made to the Series A Applicable Conversion Value since the date of issuance of such Common Stock Equivalents been made to such Series A Applicable Conversion Value as adjusted pursuant to (1) above. Any adjustment of the Series A Applicable Conversion Value with respect to this paragraph which relates to Common Stock Equivalents shall be disregarded if, as, and when all of such Common Stock Equivalents expire or are cancelled without being exercised, so that the Series A Applicable Conversion Value effective immediately upon such cancellation or expiration shall be equal to the Series A Applicable Conversion Value in effect at the time of the issuance of the expired or cancelled Common Stock Equivalents, with such additional adjustments as would have been made to the Series A Applicable Conversion Value had the expired or cancelled Common Stock Equivalents not been issued.

(3) For purposes of this paragraph, the "Net Consideration Per Share" which may be received by the Corporation shall be determined as follows:

(a) The "Net Consideration Per Share" shall mean the amount equal to the total amount of consideration, if any, received by the Corporation for the issuance of such Common Stock Equivalents, plus the minimum amount of consideration, if any, payable to the Corporation upon exercise, or conversion or exchange thereof, divided by the aggregate number of shares of Common Stock that would be issued if all such Common Stock Equivalents were exercised, exchanged or converted.

(b) The "Net Consideration Per Share" which may be received by the Corporation shall be determined in each instance as of the date of issuance of Common Stock Equivalents without giving effect to any possible future upward price adjustments or rate adjustments which may be applicable with respect to such Common Stock Equivalents.

(i) (C) Stock Dividends for Holders of Capital Stock Other Than Common Stock. In the event that the Corporation shall make or issue, or shall fix a record date for the determination of holders of any capital stock of the Corporation other than holders of Common Stock entitled to receive a dividend or other distribution payable in Common Stock or securities of the Corporation convertible into or otherwise exchangeable for the Common Stock of the Corporation, then such Common Stock or other securities issued in payment of such dividend shall be deemed to have been issued for a consideration of \$.01, except for (i) dividends payable in shares of Common Stock payable pro rata to holders of Series A Convertible Preferred Stock and to holders of any other class of stock (whether or not paid to holders of any other class of stock), or (ii) with respect to the Series A Convertible Preferred Stock, dividends payable in shares of Series A Convertible Preferred Stock

(i) (D) Consideration Other than Cash. For purposes of this Section 5(d)(i), if a part or all of the consideration received by the Corporation in connection with the issuance of shares of the Common Stock or the issuance of any of the securities described in this Section 5(d)(i) consists of property other than cash, such consideration shall be deemed to have a fair market value as is reasonably determined in good faith by the Board of Directors of the Corporation.

(i) (E) Exceptions to Anti-dilution. This Section 5(d)(i) shall not apply under any of the circumstances which would constitute an Extraordinary Common Stock Event (as described below). Further, this Section 5(d)(i) shall not apply with respect to:

(1) the shares of Common Stock (or options to purchase such shares of Common Stock) issued or issuable at not less than fair market value to officers, employees or directors of, or consultants to, the Corporation pursuant to any stock purchase or option plan or other employee stock bonus arrangement as provided by the Corporation's Board of Directors, the aggregate number of which shall not exceed 1,250,000 shares of Common Stock (inclusive of shares subject to currently outstanding employee options) prior to the one (1) year anniversary of the date hereof, provided that after such one (1) year anniversary, such number of shares may be increased (or decreased) by vote of the Board of Directors and this Section 5(d)(i) shall not apply to such increased (or decreased) number of shares;

(2) securities issuable as a stock dividend or upon any subdivision of shares of Common Stock, provided that the securities issued pursuant to such stock dividend or subdivision are limited to additional shares of Common Stock;

(3) securities issuable pursuant to a firm commitment underwritten public offering of the Corporation's Common Stock underwritten by a nationally recognized full-service investment bank pursuant to an effective registration statement filed pursuant to the Securities Act of 1933, as amended, covering the offer and sale of Common Stock for the account of the Corporation in which the Corporation actually receives gross proceeds equal to or greater than \$15,000,000 (calculated before deducting underwriting discounts and commissions and before calculation of expenses) at a price per share of not less than \$5.00 (following appropriate adjustment in the event of any stock dividends, stock split, combination or other similar recapitalization affecting such shares) (a "Qualified Public Offering");

(4) debt securities with no equity feature;

(5) securities issued in connection with equipment or debt financing or leases (including securities issued in consideration of guarantees of such financing or leases) which are approved by the Preferred Investor Directors (as such term is defined in that certain Shareholders Agreement dated on or

about the date of original issuance of the Series A Convertible Preferred Stock and Series B Convertible Preferred Stock);

(6) the shares of Common Stock into which the shares of Series A Convertible Preferred Stock or Series B Convertible Preferred Stock are converted;

(7) if expressly approved by the Corporation's Board of Directors, up to 20,000,000 shares of Common Stock in the aggregate issued in acquisitions and/or to vendors, customers or co-venturers or other persons in similar commercial or corporate partnering situations; and

(8) the shares of Common Stock issued or issuable upon the exercise of warrants issued by the Company on or about the date of original issuance of the Series A Convertible Preferred Stock and Series B Convertible Preferred Stock.

