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the office of the Secretary of State  
of the State of California

FEB 06 2006

**RESTATED ARTICLES OF INCORPORATION**  
**OF ALTA ANALOG, INC.**

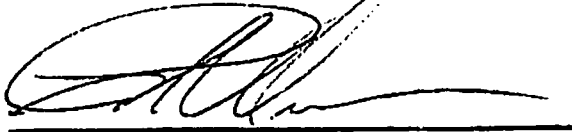
Rick Orlando of Alta Analog, Inc. certifies that:

1. He is the President and the Secretary of Alta Analog, Inc, a California corporation (the "Corporation").
2. The Articles of Incorporation of the Corporation are hereby amended and restated in full to read in their entirety as set forth in Exhibit A, attached hereto and incorporated by reference as if fully set forth herein.
3. The attached Amended and Restated Articles of Incorporation has been duly approved by the Board of Directors of the Corporation.
4. The attached Amended and Restated Articles of Incorporation has been duly approved by the shareholders of the Corporation in accordance with Section 902 and 903 of the California General Corporation Law. The total number of outstanding Common shares of the Corporation is 2,890,534 and the total number of outstanding Series A Preferred shares of the Corporation is 4,611,111. The number of shares approving the amendment equaled or exceeded that required. The percentage approval required was more than fifty percent (50%) of the outstanding Common shares voting as a separate class and more than fifty percent (50%) of the outstanding Series A Preferred shares voting as a separate class.

I further declare under penalty of perjury under the laws of the State of California that the matters set forth in this Certificate are true and correct of my own knowledge.

*[Remainder of Page Intentionally Left Blank]*

Executed on FEB. 2, 2006, at Los Gatos, California.

A handwritten signature in black ink, appearing to read "Rick Orlando", written over a horizontal line.

Rick Orlando,  
President & Secretary,  
Alta Analog, Inc.

**EXHIBIT A**  
**AMENDED AND RESTATED**  
**ARTICLES OF INCORPORATION OF**  
**ALTA ANALOG, INC.**

**ARTICLE I**

The Corporation name is "Alta Analog, Inc."

**ARTICLE II**

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 California other than the banking business, the trust company business, or the practice of a profession permitted to be incorporated by the California Corporations Code.

**ARTICLE III**

The Corporation is authorized to issue two classes of shares, to be designated Common shares and Preferred shares. The total number of Common shares that the Corporation is authorized to issue is twenty five million (25,000,000) shares. The total number of Preferred shares that the Corporation is authorized to issue is nine million four hundred eleven thousand one hundred eleven (9,411,111) shares, of which four million six hundred eleven thousand one hundred eleven (4,611,111) shares are designated Series A Preferred and four million eight hundred thousand (4,800,000) shares are designated Series B Preferred.

**ARTICLE IV**

The relative powers, preferences, special rights, qualifications, limitations and restrictions granted to or imposed on the Preferred shares are as follows:

**1. Dividend Preference.**

a. The holders of Preferred shares shall be entitled in any fiscal year to receive, on a pari passu basis, dividends when and as declared by the Board of Directors, out of any funds of the Corporation legally available for the payment of dividends, paid in cash at the annual rate of \$.0144 per Series A Preferred share and \$.0576 per Series B Preferred share (appropriately adjusted for combinations, consolidations, subdivisions, stock splits and the like with respect to such shares), before any dividend is paid on Common shares. This dividend may be payable quarterly or otherwise as the Board of Directors may from time to time determine. Dividends may be declared and paid on Common shares in any fiscal year of the Corporation only if such dividends shall have been paid to or declared and set apart on all Preferred shares.

b. The right to dividends on Preferred shares shall not be cumulative, and no right shall accrue to the holders of Preferred shares by reason of the fact that dividends on those shares

are not declared in any prior year, nor shall any undeclared or unpaid dividend bear or accrue interest.

c. After payment of the preferential dividend to the holders of the Preferred shares set forth above in a fiscal year, the holders of Common shares shall be entitled to receive dividends when and as declared by the Board of Directors, out of any funds of the Corporation legally available for the payment of dividends; provided, however, that no dividend may be declared and distributed with respect to Common shares at a rate greater than the rate at which dividends are declared and distributed with respect to Preferred shares based on the number of Common shares into which such Preferred shares are convertible on the date such dividend is declared in the same fiscal year.

d. In the event that the Corporation shall have declared but unpaid cash dividends outstanding immediately prior to, and in the event of, a conversion of Preferred shares (as provided in Section 3), the Corporation shall, at the option of each holder, pay in cash to each such holder of Preferred shares being converted the full amount of any such dividends or allow such dividends to be converted into Common shares in accordance with, and pursuant to the terms specified in, Section 3(a).

