

**ARRADIANCE, INC.**

**SECOND AMENDED AND RESTATED  
CERTIFICATE OF INCORPORATION**

Arradiance, Inc. (hereinafter, the "Corporation"), a corporation organized and existing under and by virtue of the General Corporation Law of the State of Delaware, does hereby certify as follows:

1. The name of the corporation is Arradiance, Inc. The date of the filing of the original Certificate of Incorporation of the Corporation with the Secretary of State of the State of Delaware was November 24, 2003. The Certificate of Incorporation of the Corporation was amended and restated on November 3, 2004, further amended by a Certificate of Amendment filed with the Secretary of State of the State of Delaware on December 22, 2004, and further amended by a Certificate of Amendment filed with the Secretary of State of the State of Delaware on May 2, 2006.

2. This Second Amended and Restated Certificate of Incorporation (the "Restated Certificate") was duly adopted by written consent of the board of directors and stockholders of the Corporation in accordance with applicable provisions of Sections 141, 228, 242 and 245 of the General Corporation Law of the State of Delaware.

3. This Restated Certificate amends, restates and integrates the Amended and Restated Certificate of Incorporation filed on November 3, 2004, as amended on December 22, 2004 and May 2, 2006, and the text of the Amended and Restated Certificate of Incorporation, as amended, is hereby amended and restated to read as herein set forth in full:

**FIRST**

The name of this corporation is Arradiance, Inc. (the "Corporation").

**SECOND**

The address of the Corporation's registered office in the State of Delaware is 1209 Orange Street, in the City of Wilmington, County of New Castle. The name of its registered agent at such address is Corporation Trust Company.

**THIRD**

The purpose of this corporation is to engage in the lawful act or activity for which a corporation may be organized under Delaware Corporate Law.

## FOURTH

Immediately following the effectiveness of this Restated Certificate, the authorized capital stock of the Corporation shall be as follows:

The total number of shares of stock which the Corporation shall have authority to issue is 92,686,336 shares of capital stock, consisting of (i) 55,486,336 shares of Common Stock, \$.001 par value (the "Common Stock"), and (ii) 37,200,000 shares of Preferred Stock, \$.001 par value (the "Preferred Stock"). Seven Million Five Hundred Thousand (7,500,000) shares of Preferred Stock shall be designated as Series A Convertible Preferred Stock (the "Series A Preferred"), and 29,700,000 shares of Preferred Stock shall be designated as Series B Convertible Preferred Stock (the "Series B Preferred"). Collectively, the Series A Preferred and Series B Preferred may be referred to hereinafter as the "Preferred Stock."

A statement of the preferences, voting powers, relative, participating, optional or other special rights and privileges and the qualifications and restrictions of the Common Stock and Preferred Stock is as follows:

### A. COMMON STOCK.

1. General. All preferences, voting powers, relative, participating, optional or other special rights and privileges, and qualifications, limitations, or restrictions of the Common Stock are expressly made subject and subordinate to those that may be fixed with respect to any shares of any series or class of the Preferred Stock.

2. Voting Rights. Except as set forth in this Restated Certificate, any amendment or restatement thereof, each holder of Common Stock shall have one vote in respect of each share of stock held by such stockholder of record on the books of the Corporation for the election of directors and on all other matters submitted to a vote of stockholders of the Corporation. Except as set forth in this Restated Certificate, any amendment or restatement thereof, the holders of Common Stock and Preferred Stock shall vote together as a single class on all matters submitted to the stockholders for a vote.

3. Dividends. Subject to the preferential rights of the Preferred Stock, if any, the holders of shares of Common Stock shall be entitled to receive, when, as and if declared by the Board of Directors of the Corporation, out of the assets of the Corporation which are by law available therefor, dividends payable either in cash, in property or in shares of capital stock.

4. Dissolution, Liquidation or Winding Up. In the event of any dissolution, liquidation or winding up of the affairs of the Corporation, after distribution of the preferential amounts to the holders of any series of the Preferred Stock, the holders of Common Stock shall be entitled to receive all of the remaining assets of the Corporation of whatever kind available for distribution to stockholders as provided in Section B.2.(c) below.

**B. PREFERRED STOCK.**

**1. Dividends.**

(a) **Treatment of Series B Preferred.** Subject to the rights of any series of Preferred Stock that may from time to time come into existence, the Series B Preferred shall be entitled to receive dividends of \$0.007 per share (as adjusted for stock splits, combinations reorganizations and the like) per annum, out of any assets at the time legally available therefore, when, as and if declared by the Board of Directors, prior and in preference to the Common Stock and Series A Preferred. No dividends other than those payable solely in Common Stock shall be paid on any Common Stock unless and until (i) the aforementioned dividends are paid on each outstanding share of Series B Preferred, and (ii) a dividend is paid with respect to all outstanding shares of Series B Preferred in an amount equal to or greater than the aggregate amount of dividends which would be payable to a holder of Series B Preferred if, immediately prior to such dividend payment on Common Stock, such share of Series B Preferred had been converted into Common Stock. No dividends shall be paid on any Series A Preferred unless and until (i) the aforementioned dividends are paid on each outstanding share of Series B Preferred, and (ii) a dividend is paid with respect to all outstanding shares of Series B Preferred in an amount equal to or greater than a dividend per share of Series B Preferred as would equal the product of (x) the dividend payable on each share of such class or series determined, if applicable, as if all such shares of such class or series had been converted into Common Stock and (y) the number of shares of Common Stock issuable upon conversion of a share of Series B Preferred Stock, in each case calculated on the record date for determination of holders entitled to receive such dividend. The Board of Directors is under no obligation to declare dividends, no rights shall accrue to the holders of Series B Preferred if dividends are not declared, and any dividends declared shall be noncumulative. The Corporation shall make no Distribution (as defined below) to the holders of shares of Common Stock or Series A Preferred except in accordance with this Section 1(a).