(ii) Upon Extraordinary Common Stock Event. Upon the happening of an Extraordinary Common Stock Event (as hereinafter defined), the Series A Applicable Conversion Value (and all other conversion values set forth in Section 5(d)(i) above) shall, simultaneously with the happening of such Extraordinary Common Stock Event, be adjusted by multiplying the Series A Applicable Conversion Value by a fraction, the numerator of which shall be the number of shares of Common Stock outstanding immediately prior to such Extraordinary Common Stock Event and the denominator of which shall be the number of shares of Common Stock outstanding immediately after such Extraordinary Common Stock Event, and the product so obtained shall thereafter be the Series A Applicable Conversion Value. The Series A Applicable Conversion Value, as so adjusted, shall be readjusted in the same manner upon the happening of any successive Extraordinary Common Stock Event or Events.

An "Extraordinary Common Stock Event" shall mean (i) the issue of additional shares of Common Stock as a dividend or other distribution on outstanding shares of Common Stock, (ii) a subdivision 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.

(e) Automatic Conversion Upon Initial Public Offering.

(i) Mandatory Conversion of Preferred Stock. Immediately upon the closing of a Qualified Public Offering, all outstanding shares of Series A Convertible Preferred Stock shall be converted automatically into the number of shares of Class A Common Stock into which such shares of Series A Convertible Preferred Stock are then convertible pursuant to Section 5 hereof as of the closing of such Qualified Public Offering, without any further action by the holders of such shares and whether or not the certificates representing such shares are surrendered to the Corporation or its transfer agent.

(ii) Surrender of Certificates Upon Mandatory Conversion.

Upon the occurrence of the conversion events specified in the preceding paragraph (i), the holders of the Series A Convertible Preferred Stock shall, upon notice from the Corporation, surrender the certificates representing such shares at the office of the Corporation or of its transfer agent for the Common Stock. Thereupon, there shall be issued and delivered to such holder a certificate or certificates for the number of shares of Class A Common Stock into which the shares of Series A Convertible Preferred Stock so surrendered were convertible on the date on which such conversion occurred. The Corporation shall not be obligated to issue such certificates unless certificates evidencing the shares of Series A Convertible Preferred Stock being converted are either delivered to the Corporation or any such transfer agent, or the holder notifies the Corporation that such certificates have been lost, stolen or destroyed and executes an agreement satisfactory to the Corporation to indemnify the Corporation from any loss incurred by it in connection therewith.

(f) Dividends. In the event the Corporation shall make or issue, or shall fix a record date for the determination of holders of Common Stock entitled to receive a dividend or other distribution (other than a distribution in liquidation or other distribution otherwise provided for herein) with respect to the Common Stock payable in (i) securities of the Corporation other than shares of Common Stock, or (ii) other assets (excluding cash dividends or distributions), then and in each such event provision shall be made so that the holders of the Series A Convertible Preferred Stock shall receive upon conversion thereof in addition to the number of shares of Common Stock receivable thereupon, the number of securities or such other assets of the Corporation which they would have received had their Series A Convertible Preferred Stock been converted into Class A 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 (as that term is hereafter defined in Section 5(j)), retained such securities or such other assets receivable by them during such period, giving application to all other adjustments called for during such period under this Section 5 with respect to the rights of the holders of the Series A Convertible Preferred Stock.

(g) Capital Reorganization or Reclassification. If the Class A Common Stock issuable upon the conversion of the Series A Convertible Preferred Stock shall be changed into the same or different number of shares of any class or classes of capital stock, whether by capital reorganization, recapitalization, reclassification or otherwise (other than a subdivision or combination of shares or stock dividend provided for elsewhere in this Section 5, or a merger, consolidation or sale of all or substantially all of the Corporation's capital stock or assets to any other person), then and in each such event the holder of each share of Series A Convertible Preferred Stock shall have the right thereafter to convert such share into the kind and amount of shares of capital stock and other securities and property receivable upon such reorganization, recapitalization, reclassification or other change by the holders of the number of shares of Class A Common Stock into which such shares of Series A Convertible Preferred Stock might have been converted immediately prior to such reorganization, recapitalization, reclassification or change, all subject to further adjustment as provided herein.

(h) Merger, Consolidation or Sale of Assets. If at any time or from time to time there shall be a merger or consolidation of the Corporation with or into another corporation (other than a merger or reorganization involving only a change in the state of incorporation of the Corporation), or the sale of all or substantially all of the Corporation's capital stock or assets to any other person, then, as a part of such reorganization, merger, or consolidation or sale, and provision shall be made so that the holders of the Series A Convertible Preferred Stock shall thereafter be entitled to receive upon conversion of the Series A Convertible Preferred Stock the number of shares of stock or other securities or property of the Corporation, or of the successor corporation resulting from such merger or consolidation, to which such holder would have been entitled if such holder had converted its shares of Series A Convertible Preferred Stock immediately prior to such capital reorganization, merger, consolidation or sale. In any such case, appropriate adjustment shall be made in the application of the provisions of this Section 5 to the end that the provisions of this Section 5 (including adjustment of the Series A Applicable Conversion Value then in effect and the number of shares of Class A Common Stock or other securities issuable upon conversion of such shares of Series A Convertible Preferred Stock) shall be applicable after that event in as nearly equivalent a manner as may be practicable.

