

A0627349

205 6981

FILED
in the office of the Secretary of State
of the State of California

MAY 02 2005 *dm*

**CERTIFICATE OF AMENDMENT
OF THE
AMENDED AND RESTATED
ARTICLES OF INCORPORATION
OF
ARCOT SYSTEMS, INC.**

In accordance with Sections 902 and 903 of the California Corporations Code, the undersigned, Rammohan Varadarajan and David A. Makarechian, hereby certify that:

1. They are the duly elected and acting President and Secretary, respectively, of Arcot Systems, Inc., a California corporation (the "Corporation").

2. The first paragraph of ARTICLE III of the Amended and Restated Articles of Incorporation is hereby amended and restated in its entirety to read as follows:

"This Corporation is authorized to issue two classes of stock, designated, respectively, "Common Stock" and "Preferred Stock." The total number of shares which this Corporation is authorized to issue is one hundred sixty million (160,000,000) shares, without par value, of which one hundred twenty-five million (125,000,000) shares are Common Stock and thirty-five million (35,000,000) shares are Preferred Stock, of which thirty-five million (35,000,000) are designated Series A' Preferred Stock ("Series A' Preferred"). Except as set forth in Article IV hereof relating to the Series A' Preferred the Board of Directors is authorized to designate additional series of Preferred Stock and to fix the number of shares of any series of Preferred Stock and to determine or alter the rights, preferences, privileges, and restrictions granted to or imposed upon any wholly unissued series of Preferred Stock and, within the limits and restrictions stated in any resolution or resolutions of the Board of Directors originally fixing the number of shares constituting any series of Preferred Stock, to increase or decrease (but not below the number of shares of any such series then outstanding) the number of shares of any such series subsequent to the issue of shares of that series."

3. The foregoing amendment has been duly approved by the Board of Directors of the Corporation.

4. The foregoing amended and restated Articles of Incorporation has been duly approved by the required vote of the shareholders in accordance with Sections 902 and 903 of the California Corporations Code.

5. The total number of outstanding shares entitled to vote with respect to the foregoing amendment and restatement was 60,476,076 shares of Common Stock and 20,177,156 shares of Series A' Preferred Stock. The number of shares voting in favor of the foregoing amendment equaled or exceeded the vote required, such required vote being (i) a majority of the outstanding shares of Common Stock and (ii) a majority

exceeding sixty-six and two-thirds percent (66 2/3%) of the outstanding shares of the Series A Preferred Stock.

The undersigned further declare under penalty of perjury that the matters set forth in this Certificate of Amendment are true and correct of their own knowledge.

[Remainder of Page Intentionally Left Blank]

IN WITNESS WHEREOF, the undersigned have executed this certificate on
May 2, 2005.

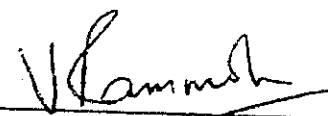


Rammohan Varadarajan
President

David A. Makarechian
Secretary

The undersigned further declare under penalty of perjury under the laws of the
State of California that they have read the foregoing Certificate of Amendment of the
Amended and Restated Articles of Incorporation and know the contents thereof and that
the statements therein are true.

Executed at Menlo Park, California, on May 2, 2005.



Rammohan Varadarajan
President

David A. Makarechian
Secretary

IN WITNESS WHEREOF, the undersigned have executed this certificate on
May 2, 2005.

Rammohan Varadarajan
President

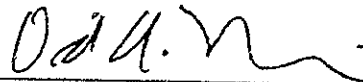


David A. Makarechian
Secretary

The undersigned further declare under penalty of perjury under the laws of the State of California that they have read the foregoing Certificate of Amendment of the Amended and Restated Articles of Incorporation and know the contents thereof and that the statements therein are true.

Executed at Menlo Park, California, on May 2, 2005.

Rammohan Varadarajan
President



David A. Makarechian
Secretary