(b) **Treatment of Series A Preferred.** Subject to the rights of the Series B Preferred and any series of Preferred Stock that may from time to time come into existence, and only after payment in full of all amounts required to be paid to the Series B Preferred under Section 1(a) above, the Series A Preferred shall be entitled to receive dividends of \$0.032 per share (as adjusted for stock splits, combinations reorganizations and the like) per annum, out of any assets at the time legally available therefore, when, as and if declared by the Board of Directors, prior and in preference to the Common Stock. No dividends other than those payable solely in Common Stock shall be paid on any Common Stock unless and until (i) the aforementioned dividends are paid on each outstanding share of Series A Preferred, and (ii) a dividend is paid with respect to all outstanding shares of Series A Preferred in an amount equal to or greater than the aggregate amount of dividends which would be payable to a holder of Series A Preferred if, immediately prior to such dividend payment on Common Stock, such share of Series A Preferred had been converted into Common Stock. The Board of Directors is under no obligation to declare dividends, no rights shall accrue to the holders of Series A Preferred if dividends are not declared, and any dividends declared shall be noncumulative. The Corporation shall make no Distribution (as defined below) to the holders of shares of Common Stock except in accordance with this Section 1(b).

(c) **Distribution.** “**Distribution**” means the transfer of cash or property without consideration, whether by way of dividend or otherwise, or the purchase of shares of the Corporation (other than in connection with the repurchase of shares of Common Stock issued to or held by employees, consultants, officers or directors at a price not greater than the amount paid by such persons for such shares upon termination of their employment or services pursuant to agreements providing for the right of said repurchase) for cash or property.

## 2. **Liquidation Rights.**

(a) **Series B Liquidation Preference.** In the event of any Liquidation (as defined below), either voluntary or involuntary, each share of Series B Preferred shall be entitled to be paid out of the assets of the Corporation, the Series B Liquidation Preference, before any payment shall be made or any assets distributed to the holders of Common Stock and Series A Preferred. “**Series B Liquidation Preference**” shall mean \$0.084 per share (as adjusted for stock splits, combinations, reorganizations and the like) plus declared but unpaid dividends on such share. If, upon the Liquidation, the assets to be distributed among the holders of the Series B Preferred are insufficient to permit the payment to such holders of the full Series B Liquidation Preference for their shares, then the entire assets of the Corporation legally available for distribution shall be distributed with equal priority and pro rata among the holders of the Series B Preferred in proportion to the full aforesaid preferential amount to which each such holder is entitled.

(b) **Series A Liquidation Preference.** In the event of any Liquidation (as defined below), either voluntary or involuntary, after the payment of the full Series B Liquidation Preference to be paid to the holders of Series B Preferred, each share of Series A Preferred shall be entitled to be paid out of the assets of the Corporation, the Series A Liquidation Preference, before any payment shall be made or any assets distributed to the holders of Common Stock. “**Series A Liquidation Preference**” shall mean \$0.40 per share (as adjusted for stock splits, combinations, reorganizations and the like) plus declared but unpaid dividends on such share. If, upon the Liquidation, the assets to be distributed among the holders of the Series A Preferred are insufficient to permit the payment to such holders of the full Series A Liquidation Preference for their shares, then the entire assets of the Corporation legally available for distribution shall be distributed with equal priority and pro rata among the holders of the Series A Preferred in proportion to the full aforesaid preferential amount to which each such holder is entitled.

(c) **Remaining Assets.** After the payment to the holders of Series B Preferred and Series A Preferred of the full preferential amounts specified in Section 2(a) and 2(b) above, respectively, the holders of Common Stock shall participate ratably in the distribution of any remaining assets.

(d) **Liquidation.** Unless a majority of the holders of the Series B Preferred agree in writing otherwise, a “**Liquidation**” shall be deemed to be occasioned by, or to include, (i) the liquidation, dissolution or winding up of the Corporation; (ii) the acquisition of the Corporation by another entity by means of any transaction or series of related transactions

(including, without limitation, any stock acquisition, reorganization, merger or consolidation but excluding any sale of stock for capital raising purposes), other than by means of a transaction or series of transactions in which the holders of the voting securities of the Corporation outstanding immediately prior to such transaction continue to retain (either by such voting securities remaining outstanding or by such voting securities being converted into voting securities of the surviving entity), as a result of their ownership of shares in the Corporation held by such holders prior to such transaction, at least fifty percent (50%) of the total voting power represented by the voting securities of the Corporation or such surviving entity outstanding immediately after such transaction or series of transactions, and (iii) a sale or other conveyance of all or substantially all of the assets of the Corporation, by means of a transaction or series of transactions, except where such sale or other conveyance is to a wholly-owned subsidiary of the Corporation.