(i) Certificate as to Adjustments; Notice by Corporation. In each case of an adjustment or readjustment of the Series A Applicable Conversion Rate, the Corporation at its expense will furnish each holder of Series A Convertible Preferred Stock with a certificate prepared by the Treasurer or Chief Financial Officer of the Corporation, showing such adjustment or readjustment, and stating in detail the facts upon which such adjustment or readjustment is based.

(j) Exercise of Conversion Privilege. To exercise its conversion privilege, a holder of Series A Convertible Preferred Stock shall surrender the certificate or certificates representing the shares being converted to the Corporation at its principal office, and shall give written notice to the Corporation at that office that such holder elects to convert such shares. Such notice shall also state the name or names (with address or addresses) in which the certificate or certificates for shares of Class A Common Stock issuable upon such conversion shall be issued. The certificate or certificates for shares of Series A Convertible Preferred Stock surrendered for conversion shall be accompanied by proper assignment thereof to the Corporation or in blank. The date when such written notice is received by the Corporation, together with the certificate or certificates representing the shares of Series A Convertible Preferred Stock being converted, shall be the "Conversion Date." As promptly as practicable after the Conversion Date, the Corporation shall issue and shall deliver to the holder of the shares of Series A Convertible Preferred Stock being converted, or on its written order, such certificate or certificates as it may request for the number of whole shares of Class A Common Stock issuable upon the conversion of such shares of Series A Convertible Preferred Stock in accordance with the provisions of this Section 5, rounded up to the nearest whole share as provided in Section 5(k), in respect of any fraction of a share of Class A Common Stock issuable upon such conversion. Such conversion shall be deemed to have been effected immediately prior to the close of business on the Conversion Date, and at such time the rights of the holder as holder of the converted shares of Series A Convertible Preferred Stock shall cease and the

person(s) in whose name(s) any certificate(s) for shares of Class A Common Stock shall be issuable upon such conversion shall be deemed to have become the holder or holders of record of the shares of Class A Common Stock represented thereby.

(k) No Issuance of Fractional Shares. No fractional shares of Common Stock or scrip representing fractional shares shall be issued upon the conversion of shares of Series A Convertible Preferred Stock. Instead of any fractional shares of Class A Common Stock which would otherwise be issuable upon conversion of Series A Convertible Preferred Stock, the Corporation shall round up to the next whole share of Class A Common Stock issuable upon the conversion of shares of Series A Convertible Preferred Stock. The determination as to whether any fractional shares of Class A Common Stock shall be rounded up shall be made with respect to the aggregate number of shares of Series A Convertible Preferred Stock being converted at any one time by any holder thereof, not with respect to each share of Series A Convertible Preferred Stock being converted.

(l) Partial Conversion. In the event some but not all of the shares of Series A Convertible Preferred Stock represented by a certificate(s) surrendered by a holder are converted, the Corporation shall execute and deliver to or on the order of the holder, at the expense of the Corporation, a new certificate representing the number of shares of Series A Convertible Preferred Stock which were not converted.

(m) Reservation of Common Stock. The Corporation shall at all times reserve and keep available out of its authorized but unissued shares of Class A Common Stock, solely for the purpose of effecting the conversion of the shares of the Series A Convertible Preferred Stock, such number of its shares of Class A Common Stock as shall from time to time be sufficient to effect the conversion of all outstanding shares of the Series A Convertible Preferred Stock (including any shares of Series A Convertible Preferred Stock represented by any warrants, options, subscription or purchase rights for Series A Convertible Preferred Stock), and if at any time the number of authorized but unissued shares of Class A Common Stock shall not be sufficient to effect the conversion of all then outstanding shares of the Series A Convertible Preferred Stock (including any shares of Series A Convertible Preferred Stock represented by any warrants, options, subscriptions or purchase rights for such Preferred Stock), the Corporation shall take such action as may be necessary to increase its authorized but unissued shares of Class A Common Stock to such number of shares as shall be sufficient for such purpose.

(n) No Reissuance of Preferred Stock. No share or shares of Series A Convertible Preferred Stock acquired by the Corporation by reason of redemption, purchase, conversion or otherwise shall be reissued, and all such shares shall be cancelled, retired and eliminated from the shares which the Corporation shall be authorized to issue. The Corporation shall from time to time take such appropriate corporate action as may be necessary to reduce the authorized number of shares of the Series A Convertible Preferred Stock.

6. Registration of Transfer. The Corporation will keep at its principal office a register for the registration of shares of Preferred Stock. Upon the surrender of any certificate

representing shares of Preferred Stock at such place, the Corporation will, at the request of the record holders of such certificate, execute and deliver (at the Corporation's expense) a new certificate or certificates in exchange therefore representing the aggregate number of shares of Preferred Stock represented by the surrendered certificate. Each such new certificate will be registered in such name and will represent such number of shares of Preferred Stock as is required by the holder of the surrendered certificate and will be substantially identical in form to the surrendered certificate.

