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**AMENDED AND RESTATED  
ARTICLES OF INCORPORATION**

**OF**

**AIRMAGNET, INC.**

**FILED**

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

JAN 04 2005

*Kevin Shelley*

KEVIN SHELLEY, Secretary of State

The undersigned, Dean Au and Edward Kim, hereby certify that:

1. They are the duly elected and acting President and Assistant Secretary, respectively, of AirMagnet, Inc., a California corporation.
2. The Articles of Incorporation of this corporation shall be amended and restated to read in full as follows:

**"ARTICLE I**

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

**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**

(A) **Classes of Stock.** The Corporation is authorized to issue two classes of stock to be designated, respectively, "Common Stock" and "Preferred Stock." The total number of shares which the Corporation is authorized to issue is 60,184,884 shares, no par value. 40,000,000 shares shall be Common Stock and 20,184,884 shares shall be Preferred Stock.

(B) **Rights, Preferences and Restrictions of Preferred Stock.** The Preferred Stock authorized by these Amended and Restated Articles of Incorporation (the "Restated Articles") may be issued from time to time in one or more series. The first series of Preferred Stock shall be designated "Series A Preferred Stock" and shall consist of 3,433,327 shares. The second series of Preferred Stock shall be designated "Series B Preferred Stock" and shall consist of 8,200,000 shares. The third series of Preferred Stock shall be designated "Series C Preferred Stock" and shall consist of 5,000,000 shares. The fourth series of Preferred Stock shall be designated "Series D Preferred Stock" and shall consist of 3,551,557 shares. The rights, preferences, privileges, and restrictions granted to and imposed on the Series A, Series B, Series C and Series D Preferred Stock are as set forth below in this Article III (B).

1. **Dividend Provisions.** The holders of shares of Series A, Series B, Series C or Series D Preferred Stock shall be entitled to receive dividends, out of any assets

legally available therefor, prior and in preference to any declaration or payment of any dividend (payable other than in Common Stock or other securities and rights convertible into or entitling the holder thereof to receive, directly or indirectly, additional shares of Common Stock of the Corporation) on the Common Stock of the Corporation, at the rate of (a) \$0.015 per share (as adjusted for stock splits, stock dividends, reclassifications or the like) per annum on each outstanding share of Series A Preferred Stock, (b) \$0.025 per share (as adjusted for stock splits, stock dividends, reclassifications or the like) per annum on each outstanding share of Series B Preferred Stock, (c) \$0.04 per share (as adjusted for stock splits, stock dividends, reclassifications or the like) per annum on each outstanding share of Series C Preferred Stock, and (d) \$0.08447 per share (as adjusted for stock splits, stock dividends, reclassifications or the like) per annum on each outstanding share of Series D Preferred Stock, payable quarterly when, as and if declared by the Board of Directors. Such dividends shall not be cumulative. After payment of such dividends, any additional dividends shall be distributed among the holders of Series A, Series B, Series C and Series D Preferred Stock and Common Stock pro rata based on the number of shares of Common Stock then held by each holder (assuming conversion of all such Preferred Stock into Common Stock).

## **2. Liquidation.**

(a) **Preference.** In the event of any liquidation, dissolution or winding up of the Corporation, either voluntary or involuntary, the holders of the Series A, Series B, Series C and Series D Preferred Stock shall be entitled to receive, prior and in preference to any distribution of any of the assets of the Corporation to the holders of Common Stock by reason of their ownership thereof, an amount per share equal to (i) \$0.15 per share (as adjusted for stock splits, stock dividends, reclassification and the like) for each share of Series A Preferred Stock then held by them, (ii) \$0.25 per share (as adjusted for stock splits, stock dividends, reclassification and the like) for each share of Series B Preferred Stock then held by them, plus declared but unpaid dividends, (iii) \$0.40 per share (as adjusted for stock splits, stock dividends, reclassification and the like) for each share of Series C Preferred Stock then held by them, and (iv) \$0.8447 per share (as adjusted for stock splits, stock dividends, reclassification and the like) for each share of Series D Preferred Stock then held by them, plus declared but unpaid dividends. If, upon the occurrence of any such liquidation, dissolution or winding up of the Corporation, the assets and funds thus distributed among the holders of the Series A, Series B, Series C and Series D Preferred Stock shall be insufficient to permit the payment to such holders of the full aforesaid preferential amounts, then the entire assets and funds of the Corporation legally available for distribution shall be distributed ratably among the holders of the Series A, Series B, Series C and Series D Preferred Stock in proportion to the preferential amount each such holder is otherwise entitled to receive.