(e) **Determination of Value if Proceeds Other than Cash.** In any Liquidation, if the proceeds received by the Corporation or its stockholders are other than cash, its value will be deemed its fair market value. Any securities shall be valued as follows:

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

(A) If traded on a securities exchange or through the NASDAQ National Market, the value shall be deemed to be the average of the closing prices of the securities on such exchange or system over the 20 trading-day period ending three trading days prior to the closing of the Liquidation;

(B) If actively traded over-the-counter, the value shall be deemed to be the average of the closing bid or sale prices (whichever is applicable) over the 20 trading-day period ending three trading days prior to the closing of the Liquidation; and

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

(ii) The method of valuation of securities subject to investment letter or other restrictions on free marketability (other than restrictions arising solely by virtue of a stockholder's status as an affiliate or former affiliate) shall be to make an appropriate discount from the market value determined as above in (i) (A), (B) or (C) to reflect the approximate fair market value thereof, as determined by the Board of Directors of the Corporation.

3. **Conversion.** The Preferred Stock shall have conversion rights as follows:

(a) **Right to Convert.** Each share of Preferred Stock shall be convertible, at the option of the holder thereof, at any time after the date of issuance of such share at the office of the Corporation or any transfer agent for such Preferred Stock. Each share of Series A Preferred shall be convertible into that number of fully-paid and nonassessable shares of Common Stock that is equal to \$0.40 (the "**Series A Original Issue Price**") (as adjusted for stock splits, combinations, reorganizations and the like with respect to the Series A Preferred) divided by the Series A Conversion Price (as hereinafter defined). Each share of Series B

Preferred shall be convertible into that number of fully-paid and nonassessable shares of Common Stock that is equal to \$0.084 (the "Series B Original Issue Price") (as adjusted for stock splits, combinations, reorganizations and the like with respect to the Series B Preferred) divided by the Series B Conversion Price (as hereinafter defined). The "Series A Conversion Price" shall initially be the Series A Original Issue Price, and shall be subject to adjustment as provided herein. The "Series B Conversion Price" shall initially be the Series B Original Issue Price, and shall be subject to adjustment as provided herein.

(b) **Automatic Conversion of Series B Preferred.** Each share of Series B Preferred shall automatically be converted into shares of Common Stock at the then effective Series B Conversion Price for such share immediately upon (1) the affirmative vote of the holders of at least sixty percent (60%) of the Series B Preferred, voting as a single series, or (2) the consummation of a firmly underwritten public offering pursuant to an effective registration statement on Form S-1 (or any successor form) under the Securities Act of 1933, as amended (the "Securities Act"), at a per share price to the public of at least \$0.42 (as appropriately adjusted for any subsequent stock splits, stock dividends, reclassification or recapitalizations) and with gross proceeds to the Corporation of at least \$30,000,000 (prior to deducting underwriting commissions and offering expenses) ("Qualifying IPO").

(c) **Automatic Conversion of Series A Preferred.** Each share of Series A Preferred shall automatically be converted into shares of Common Stock at the then effective Series A Conversion Price for such share immediately upon (1) the affirmative vote of the holders of at least sixty percent (60%) of the Series A Preferred, voting as a single series, or (2) the consummation of a Qualifying IPO.

(c) **Mechanics of Conversion.** No fractional shares of Common Stock shall be issued upon conversion of Preferred Stock. In lieu of any fractional shares to which the holder would otherwise be entitled, the Corporation shall pay the fair market value cash equivalent of such fractional share as determined by the Board of Directors. For such purpose, all shares of Series A Preferred held by such holders shall be aggregated together, and all shares of Series B Preferred held by such holders shall be aggregated together, and any resulting fractional share of Common Stock shall be paid in cash. Before any holder of Preferred Stock shall be entitled to convert the same into full shares of Common Stock, and to receive certificate(s) therefor, it shall surrender the Preferred Stock certificate or certificates (or, if such holder alleges that such certificate has been lost, stolen or destroyed, a lost certificate affidavit and agreement reasonably acceptable to the Corporation to indemnify the Corporation against any claim that may be made against the Corporation on account of the alleged loss, theft or destruction of such certificate), duly endorsed, at the office of the Corporation or of any transfer agent for the Preferred Stock, and shall give written notice to the Corporation at such office that such holder elects to convert such shares; provided, however, that in the event of an automatic conversion pursuant to paragraph 3(b) above, the outstanding shares of Preferred Stock shall be converted automatically 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; provided further, however, that the Corporation shall not be obligated to issue certificates evidencing the shares of Common Stock issuable upon such automatic conversion unless either the certificates evidencing such shares of Preferred Stock are delivered to the Corporation or its

transfer agent as provided above, or the holder notifies the Corporation or its transfer agent 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 with such certificates. If required by the Corporation, certificates surrendered for conversion shall be endorsed or accompanied by a written instrument or instruments of transfer, in form satisfactory to the Corporation, duly executed by such holder or his, her or its attorney duly authorized in writing.