7. Replacement. Upon receipt of evidence reasonably satisfactory to the Corporation (an affidavit of the registered holder will be satisfactory) of the ownership and the loss, theft, destruction or mutilation of any certificate evidencing shares of Preferred Stock, and in the case of any such loss, theft or destruction, upon receipt of an unsecured indemnity from the holder reasonably satisfactory to the Corporation or, in the case of such mutilation upon surrender of such certificate, the Corporation will (at its expense) execute and deliver in lieu of such certificate a new certificate of like kind representing the number of shares of Preferred Stock represented by such lost, stolen, destroyed or mutilated certificate and dated the date of such lost, stolen, destroyed or mutilated certificate.

8. Restrictions and Limitations on Corporate Action and Amendments to Charter.

(a) The Corporation shall not take any corporate action or otherwise amend its Certificate of Incorporation without the approval by vote or written consent of the holders of at least 66.66% of the then outstanding shares of Series A Convertible Preferred Stock, voting together as a single class, each share of Series A Convertible Preferred Stock to be entitled to that number of votes equal to the number of shares of Common Stock into which such share could then be converted pursuant to the provisions of Section 5, if such corporate action or amendment would:

(i) amend any of the rights, preferences, privileges of or limitations provided for herein for the benefit of any shares of Series A Convertible Preferred Stock;

(ii) authorize or issue, or obligate the Corporation to authorize or issue, (1) additional shares of Series A Convertible Preferred Stock, (2) Series A Parity Preferred Stock (as defined in Section 3(b)), or (3) shares of Preferred Stock senior to the Series A Convertible Preferred Stock with respect to liquidation preferences, dividend rights or redemption rights;

(iii) decrease the authorized number of shares of Series A Convertible Preferred Stock;

(iv) cause the Corporation to redeem, purchase or otherwise acquire for value (or pay into or set aside for a sinking fund for such purpose), any share or shares of Preferred Stock or a redemption, purchase or other acquisition for cash of shares of

Preferred Stock, which is effected pro rata with the holders thereof, in proportion to the full respective preferential amounts to which such holders are entitled; or

(v) amend any provisions of this Section 8(a).

(b) In the event that shares of Series A Convertible Preferred Stock are outstanding, the Corporation will not or take any corporate action without the approval by the holders of at least 50% of the then outstanding shares of Series A Convertible Preferred Stock, if such corporate action would authorize the Company to:

(i) merge, consolidate or reorganize the Corporation, or sell all or substantially all of the Corporation's assets or effect any transaction or series of transactions in which more than 50% of the voting power of the Corporation is disposed; or

(ii) repurchase or redeem any securities of the Corporation; or

(iii) establish borrowing from banks or financial institutions in the aggregate of more than \$250,000; or

(iv) pledge any of the assets of the Corporation in the aggregate with a fair market value in excess of \$250,000 or pledge any intellectual property of the Corporation.

9. No Dilution or Impairment. The Corporation will not, by amendment of its Certificate of Incorporation or through any reorganization, transfer of capital stock or 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 of the Preferred Stock set forth herein, but will at all times in good faith assist in the carrying out of all such terms 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 Preferred Stock against dilution or other impairment. Without limiting the generality of the foregoing, the Corporation (a) will not increase the par value of any shares of stock receivable on the conversion of the Preferred Stock above the amount payable therefor on such conversion, and (b) will take all such action as may be necessary or appropriate in order that the Corporation may validly and legally issue fully paid and nonassessable shares of stock on the conversion of all Preferred Stock from time to time outstanding.

10. Notices of Record Date. In the event of:

(a) 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 or other distribution, or any right to subscribe for, purchase or otherwise acquire any shares of capital stock of any class or any other securities or property, or to receive any other right, or

(b) any capital reorganization of the Corporation, any reclassification or recapitalization of the capital stock of the Corporation, any merger or consolidation of the

Corporation, or any transfer of all or substantially all of the assets of the Corporation to any other corporation, or any other entity or person, or

(c) any voluntary or involuntary dissolution, liquidation or winding up of the Corporation.

then and in each such event the Corporation shall mail or cause to be mailed to each holder of Preferred Stock a notice specifying (i) the date on which any such record is to be taken for the purpose of such dividend, distribution or right and a description of such dividend, distribution or right, (ii) the date on which any such reorganization, reclassification, recapitalization, transfer, consolidation, merger, dissolution, liquidation or winding up is expected to become effective, and (iii) the time, if any, that is to be fixed, as to when the holders of record of Common Stock (or other securities) shall be entitled to exchange their shares of Common Stock (or other securities) for securities or other property deliverable upon such reorganization, reclassification, recapitalization, transfer, consolidation, merger, dissolution, liquidation or winding up. Such notice shall be mailed by first class mail, postage prepaid, at least ten (10) days prior to the earlier of (1) the date specified in such notice on which such record is to be taken and (2) the date on which such action is to be taken.

11. Notices. Except as otherwise expressly provided, all notices referred to herein will be in writing and will be delivered by registered or certified mail, return receipt requested, postage prepaid and will be deemed to have been given when so mailed (i) to the Corporation, at its principal executive offices and (ii) to any stockholder, at such holder's address as it appears in the stock records of the Corporation (unless otherwise indicated in writing by any such holder).