## **2. Liquidation Preferences.**

a. In the event of any voluntary or involuntary liquidation, dissolution, or winding up of the Corporation, the holders of Preferred shares shall be entitled to receive, on a pari passu basis, out of the assets of the Corporation legally available therefor, whether those assets are capital or surplus of any nature, an amount equal to \$.18 per Series A Preferred share and an amount equal to \$.72 per Series B Preferred share (appropriately adjusted for combinations, consolidations, subdivisions, stock splits and the like with respect to such shares) and a further amount equal to any dividends declared and unpaid thereon, as provided in Section (1), to the date that payment is made available to the holders of Preferred shares. If, upon liquidation, dissolution, or winding up, whether voluntary or involuntary, the assets thus distributed among the holders of the Preferred shares shall be insufficient to permit the payment to those shareholders of the full preferential amounts, then the entire assets of the Corporation to be distributed shall be distributed ratably among the holders of Preferred shares based upon the total preferential amount due each such holder under this Section 2(a).

b. The remaining assets of the Corporation legally available therefor, whether those assets are capital or surplus of any nature, shall be distributed ratably per share to the holders of the Common shares and Preferred shares on an as-converted basis.

c. The sale, lease, assignment, or other disposition (including via exclusive licenses) of all or substantially all of the assets of the Corporation and the acquisition of the Corporation by means of a merger, consolidation, or reorganization of the Corporation with or into any other entity or entities, or in a transaction or series of transactions involving the sale or exchange of shares by existing shareholders of the Corporation in which the Corporation's shareholders immediately prior to such transaction(s) hold immediately after such transaction(s) less than 50% of the voting

power of the surviving corporation or its parent, shall be deemed to be a liquidation, dissolution or winding up of the Corporation within the meaning of this Section 2.

### **3. Conversion Rights With Anti-Dilution Provisions.**

The holder of any Preferred shares shall have conversion rights as follows:

a. **Right to Convert.** The Preferred shares shall be convertible, at the option of the holders of the shares, at any time after the issuance of those shares at the office of the Corporation or any transfer agent for the Preferred shares into that number of fully-paid and non-assessable Common shares as is determined by dividing the Issuance Price for the Preferred shares (appropriately adjusted for combinations, consolidations, subdivisions, stock splits and the like with respect to such shares) by the Conversion Price for the Preferred shares, determined as hereinafter provided, in effect at the time of conversion (the "Conversion Rate"). The Issuance Price for the Series A Preferred shares was \$.18 per share and the Series B Preferred shares shall be sold at \$.72 per share. The Conversion Price for the Series A Preferred shares was initially \$.18 and the Series B Preferred shares shall initially be \$.72 per share. The Conversion Price shall be subject to adjustment as provided below.

b. **Automatic Conversion.** The Preferred shares shall automatically be converted into Common shares at the then effective Conversion Rate for the Preferred shares in the event of: (i) the receipt by the Corporation of the affirmative vote at a duly noticed shareholders meeting or pursuant to a duly solicited written consent of the holders of a majority of the then outstanding Preferred shares, voting as a class, in favor of the conversion of all of the shares of Preferred shares; or (ii) upon the closing of a firm commitment underwritten public offering pursuant to an effective registration statement under the Securities Act of 1933, as amended, covering the offer and sale of Common shares for the account of the Corporation to the public at a public offering price of at least \$2.00 per share (appropriately adjusted for combinations, consolidations, subdivisions, stock splits or other similar transactions) and gross proceeds to the Corporation in excess of \$20,000,000.00. In the event of an Automatic Conversion of the Preferred shares upon a public offering as set forth in subsection (ii) above, the person or persons entitled to receive the Common shares issuable on that conversion of Preferred shares shall not be deemed to have converted those Preferred shares until immediately prior to the closing of that sale of securities.