The Corporation shall, as soon as practicable after delivery of the Preferred Stock certificate(s), issue and deliver at such office to such holder of Preferred Stock, a certificate or certificates for the number of shares of Common Stock to which he, she or it shall be entitled and a check payable to the holder in the amount of any cash amounts payable as the result of a conversion into fractional shares of Common Stock, plus any declared but unpaid dividends on the converted Preferred Stock. Such conversion shall be deemed to have been made immediately prior to the close of business on the date of such surrender of the shares of Preferred Stock to be converted, and the person or persons entitled to receive the shares of Common Stock issuable upon such conversion shall be treated for all purposes as the record holder or holders of such shares of Common Stock on such date; provided, however, that if the conversion is in connection with an underwritten offer of securities registered pursuant to the Securities Act, the conversion may, at the option of any holder tendering Preferred Stock for conversion, be conditioned upon the closing of the sale of securities pursuant to such offering, in which event the person(s) entitled to receive the Common Stock issuable upon such conversion of the Preferred Stock shall not be deemed to have converted such Preferred Stock until immediately prior to the closing of the sale of such securities.

(d) **Adjustments for Subdivisions or Combinations of Common.** After the date of the filing of this Restated Certificate, if the outstanding shares of Common Stock shall be subdivided (by stock split, stock dividend or otherwise), into a greater number of shares of Common Stock, the Series A Conversion Price and Series B Conversion Price in effect immediately prior to such subdivision shall, concurrently with the effectiveness of such subdivision, be proportionately decreased. After the date of the filing of this Restated Certificate, if the outstanding shares of Common Stock shall be combined (by reclassification or otherwise) into a lesser number of shares of Common Stock, the Series A Conversion Price and Series B Conversion Price in effect immediately prior to such combination shall, concurrently with the effectiveness of such combination, be proportionately increased.

(e) **Adjustments for Reclassification, Exchange and Substitution.** If the Common Stock issuable upon conversion of the Preferred Stock shall be changed into the same or a different number of shares of any other class or classes of stock, whether by capital reorganization, reclassification or otherwise (other than a subdivision or combination of shares provided for above), concurrently with the effectiveness of such reorganization or reclassification, the Preferred Stock shall be convertible into, in lieu of the number of shares of Common Stock which the holders would otherwise have been entitled to receive, a number of shares of such other class or classes of stock equivalent to the number of shares of Common Stock that would have been subject to receipt by the holders upon conversion of the Preferred Stock immediately before that change.

(f) **Adjustments for Reorganization, Merger, Consolidation or Sale of Assets.** If the Common Stock issuable upon conversion of the Preferred Stock shall be changed into the same or a different number of shares of any other class or classes of stock, whether by a merger or consolidation of this Corporation with or into another entity, or the sale of all or substantially all of this Corporation's properties and assets to any other person or entity (other than as provided for elsewhere in this Section 3 or a transaction subject to Section 2 above) then, as a part of such reorganization, merger, consolidation or sale, provision shall be made so that the holders of Preferred Stock shall thereafter be entitled to receive upon conversion of the then outstanding Preferred Stock, the number of shares of stock or other securities or property of the Corporation, or of the successor entity resulting from such merger or consolidation or sale, to which a holder of Common Stock deliverable upon conversion would have been entitled on 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 3 with respect to the rights of the holders of the then outstanding Preferred Stock after the reorganization, merger, consolidation or sale to the end that the provisions of this Section 3 (including adjustments of the applicable Series A Conversion Price and Series B Conversion Price then in effect and the number of shares purchasable upon conversion of the Series A Preferred Stock and Series B Preferred Stock) shall be applicable after that event as nearly equivalent as may be practicable.

(g) **Adjustments for Dilutive Issuances.**

(i) After the date of the filing of this Restated Certificate, if the Corporation shall issue or sell any shares of Common Stock (as actually issued or, pursuant to paragraph (iii) below, deemed to be issued) for a consideration per share less than the Series A Conversion Price in effect immediately prior to such issue or sale, then immediately upon such issue or sale the Series A Conversion Price shall be reduced to a price (calculated to the nearest cent) determined by multiplying such prior Series A Conversion Price by a fraction, the numerator of which shall be the number of shares of "Calculated Securities" (defined below) outstanding immediately prior to such issue or sale plus the number of shares of Common Stock that the aggregate consideration received by the Corporation for the total number of shares of Common Stock so issued or sold would purchase at such prior Series A Conversion Price, and the denominator of which shall be the number of shares of Calculated Securities outstanding immediately prior to such issue or sale plus the number of shares of Common Stock so issued or sold. After the date of the filing of this Restated Certificate, if the Corporation shall issue or sell any shares of Common Stock (as actually issued or, pursuant to paragraph (iii) below, deemed to be issued) for a consideration per share less than the Series B Conversion Price in effect immediately prior to such issue or sale, then immediately upon such issue or sale the Series B Conversion Price shall be reduced to a price (calculated to the nearest cent) determined by multiplying such prior Series B Conversion Price by a fraction, the numerator of which shall be the number of shares of "Calculated Securities" (defined below) outstanding immediately prior to such issue or sale plus the number of shares of Common Stock that the aggregate consideration received by the Corporation for the total number of shares of Common Stock so issued or sold would purchase at such prior Series B Conversion Price, and the denominator of which shall be the number of shares of Calculated Securities outstanding immediately prior to such issue or sale plus the number of shares of Common Stock so issued or sold. "**Calculated Securities**" means (A) all shares of Common Stock actually outstanding, (B) all Convertible