**PLASSEIN INTERNATIONAL CORP.
SERIES B CONVERTIBLE PREFERRED STOCK**

CERTIFICATE OF DESIGNATIONS

The Corporation's Series B Convertible Preferred Stock shall have the following rights, terms and privileges.

1. Designation. A total of 7,000,000 shares of the Corporation's Preferred Stock shall be designated as "Series B Convertible Preferred Stock." As used herein, the term "Preferred Stock" used without references to the Series B Convertible Preferred Stock means the shares of Series B Convertible Preferred Stock and the shares of each series of authorized Preferred Stock of the Corporation issued and designated from time to time by a resolution or resolutions of the Board of Directors, share for share alike and without distinction as to class or series, except as otherwise expressly provided for in this Certificate of Designations or as the context otherwise requires.

2. Dividends. (a) Commencing on the date of issuance, the holders of record of shares of the Series B Convertible Preferred Stock shall be entitled to receive preferential cash dividends, which shall be payable when, as and if declared by the Board of Directors out of assets which are legally available for the payment of such dividends, accruing at an annual rate equal to \$0.08 per share of Series B Convertible Preferred Stock (which amount shall be subject to equitable adjustment whenever there shall occur after the date of issuance a stock dividend, stock split, combination, reorganization, recapitalization, reclassification or other similar event involving the Series B Convertible Preferred Stock). No dividends shall be paid or declared, and no other distribution shall be made, on or with respect to the Common Stock of the Corporation as long as there are shares of Series B Convertible Preferred Stock issued and outstanding.

(b) Accrual of Dividends. Dividends shall be cumulative, without compounding, and shall accrue daily on each share of Series B Convertible Preferred Stock from the date of issue thereof. Dividends payable on the Series B Convertible Preferred Stock for any period less than a full year shall be computed on the basis of the actual number of days elapsed and a 365-day year. Dividends on the Series B Convertible Preferred Stock shall accrue whether or not the Corporation has earnings or profits, whether or not there are funds legally available for the payment of such dividends and whether or not dividends are declared. The Corporation shall take all actions required to permitted under Delaware law to permit the payment of dividends on the Series B Convertible Preferred Stock. Upon the conversion of the Series B Convertible Preferred Stock into Class A Common Stock of the Corporation, all cumulative dividends with respect to such converted shares shall be cancelled.

3. Liquidation, Dissolution or Winding Up.

(a) Treatment at Sale, Liquidation, Dissolution or Winding Up. In the event of any liquidation, dissolution or winding up of the Corporation, whether voluntary or involuntary, before any distribution or payment is made to any holders of any shares of Common Stock or any other class or series of capital stock of the Corporation designated to be junior to the Series B Convertible Preferred Stock, and subject to the liquidation rights and preferences of the Series A Convertible Preferred Stock and any other class or series of Preferred Stock designated to be senior to, or on a parity with, the Series B Convertible Preferred Stock, the holders of shares of Series B Convertible Preferred Stock shall be entitled to be paid first out of the assets of the Corporation available for distribution to holders of the Corporation's capital stock whether such assets are capital, surplus or earnings, an amount equal to \$1.00 per share of Series B Convertible Preferred Stock (which amount shall be subject to equitable adjustment whenever there shall occur a stock dividend, stock split, combination, reorganization, recapitalization, reclassification or other similar event involving the Series B Convertible Preferred Stock) plus any dividends accrued or declared but unpaid on such shares (such amount, as so determined, is referred to herein as the "Series B Liquidation Value" with respect to such shares).

(b) Insufficient Funds. If upon such liquidation, dissolution or winding up the assets or surplus funds of the Corporation to be distributed to the holders of shares of Series B Convertible Preferred Stock and any other then-outstanding shares of the Corporation's capital stock ranking on a parity with respect to payment on liquidation with the Series B Convertible Preferred Stock (such shares being referred to herein as the "Series B Parity Stock") shall be insufficient to permit payment to such respective holders of the full Series B Liquidation Value and all other preferential amounts payable with respect to the Series B Convertible Preferred Stock and such Series B Parity Stock, then the assets available for payment or distribution to such holders shall be allocated among the holders of the Series B Convertible Preferred Stock and such Series B Parity Stock, pro rata, in proportion to the full respective preferential amounts to which the Series B Convertible Preferred Stock and such Series B Parity Stock are each entitled.

(c) Distributions of Property. Whenever the distribution provided for in this Section 3 shall be payable in property other than cash, the value of such distribution shall be the fair market value of such property as determined in good faith by the Board of Directors, unless the holders of 50% or more of the then outstanding shares of Series B Convertible Preferred Stock request, in writing, that an independent appraiser perform such valuation, then by an independent appraiser selected by the Board of Directors and reasonably acceptable to the holders of 50% or more of the then outstanding shares of Series B Convertible Preferred Stock.