c. **Mechanics of Conversion.** No fractional Common shares shall be issued upon conversion of Preferred shares. All Common shares (including fractions thereof) issuable upon conversion of more than one share of Preferred shares by a holder of Preferred shares shall be aggregated for purposes of determining whether the conversion would result in the issuance of any fractional share. If, after the aforementioned aggregation, the conversion would result in the issuance of a fraction of a share of Common shares, the Corporation shall pay, in lieu of issuing any fractional shares to which the holder would otherwise be entitled, cash equal to that fraction multiplied by the then-effective fair value for a Common share. Before any holder of Preferred shares shall be entitled to convert those shares into full Common shares and to receive certificates for Common shares, the holder shall: (i) give written notice to the Corporation, at the office of the Corporation or of any transfer agent for the Preferred shares, that he or she elects to convert the same; and (ii) surrender the certificate or certificates for those Preferred shares, duly endorsed, at

the office of the Corporation or of any transfer agent for the Preferred shares, or notify the Corporation or its transfer agent that the certificates have been lost, stolen, or destroyed, and execute an agreement satisfactory to the Corporation to indemnify the Corporation from any loss incurred by it in connection with those certificates; provided, however, that in the event of an Automatic Conversion, the outstanding Preferred shares shall be converted automatically without any further action by the holders of those shares and whether or not the certificates representing those shares are surrendered to the Corporation or its transfer agent, and provided further that the Corporation shall not be obligated to issue certificates evidencing the Common shares issuable upon such an Automatic Conversion unless the certificates evidencing those Preferred shares are either delivered to the Corporation or its transfer agent as provided above, or the holder notifies the Corporation or its transfer agent that the certificates have been lost, stolen, or destroyed, and executes an agreement reasonably satisfactory to the Corporation to indemnify the Corporation from any loss incurred by it in connection with those certificates. The Corporation shall, as soon as practicable after such a delivery, or the execution of such an agreement and indemnification in the case of a lost certificate, issue and deliver at that office to that holder of Preferred shares a certificate or certificates for the number of Common shares to which that holder is entitled, and a check payable to the holder in the amount of any cash amounts payable as the result of a conversion into fractional Common shares. The conversion shall be deemed to have been made immediately prior to the close of business on the date of surrender of the Preferred shares to be converted, or in the case of Automatic Conversion, on the date of closing of the offering and the person or persons entitled to receive the Common shares issuable upon conversion shall be treated for all purposes as the record holder or holders of those Common shares on that date. In case any series of Preferred shares shall be converted pursuant to this Section, the shares so converted shall be canceled and cannot be reissued as Preferred shares.

**d. Adjustments to Conversion Price.**

**i. Adjustments for Dividends, Splits, Subdivisions, Combinations, or Consolidation of Common Shares.** In the event the outstanding Common shares shall be increased by a stock dividend payable in Common shares, stock split, subdivision, or other similar transaction occurring after the filing of these Articles of Incorporation, into a greater number of Common shares, the Conversion Price then in effect for the Preferred shares shall, concurrently with the effectiveness of that event, be decreased in proportion to the percentage increase in the outstanding number of Common shares. In the event the outstanding Common shares shall be decreased by reverse stock split, combination, consolidation, or other similar transaction occurring after the filing of these Articles of Incorporation, into a lesser number of Common shares, the Conversion Price then in effect for the Preferred shares shall, concurrently with the effectiveness of that event, be increased in proportion to the percentage decrease in the outstanding number of Common shares.

**ii. Adjustments for Other Distributions.** In the event the Corporation at any time, or from time to time, makes or fixes a record date for the determination of holders of Common shares entitled to receive any distribution payable in securities of the Corporation other than Common shares and other than as otherwise adjusted in this Article, then and in each such event provision shall be made so that the holders of Preferred shares shall receive upon conversion thereof, in addition to the number of Common shares receivable thereupon, the amount of

securities of the Corporation that they would have received had their Preferred shares been converted into Common shares on the date of that event and had they thereafter, during the period from the date of that event to and including the date of conversion, retained those securities receivable by them during that period, subject to all other adjustments called for during that period under this Article with respect to the rights of the holders of the Preferred shares.

**iii. Adjustments for Reclassification, Exchange and Substitution.** If the Common shares issuable upon conversion of the Preferred shares 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), the Conversion Price then in effect for the Preferred shares shall, concurrently with the effectiveness of the reorganization or reclassification, be proportionately adjusted so that the Preferred shares shall be convertible into, in lieu of the number of Common shares that the holders would otherwise have been entitled to receive, a number of shares of that other class or classes of stock equivalent to the number of Common shares that would have been subject to receipt by the holders upon conversion of their Preferred shares immediately before that change.