Securities (as defined below) on an as-exercised, as converted to Common Stock basis, and (C) all unissued stock options and other equity-based incentives for which Common Stock is held in reserve in the Company's 2003 Stock Incentive Plan, as well as any additional shares issued or deemed issued pursuant to a plan, agreement or arrangement approved by the Board of Directors of the Corporation. "Convertible Securities" shall mean any bonds, debentures, notes or other evidences of indebtedness, options, warrants, shares (including, but not limited to, shares of Series A Preferred and shares of Series B Preferred) or any other securities convertible into, exercisable for, or exchangeable for Common Stock.

(ii) For the purposes of paragraph (i) above, none of the following issuances shall be considered the issuance or sale of Common Stock:

(A) The issuance of any Common Stock or Convertible Securities (and the Common Stock issued upon exercise or conversion thereof) in connection with any stock split, recapitalization or as a dividend on the Corporation's capital stock.

(B) The issuance of up to 13,911,336 (or such larger amount as approved by the Board of Directors of the Corporation including the approval of the Preferred Directors, as defined in Section 5(d) below)) shares of, or options to purchase shares of, Common Stock to employees, consultants, directors or advisors pursuant to any arrangement approved by the Board of Directors (and the Common Stock issued upon exercise of such options). Such number of shares of Common Stock issued pursuant to this subsection shall be adjusted for any subdivisions and combinations, and shall include shares repurchased by the Company and any cancellation or expiration of options to purchase these shares.

(C) The issuance of shares of Common Stock or Convertible Securities (and the Common Stock issued upon conversion and/or exercise thereof) to lenders, financial institutions or equipment lessors in connection with equipment financing arrangements approved by the Board of Directors, including the approval of the Preferred Directors.

(D) The issuance of shares of Common Stock or Convertible Securities (and the Common Stock issued upon conversion and/or exercise thereof) pursuant to technology licenses approved by the Board of Directors, including the approval of the Preferred Directors.

(E) The issuance of Common Stock or Convertible Securities pursuant to the acquisition of another entity by the Corporation by merger, purchase of substantially all of the assets or shares, or other reorganization whereby the Corporation or its stockholders immediately preceding such transaction own not less than a majority of the voting power of the surviving or successor entity, in each case as approved by the Board of Directors, including the approval of Preferred Directors.

(F) The shares of Common Stock issued upon conversion of the Preferred Stock.

(G) 29,700,000 shares of Series B Preferred to be issued pursuant to the Series B Preferred Stock Purchase Agreement by and between the Company and the Investor party thereto, dated as of April 9, 2007.

(iii) For the purposes of paragraph (i) above, the following subparagraphs (A) to (C), inclusive, shall also be applicable:

(A) In case at any time the Corporation shall grant any rights to subscribe for, or any rights or options to purchase, Convertible Securities, whether or not such rights or options or the right to convert or exchange any such Convertible Securities are immediately exercisable, and the price per share for which Common Stock is issuable upon the exercise of such rights or options or upon conversion or exchange of such Convertible Securities (determined by dividing (x) the total amount, if any, received or receivable by the Corporation as consideration for the granting of such rights or options, plus the minimum aggregate amount of additional consideration payable to the Corporation upon the exercise of such rights or options, plus, in the case of any such rights or options which relate to such Convertible Securities, the minimum aggregate amount of additional consideration, if any, payable upon the issue or sale of such Convertible Securities and upon the conversion or exchange thereof, by (y) the total maximum number of shares of Common Stock issuable upon the exercise of such rights or options or upon the conversion or exchange of all such Convertible Securities issuable upon the exercise of such rights or options) shall be less than the Conversion Price in effect immediately prior to the time of the granting of such rights or options, then the total maximum number of shares of Common Stock issuable upon the exercise of such rights or options or upon conversion or exchange of the total maximum amount of such Convertible Securities issuable upon the exercise of such rights or options shall (as of the date of granting of such rights or options) be deemed to be outstanding and to have been issued for such price per share.