4. Voting Power.

(a) General. Except as otherwise required by law, each holder of Series B Convertible Preferred Stock shall be entitled to vote on all matters and shall be entitled to that number of votes equal to the number of whole shares of Class A Common Stock into

which such holder's respective shares of Series B Convertible Preferred Stock could then be converted, pursuant to the provisions of Section 5 hereof, at the record date for the determination of stockholders entitled to vote on such matter or, if no such record date is established, at the date such vote is taken or any written consent of stockholders is solicited. Except as otherwise required by law, the holders of shares of Preferred Stock and Common Stock shall vote together as a single class on all matters.

5. Conversion Rights. The holders of the Series B Convertible Preferred Stock shall have the following rights with respect to the conversion of such shares into shares of Common Stock:

(a) General. Subject to and in compliance with the provisions of this Section 5, any or all shares of the Series B Convertible Preferred Stock may, at the option of the holder thereof, be converted at any time into fully-paid and non-assessable shares of Class A Common Stock. The number of shares of Class A Common Stock to which a holder of Series B Convertible Preferred Stock shall be entitled to receive upon conversion shall be the product obtained by multiplying the Series B Applicable Conversion Rate (determined as provided in Section 5(b)) by the number of shares of Series B Convertible Preferred Stock being converted at any time.

(b) Applicable Conversion Rate. The conversion rate in effect at any time for the Series B Convertible Preferred Stock (the "Series B Applicable Conversion Rate") shall be one-half (1/2), and each share of Series B Convertible Preferred Stock shall initially be convertible into one-half (1/2) share of Class A Common Stock.

(c) Upon Extraordinary Common Stock Event. Upon the happening of an Extraordinary Common Stock Event (as hereinafter defined), the number of shares of Class A Common Stock issuable upon conversion of a share of Series B Convertible Preferred Stock shall, simultaneously with the happening of such Extraordinary Common Stock Event, be adjusted by multiplying the Series B Applicable Conversion Rate by a fraction, the numerator of which shall be the number of shares of Common Stock outstanding immediately after such Extraordinary Common Stock Event and the denominator of which shall be the number of shares of Common Stock outstanding immediately prior to such Extraordinary Common Stock Event, and the product so obtained shall thereafter be the Series B Applicable Conversion Rate. The Series B Applicable Conversion Rate, as so adjusted, shall be readjusted in the same manner upon the happening of any successive Extraordinary Common Stock Event or Events.

An "Extraordinary Common Stock Event" shall mean (i) the issue of additional shares of Common Stock as a dividend or other distribution on outstanding shares of Common Stock, (ii) a subdivision 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.

(d) Automatic Conversion Upon Initial Public Offering.

(i) Mandatory Conversion of Preferred Stock. Immediately upon the closing of a Qualified Public Offering, all outstanding shares of Series B Convertible Preferred Stock shall be converted automatically into the number of shares of Class A Common Stock into which such shares of Series B Convertible Preferred Stock are then convertible pursuant to Section 5 hereof as of the closing of such Qualified Public Offering, without any further action by the holders of such shares and whether or not the certificates representing such shares are surrendered to the Corporation or its transfer agent.

(ii) Surrender of Certificates Upon Mandatory Conversion.

Upon the occurrence of the conversion events specified in the preceding paragraph (i), the holders of the Series B Convertible Preferred Stock shall, upon notice from the Corporation, surrender the certificates representing such shares at the office of the Corporation or of its transfer agent for the Common Stock. Thereupon, there shall be issued and delivered to such holder a certificate or certificates for the number of shares of Class A Common Stock into which the shares of Series B Convertible Preferred Stock so surrendered were convertible on the date on which such conversion occurred. The Corporation shall not be obligated to issue such certificates unless certificates evidencing the shares of Series B Convertible Preferred Stock being converted are either delivered to the Corporation or any such transfer agent, or the holder notifies the Corporation that such certificates have been lost, stolen or destroyed and executes an agreement satisfactory to the Corporation to indemnify the Corporation from any loss incurred by it in connection therewith.

(e) Dividends. In the event the Corporation shall make or issue, or shall fix a record date for the determination of holders of Common Stock entitled to receive a dividend or other distribution (other than a distribution in liquidation or other distribution otherwise provided for herein) with respect to the Common Stock payable in (i) securities of the Corporation other than shares of Common Stock, or (ii) other assets (excluding cash dividends or distributions), then and in each such event provision shall be made so that the holders of the Series A Convertible Preferred Stock shall receive upon conversion thereof in addition to the number of shares of Common Stock receivable thereupon, the number of securities or such other assets of the Corporation which they would have received had their Series B Convertible Preferred Stock been converted into Class A 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 (as that term is hereafter defined in Section 5(i)), retained such securities or such other assets receivable by them during such period, giving application to all other adjustments called for during such period under this Section 5 with respect to the rights of the holders of the Series B Convertible Preferred Stock.

(f) Capital Reorganization or Reclassification. If the Class A Common Stock issuable upon the conversion of the Series B Convertible Preferred Stock shall be changed into the same or different number of shares of any class or classes of capital stock, whether by capital reorganization, recapitalization, reclassification or otherwise (other than a subdivision or combination of shares or stock dividend provided for elsewhere in this Section 5.

or a merger, consolidation or sale of all or substantially all of the Corporation's capital stock or assets to any other person), then and in each such event the holder of each share of Series B Convertible Preferred Stock shall have the right thereafter to convert such share into the kind and amount of shares of capital stock and other securities and property receivable upon such reorganization, recapitalization, reclassification or other change by the holders of the number of shares of Class A Common Stock into which such shares of Series B Convertible Preferred Stock might have been converted immediately prior to such reorganization, recapitalization, reclassification or change, all subject to further adjustment as provided herein.