**iv. Adjustments Upon Issuance of Additional Stock.** If the Corporation shall issue "Additional Stock" (as defined below) for a consideration per share less than the Conversion Price for Preferred shares then in effect on the date and immediately prior to that issue, then and in that event, the Conversion Price shall be reduced, concurrently with that issue, to a price (calculated to three decimal places) determined by multiplying that Conversion Price by a fraction: (A) the numerator of which shall be the number of Common shares outstanding immediately prior to that issue (including all Common shares issuable upon conversion of the outstanding Preferred shares and all Common shares issuable upon exercise of all outstanding options) plus the number of Common shares that the aggregate consideration received by the Corporation for the total number of Additional Stock so issued (or deemed to be issued) would purchase at that Conversion Price; and (B) the denominator of which shall be the number of Common shares outstanding immediately prior to that issue (including Common shares issuable upon conversion of the outstanding Preferred shares and all Common shares issuable upon exercise of all outstanding options) plus the number of shares of Additional Stock so issued.

For purposes of this Section 3(d), "Additional Stock" shall mean all Common shares, including securities options and other rights convertible or exercisable therefor, issued by the Corporation after the date on which shares of the applicable Preferred shares were first issued other than: (i) the issuance of up to four million (4,000,000) (or rights therefore) (including options granted prior to the financing and appropriately adjusted for combinations, consolidations, subdivisions, stock splits or other similar transactions) Common shares as approved by the Board of Directors to employees, directors and consultants or such additional number of shares as unanimously approved by the Board of Directors; (ii) the issuance of shares of the Corporation's capital stock (or rights there for) (appropriately adjusted for combinations, consolidations, subdivisions, stock splits or other similar transactions) as approved by the Board of Directors to financial institutions or lessors in connection with commercial credit arrangements, equipment financing or similar transactions; (iii) the issuance of shares of the Corporation's capital stock (or rights there for) (appropriately adjusted for combinations, consolidations, subdivisions, stock splits or other similar transactions) as approved by the Board of Directors to vendors or customers for

other than financing purposes; (iv) the issuance of shares of the Corporation's capital stock (or rights there for) (appropriately adjusted for combinations, consolidations, subdivisions, stock splits or other similar transactions) in connection with acquisitions and mergers as approved by the Board of Directors; (v) the issuance of Common shares upon conversion of the Preferred shares; (vi) the issuance of Common shares in a public offering in which all shares of Preferred shares are converted pursuant to Section 3(b); (vii) the issuance of securities pursuant to currently outstanding convertible securities or other rights to acquire capital stock of the Corporation outstanding as of the date of the filing of these Articles of Incorporation; (viii) the issuance of shares of capital stock (appropriately adjusted for combinations, consolidations, subdivisions, stock splits or other similar transactions) in connection with strategic partnership transactions for other than financing purposes; and (ix) the issuance of securities pursuant to stock splits, stock dividends, or similar transactions as provided in subsections (i), (ii) and (iii) of Section 3(d).

For the purpose of making any adjustment in the Conversion Price as provided above, the consideration received by the Corporation for any issue or sale of Common shares will be computed as follows:

i. To the extent it consists of cash, as the amount of cash received by the Corporation before deduction of any offering expenses payable by the Corporation and any underwriting or similar commissions, compensation, or concessions paid or allowed by the Corporation in connection with the issue or sale;

ii. To the extent it consists of property other than cash, at the fair market value of that property as reasonably determined in good faith by the Corporation's Board of Directors; and

iii. If Additional Stock is issued or sold together with other stock or securities or other assets of the Corporation for a consideration which covers both, as the portion of the consideration so received that may be reasonably determined in good faith by the Board of Directors to be allocable to that Additional Stock .

If the Corporation: (i) grants any rights or options to subscribe for, purchase, or otherwise acquire Common shares; or (ii) issues or sells any security convertible into Common shares, then, in each case, the price per Common share issuable on the exercise of the rights or options or the conversion of the securities will be determined by dividing the total amount, if any, received or receivable by the Corporation as consideration for the granting of the rights or options or the issue or sale of the convertible securities, plus the minimum aggregate amount of additional consideration payable to the Corporation on exercise or conversion of the securities, by the maximum number of Common shares issuable on the exercise or conversion. Such a grant, issue, or sale will be considered to be an issue or sale for cash of the maximum number of Common shares issuable on exercise or conversion at the price per share determined under this Section, and the Conversion Price will be adjusted as provided above to reflect (on the basis of that determination) the issue or sale. No further adjustment of the Conversion Price will be made as a result of the actual issuance of Common shares on the exercise of any such rights or options or the conversion of any such convertible securities.