(B) In case at any time the Corporation shall issue or sell any Convertible Securities, whether or not the rights to exchange or convert thereunder are immediately exercisable, and the price per share for which Common Stock is issuable upon such conversion or exchange (determined by dividing (x) the total amount received or receivable by the Corporation as consideration for the issue or sale of such Convertible Securities, plus the minimum aggregate amount of additional consideration, if any, payable to the Corporation upon the conversion or exchange thereof, by (y) the total maximum number of shares of Common Stock issuable upon the conversion or exchange of all such Convertible Securities) shall be less than the Conversion Price in effect immediately prior to the time of such issue or sale, then the total maximum number of shares of Common Stock issuable upon conversion or exchange of such Convertible Securities shall (as of the date of the issue or sale of such Convertible Securities) be deemed to be outstanding and to have been issued for such price per share, provided that if any such issue or sale of such Convertible Securities is made upon exercise of any rights to subscribe for or to purchase or any option to purchase any such Convertible Securities for which adjustments of the conversion price have been or are to be made pursuant to other provisions of this paragraph (iii), no further adjustment of the conversion price shall be made by reason of such issue or sale.

(C) In case at any time any shares of Common Stock or Convertible Securities or any rights or options to purchase any such Common Stock, or Convertible Securities shall be issued or sold for cash, the consideration received therefor shall be deemed to be the amount received by the Corporation therefor. In case any shares of Common Stock or Convertible Securities or any rights or options to purchase any such Common Stock or Convertible Securities shall be issued or sold for a consideration other than cash, the amount of the consideration other than cash received by the Corporation shall be deemed to be the fair value of such consideration as determined by the Board of Directors. In case any shares of Common Stock or Convertible Securities or any rights or options to purchase any such Common Stock or Convertible Securities shall be issued in connection with any merger of another corporation into the Corporation, the amount of consideration therefor shall be deemed to be the fair value of the assets of such merged corporation as determined by the Board of Directors after deducting therefrom all cash and other consideration (if any) paid by the Corporation in connection with such merger.

(h) **No Impairment.** The Corporation will not, through any reorganization, transfer of assets, consolidation, merger, dissolution, issue or sale of securities or any other voluntary action taken, avoid or seek to avoid the observance or performance of any of the terms to be observed or performed hereunder by the Corporation, but will at all times in good faith assist in carrying out of all the provision of this Section 3 and in the taking of all such action as may be necessary or appropriate in order to protect the conversion rights of the holders of the Preferred Stock against impairment.

(i) **Certificate of Adjustments.** Upon the occurrence of each adjustment of the Series A Conversion Price or the Series B Conversion Price pursuant to this Section 3, the Corporation at its expense shall promptly compute such adjustment and furnish to each holder of the applicable Preferred Stock a certificate setting forth such adjustment and showing in detail the facts upon which such adjustment is based. The Corporation shall, upon the written request at any time of any holder of Preferred Stock, furnish to such holder a like certificate setting forth (i) any and all adjustments made to such Preferred Stock since the date of filing of this Restated Certificate, (ii) the Series A Conversion Price or Series B Conversion Price at the time in effect for such Series A Preferred Stock or Series B Preferred Stock, respectively, and (iii) the number of shares of Common Stock and the amount, if any, of other property which at the time would be received upon the conversion of such Preferred Stock.

(j) **Notices of Record Date.** In the event that the Corporation shall propose at any time (i) to declare any dividend; (ii) to effect any reclassification or recapitalization; or (iii) to effect a Liquidation; then, in connection with each such event, the Corporation shall send to the holders of Preferred Stock at least 20 days' prior written notice of the date on which a record shall be taken for such dividend, Distribution or subscription rights (and specifying the date on which the holders of stock shall be entitled thereto) or for determining rights to vote in respect of the matters referred to in clauses (iii) and (iv) above.

(k) **Reservation of Stock Issuable Upon Conversion.** The Corporation shall at all times reserve and keep available out of its authorized but unissued shares of Common Stock, solely for the purpose of effecting the conversion of the shares of the Preferred Stock,

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

**4. Voting.**

(a) Except as otherwise expressly provided herein or as required by law, the holders of Preferred Stock and Common Stock shall vote together and not as separate classes.

(b) **Preferred Stock.** Each holder of shares of Preferred Stock shall be entitled to the number of votes equal to the number of shares of Common Stock into which such shares of Preferred Stock held by such holder could then be converted. The holders of Preferred Stock shall be entitled to notice of any stockholders' meeting in accordance with the bylaws of the Corporation. Fractional votes shall not, however, be permitted, and any fractional voting rights resulting from the above formula (after aggregating all shares of Common Stock into which shares of the particular series of Preferred Stock held by each holder could be converted) shall be disregarded.

(c) **Election of Directors.** So long as not less than 3,000,000 shares of the Series B Preferred (as adjusted for stock splits, combinations, reorganizations and the like) remain outstanding: (i) the holders of the Series B Preferred, voting together as a single, separate class, shall be entitled to elect two (2) directors (the "**Preferred Directors**"); (ii) the holders of Common Stock, voting together as a single, separate class, shall be entitled to elect two (2) directors; and (iii) all of the holders of shares of capital stock of the Corporation, voting together as a single class and on an as-converted basis, shall elect one independent director acceptable to all of the other directors (the "**Independent Director**"). Any vacancies on the Board of Directors shall be filled by vote of the holders of the class that elected the director whose absence created such vacancy.