(g) Merger, Consolidation or Sale of Assets. If at any time or from time to time there shall be a merger or consolidation of the Corporation with or into another corporation (other than a merger or reorganization involving only a change in the state of incorporation of the Corporation), or the sale of all or substantially all of the Corporation's capital stock or assets to any other person, then, as a part of such reorganization, merger, or consolidation or sale, and provision shall be made so that the holders of the Series B Convertible Preferred Stock shall thereafter be entitled to receive upon conversion of the Series B Convertible Preferred Stock the number of shares of stock or other securities or property of the Corporation, or of the successor corporation resulting from such merger or consolidation, to which such holder would have been entitled if such holder had converted its shares of Series B Convertible Preferred Stock immediately prior to such capital reorganization, merger, consolidation or sale. In any such case, appropriate adjustment shall be made in the application of the provisions of this Section 5 to the end that the provisions of this Section 5 (including adjustment of the Series B Applicable Conversion Rate then in effect and the number of shares of Class A Common Stock or other securities issuable upon conversion of such shares of Series B Convertible Preferred Stock) shall be applicable after that event in as nearly equivalent a manner as may be practicable.

(h) Certificate as to Adjustments; Notice by Corporation. In each case of an adjustment or readjustment of the Series B Applicable Conversion Rate, the Corporation at its expense will furnish each holder of Series B Convertible Preferred Stock with a certificate prepared by the Treasurer or Chief Financial Officer of the Corporation, showing such adjustment or readjustment, and stating in detail the facts upon which such adjustment or readjustment is based.

(i) Exercise of Conversion Privilege. To exercise its conversion privilege, a holder of Series B Convertible Preferred Stock shall surrender the certificate or certificates representing the shares being converted to the Corporation at its principal office, and shall give written notice to the Corporation at that office that such holder elects to convert such shares. Such notice shall also state the name or names (with address or addresses) in which the certificate or certificates for shares of Class A Common Stock issuable upon such conversion shall be issued. The certificate or certificates for shares of Series B Convertible Preferred Stock surrendered for conversion shall be accompanied by proper assignment thereof to the Corporation or in blank. The date when such written notice is received by the Corporation, together with the certificate or certificates representing the shares of Series B Convertible Preferred Stock being converted, shall be the "Conversion Date." As promptly as practicable

after the Conversion Date, the Corporation shall issue and shall deliver to the holder of the shares of Series B Convertible Preferred Stock being converted, or on its written order, such certificate or certificates as it may request for the number of whole shares of Class A Common Stock issuable upon the conversion of such shares of Series B Convertible Preferred Stock in accordance with the provisions of this Section 5, rounded up to the nearest whole share as provided in Section 5(k), in respect of any fraction of a share of Class A Common Stock issuable upon such conversion. Such conversion shall be deemed to have been effected immediately prior to the close of business on the Conversion Date, and at such time the rights of the holder as holder of the converted shares of Series B Convertible Preferred Stock shall cease and the person(s) in whose name(s) any certificate(s) for shares of Class A Common Stock shall be issuable upon such conversion shall be deemed to have become the holder or holders of record of the shares of Class A Common Stock represented thereby.

(j) No Issuance of Fractional Shares. No fractional shares of Class A Common Stock or scrip representing fractional shares shall be issued upon the conversion of shares of Series B Convertible Preferred Stock. Instead of any fractional shares of Class A Common Stock which would otherwise be issuable upon conversion of Series B Convertible Preferred Stock, the Corporation shall round up to the next whole share of Class A Common Stock issuable upon the conversion of shares of Series B Convertible Preferred Stock. The determination as to whether any fractional shares of Class A Common Stock shall be rounded up shall be made with respect to the aggregate number of shares of Series B Convertible Preferred Stock being converted at any one time by any holder thereof, not with respect to each share of Series B Convertible Preferred Stock being converted.

(k) Partial Conversion. In the event some but not all of the shares of Series B Convertible Preferred Stock represented by a certificate(s) surrendered by a holder are converted, the Corporation shall execute and deliver to or on the order of the holder, at the expense of the Corporation, a new certificate representing the number of shares of Series B Convertible Preferred Stock which were not converted.

(l) Reservation of Common Stock. The Corporation shall at all times reserve and keep available out of its authorized but unissued shares of Class A Common Stock, solely for the purpose of effecting the conversion of the shares of the Series B Convertible Preferred Stock, such number of its shares of Class A Common Stock as shall from time to time be sufficient to effect the conversion of all outstanding shares of the Series B Convertible Preferred Stock (including any shares of Series B Convertible Preferred Stock represented by any warrants, options, subscription or purchase rights for Series B Convertible Preferred Stock), and if at any time the number of authorized but unissued shares of Class A Common Stock shall not be sufficient to effect the conversion of all then outstanding shares of the Series B Convertible Preferred Stock (including any shares of Series B Convertible Preferred Stock represented by any warrants, options, subscriptions or purchase rights for such Preferred Stock), the Corporation shall take such action as may be necessary to increase its authorized but unissued shares of Class A Common Stock to such number of shares as shall be sufficient for such purpose.