On the redemption or repurchase of any such securities, or the expiration or termination of the right to convert into, exchange for, or exercise with respect to, Common shares, the Conversion Price will be readjusted to the price that would have been obtained had the adjustment made upon their issuance been made upon the basis of the issuance of only the number of those securities that were actually converted into, exchanged for, or exercised with respect to, Common shares. If the purchase price or conversion or exchange rate provided for in any such security changes at any time, then, at the time any such change becomes effective, the Conversion Price then in effect will be readjusted forthwith to the price that would have been obtained had the adjustment made upon the issuance of those securities been made upon the basis of: (i) the issuance of only the number of Common shares theretofore actually delivered upon the conversion, exchange or exercise of those securities, and the total consideration received therefor; and (ii) the granting or issuance, at the time of the change, of any of those securities then still outstanding for the consideration, if any, received by the Corporation therefor and to be received on the basis of that changed price or rate.

**e. No Impairment.** The Corporation will not, by amendment of its Articles of Incorporation or through any reorganization, transfer of assets, consolidation, merger, dissolution, issue or sale of securities, or any other voluntary action, avoid or seek to avoid the observance or performance of any of the terms to be observed or performed under this Article by the Corporation, but will at all times in good faith assist in the carrying out of all the provisions of this Article and in the taking of all action that may be necessary or appropriate in order to protect the conversion rights of the holders of the Preferred shares against impairment.

**f. Certificate as to Adjustments.** On the occurrence of each adjustment or readjustment of the Conversion Price of the Preferred shares, the Corporation at its expense shall promptly compute that adjustment or readjustment in accordance with the terms of this Article, and furnish to each holder of Preferred shares a certificate setting forth that adjustment or readjustment and showing in detail the facts upon which that adjustment or readjustment is based. The Corporation shall, upon the written request of any holder of Preferred shares, furnish or cause to be furnished to that holder a like certificate setting forth: (a) those adjustments and readjustments; (b) the Conversion Price at the time in effect; and (c) the number of Common shares and the amount, if any, of other property which at the time would be received upon the conversion of the Preferred shares.

**g. Notices of Record Date.** In the event that this Corporation shall propose at any time:

i. To declare any dividend or distribution upon its Common shares, whether in cash, property, stock, or other securities, whether or not a regular cash dividend and whether or not out of earnings or earned surplus;

ii. To offer for subscription pro rata to the holders of any class or series of its stock any additional shares of stock of any class or series or other rights;

iii. To effect any reclassification or recapitalization of its Common shares outstanding involving a change in the Common shares; or

iv. The sale, lease, assignment, or other disposition (including via exclusive licenses) of all or substantially all of the assets of the Corporation or the acquisition of the Corporation by means of a merger, consolidation, or reorganization of the Corporation with or into any other entity or entities, or in a transaction or series of transactions in which the Corporation's shareholders immediately prior to such transaction(s) hold immediately after such transaction(s) less than 50% of the voting power of the surviving corporation or its parent;

then, in connection with each such event, this Corporation shall send to the holders of the Preferred shares:

i. At least twenty (20) days' prior written notice of the date on which a record shall be taken for that dividend, distribution, or subscription rights (and specifying the date on which the holders of Common shares shall be entitled thereto) or for determining rights to vote in respect of the matters referred to in (iii) and (iv), above; and

ii. In the case of the matters referred to in (iii) and (iv), above, at least 20 days' prior written notice of the date when the events shall take place (and specifying the date on which the holders of Common shares shall be entitled to exchange their Common shares for securities or other property deliverable upon the occurrence of the event or the record date for the determination of those holders if that record date is earlier).

Each such written notice shall be delivered personally or sent by first class mail, postage prepaid, addressed to the holders of the Preferred shares at the address for each such holder as shown on the books of the Corporation.

**h. Issue Taxes.** The Corporation shall pay any and all issue and other taxes (other than income taxes) that may be payable in respect of any issue or delivery of Common shares on conversion of Preferred shares under this Article; provided, however, that the Corporation shall not be obligated to pay any transfer taxes resulting from any transfer requested by any holder in connection with any such conversion.

**i. Reservation of Stock Issuable on Conversion.** The Corporation shall at all times reserve and keep available out of its authorized but unissued Common shares, solely for the purpose of effecting the conversion of the shares of the Preferred shares, such a number of its Common shares as shall from time to time be sufficient to effect the conversion of all outstanding Preferred shares; and if at any time the number of authorized but unissued Common shares shall not be sufficient to effect the conversion of all then outstanding Preferred shares, the Corporation will take such corporate action as may, in the opinion of its counsel, be necessary to increase its authorized but unissued Common shares to that number of shares which shall be sufficient for that purpose, including, without limitation, engaging in best efforts to obtain the requisite shareholder approval of any necessary amendment to its Articles of Incorporation.