**5. Amendments and Changes.**

(a) **Approval by Series B Preferred.** Notwithstanding Section 4 above, the Corporation shall not, without first obtaining the approval (by vote or written consent as provided by law) of the holders of at least fifty (50%) percent of the Series B Preferred then outstanding, voting together as a separate, single class:

(i) amend or waive (directly or indirectly, by merger or otherwise) this Restated Certificate or the bylaws of the Corporation in any way that changes the rights, privileges or preferences of the Series B Preferred;

(ii) increase or decrease (except retirement following conversion) the number of shares of Series B Preferred that the Corporation shall have the authority to issue;

(iii) create or issue (directly or indirectly, by reclassification or otherwise) any new class or series of securities (i) having rights, preferences or privileges which are senior to, or having rights, preferences or privileges on a parity with, the rights of the Series B Preferred with respect to dividends or rights upon liquidation, dissolution or winding up of the Corporation or (ii) having protective provisions prohibiting the Corporation from entering into or taking any of the corporate actions set forth in this Section 5(a) without the consent of the holders of such new class or series;

(iv) consummate any Liquidation;

(v) acquire all of the equity securities of another entity, or all or substantially all of the assets of another entity, in exchange for equity securities of the Corporation, if such equity securities to be issued by the Corporation would constitute more than 20% of the capital stock of the Corporation outstanding immediately prior to such acquisition;

(vi) amends or waives any provision of this Restated Certificate or the Corporation's Bylaws.

(vii) pay or declare a dividend on any shares of the Corporation's capital stock other than a stock dividend on the Common Stock;

(viii) repurchase shares of the Corporation's stock except (i) in connection with the repurchase of shares of Common Stock issued to or held by employees, consultants or directors upon termination of their employment or services pursuant to agreements providing for the right of said repurchase or (ii) for repurchases by the Corporation upon exercise of any right of first refusal held by the Corporation approved by the Corporation's Board of Directors; or

(ix) change the authorized number of directors of the Corporation.

(b) **Approval by Series A Preferred.** The approval of the holders of a majority of the Series A Preferred, voting together as a separate, single class, shall be required for any action by the Corporation that adversely alters or changes the rights, preferences or privileges of the Series A Preferred, but not the Series B Preferred in a substantially similar manner, or that otherwise adversely affects the holders of the Series A Preferred, but not the holders of the Series B Preferred in a substantially similar manner (each such action, an "**Adverse Action**"). No increase in the authorized number of shares, or issuance of shares, of capital stock of the Corporation, including without limitation shares of the Series A Preferred, shall constitute an Adverse Action.

6. **Redemption.** Neither the Series A Preferred nor the Series B Preferred is redeemable.

7. **Notices.** Any notice required by the provisions of this Article FOURTH to be given to the holders of Preferred Stock shall be deemed given if deposited in the United States mail, postage prepaid, if deposited with a nationally recognized overnight courier, or if

personally delivered, and addressed to each holder of record at such holder's address appearing on the books of the Corporation.

8. **Common Stock.** Except as otherwise provided by law or this Restated Certificate, the Common Stock shall have terms and provisions as follows:

(a) **Relative Rights of Preferred Stock and Common Stock.** All preferences, voting powers, relative, participating, optional or other special rights and privileges, and qualifications, limitations or restrictions of the Common Stock are expressly made subject and subordinate to those that may be fixed with respect to any shares of the Preferred Stock.

(b) **Voting Rights.** Except as otherwise required by law or this Restated Certificate, each holder of Common Stock shall have one vote in respect of each share of stock held by him of record on the books of the Corporation for the election of directors and on all matters submitted to a vote of stockholders of the Corporation. The number of authorized shares of Common Stock may be increased or decreased (but not below the number of shares thereof then outstanding) by the affirmative vote of the holders of a majority of the stock of this Corporation entitled to vote, irrespective of the provisions of Section 242(b)(2) of the Delaware Corporate Law.

(c) **Dividends.** The holders of shares of Common Stock shall be entitled to receive, when and if declared by the Board of Directors of the Corporation, out of the assets of the Corporation which are by law available therefor, dividends payable either in cash, in property or in shares of capital stock.

(d) **Dissolution, Liquidation or Winding Up.** In the event of any dissolution, liquidation or winding up of the affairs of the Corporation, holders of Common Stock shall be entitled, unless otherwise provided by law or this Restated Certificate, to receive all of the assets of the Corporation of whatever kind available for distribution to stockholders ratably in proportion to the number of shares of Common Stock held by them respectively.

## FIFTH

In furtherance and not in limitation of the powers conferred by the laws of the State of Delaware:

A. Elections of directors need not be by written ballot unless the bylaws of the Corporation shall so provide.

B. The books of the Corporation may be kept at such place within or without the State of Delaware as the bylaws of the Corporation may provide or as may be designated from time to time by the Board of Directors of the Corporation.