(m) No Reissuance of Preferred Stock. No share or shares of Series B Convertible Preferred Stock acquired by the Corporation by reason of redemption, purchase, conversion or otherwise shall be reissued, and all such shares shall be cancelled, retired and eliminated from the shares which the Corporation shall be authorized to issue. The Corporation shall from time to time take such appropriate corporate action as may be necessary to reduce the authorized number of shares of the Series B Convertible Preferred Stock.

6. Registration of Transfer. The Corporation will keep at its principal office a register for the registration of shares of Preferred Stock. Upon the surrender of any certificate representing shares of Preferred Stock at such place, the Corporation will, at the request of the record holders of such certificate, execute and deliver (at the Corporation's expense) a new certificate or certificates in exchange therefore representing the aggregate number of shares of Preferred Stock represented by the surrendered certificate. Each such new certificate will be registered in such name and will represent such number of shares of Preferred Stock as is required by the holder of the surrendered certificate and will be substantially identical in form to the surrendered certificate.

7. Replacement. Upon receipt of evidence reasonably satisfactory to the Corporation (an affidavit of the registered holder will be satisfactory) of the ownership and the loss, theft, destruction or mutilation of any certificate evidencing shares of Preferred Stock, and in the case of any such loss, theft or destruction, upon receipt of an unsecured indemnity from the holder reasonably satisfactory to the Corporation or, in the case of such mutilation upon surrender of such certificate, the Corporation will (at its expense) execute and deliver in lieu of such certificate a new certificate of like kind representing the number of shares of Preferred Stock represented by such lost, stolen, destroyed or mutilated certificate and dated the date of such lost, stolen, destroyed or mutilated certificate.

8. Restrictions and Limitations on Corporate Action and Amendments to Charter. The Corporation shall not take any corporate action or otherwise amend its Certificate of Incorporation without the approval by vote or written consent of the holders of at least 50% of the then outstanding shares of Series B Convertible Preferred Stock, voting together as a single class, each share of Series B Convertible Preferred Stock to be entitled to that number of votes equal to the number of shares of Common Stock into which such share could then be converted pursuant to the provisions of Section 5, if such corporate action or amendment would:

(a) increase or decrease the authorized number of Shares of Series B Convertible Preferred Stock or alter or change the powers, preferences or special rights of the Shares of Series B Convertible Preferred Stock so as to affect them adversely; or

(b) amend this Section 8.

9. No Dilution or Impairment. The Corporation will not, by amendment of its Certificate of Incorporation or through any reorganization, transfer of capital stock or 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 of the Preferred Stock set

forth herein, but will at all times in good faith assist in the carrying out of all such terms 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 Preferred Stock against dilution or other impairment. Without limiting the generality of the foregoing, the Corporation (a) will not increase the par value of any shares of stock receivable on the conversion of the Preferred Stock above the amount payable therefor on such conversion, and (b) will take all such action as may be necessary or appropriate in order that the Corporation may validly and legally issue fully paid and nonassessable shares of stock on the conversion of all Preferred Stock from time to time outstanding.

10. Notices of Record Date. In the event of:

(a) 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 or other distribution, or any right to subscribe for, purchase or otherwise acquire any shares of capital stock of any class or any other securities or property, or to receive any other right, or

(b) any capital reorganization of the Corporation, any reclassification or recapitalization of the capital stock of the Corporation, any merger or consolidation of the Corporation, or any transfer of all or substantially all of the assets of the Corporation to any other corporation, or any other entity or person, or

(c) any voluntary or involuntary dissolution, liquidation or winding up of the Corporation,

then and in each such event the Corporation shall mail or cause to be mailed to each holder of Preferred Stock a notice specifying (i) the date on which any such record is to be taken for the purpose of such dividend, distribution or right and a description of such dividend, distribution or right, (ii) the date on which any such reorganization, reclassification, recapitalization, transfer, consolidation, merger, dissolution, liquidation or winding up is expected to become effective, and (iii) the time, if any, that is to be fixed, as to when the holders of record of Common Stock (or other securities) shall be entitled to exchange their shares of Common Stock (or other securities) for securities or other property deliverable upon such reorganization, reclassification, recapitalization, transfer, consolidation, merger, dissolution, liquidation or winding up. Such notice shall be mailed by first class mail, postage prepaid, at least ten (10) days prior to the earlier of (1) the date specified in such notice on which such record is to be taken and (2) the date on which such action is to be taken.

11. Notices. Except as otherwise expressly provided, all notices referred to herein will be in writing and will be delivered by registered or certified mail, return receipt requested, postage prepaid and will be deemed to have been given when so mailed (i) to the Corporation, at its principal executive offices and (ii) to any stockholder, at such holder's address as it appears in the stock records of the Corporation (unless otherwise indicated in writing by any such holder).