#### **4. Voting Rights.**

a. The holder of each Preferred share shall have the right to that number of votes equal to the number of Common shares issuable on conversion of the Preferred shares. The

Preferred shares and Common shares shall vote together as a class, except as required by law and as provided in Section 4(b), below.

b. For so long as there are at least two million (2,000,000) Preferred shares outstanding, consent of the holders of a majority of the outstanding Preferred shares will be required for: (i) creation of any new class or series of shares having preference over or on parity with the Preferred shares with respect to dividends, voting, liquidation preferences, or conversion rights; (ii) any increase or decrease in the authorized number of Preferred shares; (iii) effecting (by amendment, consolidation, merger or otherwise) any amendment or waiver of any provision of the Articles of Incorporation materially and adversely affecting the rights of, or restrictions for the benefit of, the Preferred shares; (iv) any sale, lease, assignment, or other disposition (including via exclusive licenses) of all or substantially all of the assets of the Corporation or any acquisition of the Corporation by means of a merger, consolidation, or reorganization of the Corporation with or into any other entity or entities, or in a transaction or series of transactions in which the Corporation's shareholders immediately prior to such transaction(s) hold immediately after such transaction(s) less than 50% of the voting power of the surviving corporation or its parent; (v) a liquidation, dissolution or winding-up of the Corporation; (vi) any redemption or repurchase of shares of Common shares (other than from current or former employees, directors and consultants at cost or as otherwise approved by the Board of Directors); (vii) any change in the size of the Board of Directors, (viii) issuance of any equity securities by any subsidiaries; (ix) any substantial acquisition or any Material Change of Business of the Corporation; (x) sale, transfer or other disposition of any securities of any subsidiary by the Corporation; or (xi) any amendment of the Corporation's Bylaws unless approved unanimously by the Corporation's Board of Directors. For purposes of this Section, a "Material Change of Business" shall mean a change in the Corporation's primary business from the design, manufacture, license and/or sale of semiconductor components.

c. So long as at least 1,000,000 shares of Preferred shares originally issued remain outstanding, in the aggregate, the holders of such shares of Preferred shares, the holders of the Preferred shares of the Corporation shall be entitled to elect one (1) of the directors authorized for the Corporation's Board of Directors. Any Director so elected shall hold office until the next annual meeting and may not be removed from the Board of Directors except by the vote of the holders of the Preferred shares in accordance with California Corporations Code Section 303(a)(1) or pursuant to Sections 302 or 304 of the California Corporations Code. In the event any Director elected under the provisions of this Section is removed or resigns from the Board of Directors, a new Director shall be elected by the holders of the Preferred shares to serve on the Board of Directors until the next annual meeting of the shareholders.

d. The holders of the Common shares of the Corporation shall be entitled to elect one (1) of the directors authorized for the Corporation's Board of Directors. Any Director so elected shall hold office until the next annual meeting and may not be removed from the Board of Directors except by the vote of the holders of the Common shares in accordance with California Corporations Code Section 303(a)(1) or pursuant to Sections 302 or 304 of the California Corporations Code. In the event any Director elected under the provisions of this Section is removed or resigns from the Board of Directors, a new Director shall be elected by the holders of

the Common shares to serve on the Board of Directors until the next annual meeting of the shareholders.

e. Any remaining members of the Corporation's Board of Directors shall be elected by the holders of the Common shares and Preferred shares voting as a class. Any Director so elected shall hold office until the next annual meeting and may not be removed from the Board of Directors except by the vote of the holders of the Common shares and Preferred shares, voting as a class, in accordance with California Corporations Code Section 303(a)(1) or pursuant to Sections 302 or 304 of the California Corporations Code. In the event any Director elected under the provisions of this Section is removed or resigns from the Board of Directors, a new Director shall be elected by the holders of the Common shares and Preferred shares, voting as a class, to serve on the Board of Directors until the next annual meeting of the shareholders.

## **ARTICLE V**

1. The liability of the directors of the Corporation for monetary damages shall be eliminated to the fullest extent permissible under California law.

2. The Corporation is authorized to indemnify the "Agents" (as defined in Section 317 of the California Corporations Code) of the Corporation to the fullest extent permissible under California law.

3. Any repeal or amendment of this Article V shall not adversely affect any right of or protection afforded any agent of the Corporation in effect at the time of the repeal or amendment.