## SIXTH

A. To the fullest extent permitted by the Delaware Corporate Law as it now exists or as it may hereafter be amended, a director of the Corporation shall not be personally liable to the

Corporation or its stockholders for monetary damages for breach of fiduciary duty as a director, except for liability (i) for any breach of the director's duty of loyalty to the corporation or its stockholders, (ii) for acts or omissions not in good faith or which involve intentional misconduct or a knowing violation of law, (iii) under Section 174 of the Delaware Corporate Law or (iv) for any transaction from which the director derived an improper personal benefit. If the Delaware Corporate Law is hereafter amended to authorize further eliminating or limiting the personal liability of directors, then, after approval by the stockholders of this Article SIXTH, the liability of a director of the Corporation, shall be eliminated or limited to the fullest extent permitted by the Delaware Corporate Law as so amended.

B. Any amendment, repeal or modification of the foregoing provisions of this Article SIXTH, or the adoption of any provision in an amended or restated Certificate of Incorporation inconsistent with this Article SIXTH, by the stockholders of the Corporation shall be prospective only, and shall not adversely affect any right or protection of a director of the Corporation existing at the time of such amendment, repeal, modification or adoption.

#### **SEVENTH**

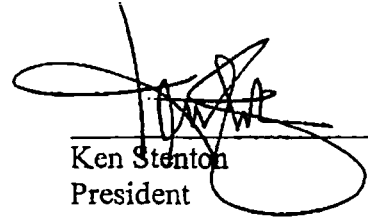
A. To the fullest extent permitted by applicable law, this Corporation shall provide indemnification of (and advancement of expenses to) such agents of this Corporation (and any other persons to which Delaware law permits this Corporation to provide indemnification) through bylaw provisions, agreements with such agents or other persons, vote of stockholders or disinterested directors or otherwise, in excess of the indemnification and advancement otherwise permitted by Section 145 of the Delaware Corporate Law, subject only to limits created by applicable Delaware law (statutory or nonstatutory), with respect to actions for breach of duty to this Corporation, its stockholders and others.

B. Any amendment, repeal or modification of the foregoing provisions of this Article SEVENTH shall not adversely affect any right or protection of a director, officer, agent or other person existing at the time of, or increase the liability of any director of this corporation with respect to any acts or omissions of such director, officer or agent occurring prior to such amendment, repeal or modification.

#### **EIGHTH**

The Corporation reserves the right to amend or repeal any provision contained in this Restated Certificate, in the manner now or hereafter prescribed by statute, and all rights conferred upon a stockholder herein are granted subject to this reservation.

IN WITNESS WHEREOF, the Corporation has caused this Second Amended and Restated Certificate of Incorporation to be signed by its President as of this 9<sup>th</sup> day of April, 2007.



Ken Stenton  
President



**STATE OF DELAWARE  
CERTIFICATE OF AMENDMENT OF  
SECOND AMENDED AND RESTATED CERTIFICATE OF INCORPORATION  
OF ARRADIANCE, INC.**

Arradiance, Inc. (the "Corporation"), a corporation organized and existing under and by virtue of the provisions of the General Corporation Law of the State of Delaware (the "General Corporation Law").

**DOES HEREBY CERTIFY:**

**FIRST:**

That the Board of Directors duly adopted resolutions proposing to amend the Second Amended and Restated Certificate of Incorporation of the Corporation, declaring said amendments to be advisable and in the best interests of the Corporation and its stockholders, and authorizing the appropriate officers of the Corporation to solicit the consent of the stockholders therefor, which resolutions setting forth the proposed amendments are as follows:

**RESOLVED**, that the Second Amended and Restated Certificate of Incorporation of the Corporation be amended as follows:

1. By inserting after the second paragraph of Article FOURTH the following new paragraph:

Upon this Certificate of Amendment's becoming effective pursuant to the Delaware General Corporation Law (the "Effective Time"), each ten shares of the Company's common stock, \$0.001 par value per share, issued and outstanding or held by the Company in treasury immediately prior to the Effective Time (the "Old Common Stock") shall automatically without further action on the part of the Company or any holder of Old Common Stock, be reclassified, combined and changed into one fully paid and nonassessable share of common stock, \$0.001 par value per share (the "New Common Stock"), subject to the treatment of fractional share interests as described below. From and after the Effective Time, certificates representing the Old Common Stock shall represent the number of whole shares of New Common Stock into which such Old Common Stock shall have been reclassified pursuant to this Certificate of Amendment. There shall be no fractional shares issued with respect to the New Common Stock. In lieu thereof, any amount which would otherwise combine and change into a fractional share will be rounded up to combine and change into one whole share of New Common Stock.

**SECOND:** That in lieu of a meeting and vote of the Stockholders of the Corporation, the Stockholders of the Corporation have given written consent to said amendment of the Certificate of Incorporation in accordance with Section 228 of the General Corporation Law of the State of Delaware.

**THIRD:** That the aforesaid amendment of the Certificate of Incorporation was duly adopted in accordance with the provisions of Section 242 of the General Corporation Law of the State of Delaware.

IN WITNESS WHEREOF, the Corporation has duly executed this Certificate of Amendment as of this 12th day of June, 2007.

ARRADIANCE, INC.

By: 

Ken Stenton, President