(b) **Remaining Assets.** Upon the completion of the distribution required by Section 2(a) above, the remaining assets of the Corporation available for distribution to shareholders shall be distributed among the holders of the Series A, Series B, Series C and Series D Preferred Stock and the Common Stock pro rata based on the number of shares of Common Stock held by each (assuming conversion of all such Preferred Stock into Common Stock) until (i) with respect to the holders of Series A Preferred Stock, such holders shall have received an aggregate of \$0.30 per share (as adjusted for stock splits, stock dividends,

reclassifications or the like) of Series A Preferred Stock then held by them (including amounts paid pursuant to Section 2(a) above), (ii) with respect to the holders of Series B Preferred Stock, such holders shall have received an aggregate of \$0.50 per share (as adjusted for stock splits, stock dividends, reclassifications or the like) of Series B Preferred Stock then held by them (including amounts paid pursuant to Section 2(a) above), (iii) with respect to the holders of Series C Preferred Stock, such holders shall have received an aggregate of \$0.80 per share (as adjusted for stock splits, stock dividends, reclassifications or the like) of Series C Preferred Stock then held by them (including amounts paid pursuant to Section 2(a) above) and (iv) with respect to the holders of Series D Preferred Stock, such holders shall have received an aggregate of \$1.6894 per share (as adjusted for stock splits, stock dividends, reclassifications or the like) of Series D Preferred Stock then held by them (including amounts paid pursuant to Section 2(a) above); thereafter, if assets remain in the Corporation, the holders of the Common Stock of the Corporation shall receive all of the remaining assets of the Corporation pro rata based on the number of shares of Common Stock held by each.

(c) **Certain Acquisitions.**

(i) **Deemed Liquidation.** For purposes of this Section 2, a liquidation, dissolution, or winding up of the Corporation (a "Liquidation Transaction") shall be deemed to occur upon the consummation of any transaction (treating any series of related transactions as a "transaction") involving: (1) the sale or conveyance by the Corporation of all or substantially all of its assets (including the sale or exclusive licensing of all or substantially all the Intellectual Property Assets of the Corporation, other than in the ordinary course of business), any liquidation, winding up, or bankruptcy reorganization, (2) the recapitalization, reclassification, consolidation, or merger of the Company with or acquisition of the Company by another entity which involves a Transfer of Control (other than for the sole purpose of changing the corporate domicile), (3) or any other transaction or series of related transactions involving a Transfer of Control of the Corporation (a "Transfer of Control" being defined as a transaction or series of transactions, other than equity financings, where persons other than the holders of the Company's capital stock prior to the transaction become the beneficial owners of 50% or more of the voting power of the Company's capital stock after the transaction) shall be deemed to be a liquidation. For the purposes of this section "Intellectual Property Assets" shall mean all patents, trademarks, service marks, trade names, copyrights, trade secrets and proprietary rights owned by the Corporation.

(ii) **Valuation of Consideration.** In the event of a Liquidation Transaction, if the consideration received by the Corporation is other than cash, its value will be deemed its fair market value. Any securities shall be valued as follows:

(A) Securities not subject to investment letter or other similar restrictions on free marketability:

(1) If traded on a securities exchange or The Nasdaq Stock Market ("Nasdaq"), the value shall be based on a formula approved by the Board of Directors and derived from the closing prices of the securities on such exchange or Nasdaq over a specified time period;

(2) If actively traded over-the-counter, the value shall be based on a formula approved by the Board of Directors and derived from the closing bid or sales prices (whichever is applicable) for such securities over a specified time period; and

(3) If there is no active public market, the value shall be the fair market value thereof, as determined in good faith by the Board of Directors.

(B) 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 shareholder's status as an affiliate or former affiliate) shall be to make an appropriate discount from the market value determined as specified above in Section 2(c)(ii)(A) to reflect the approximate fair market value thereof, as determined in good faith by the Board of Directors.

(iii) **Notice of Liquidation Transaction.** The Corporation shall give each holder of record of Series A Preferred Stock, Series B Preferred Stock, Series C Preferred Stock or Series D Preferred Stock written notice of any impending Liquidation Transaction not later than 10 days prior to the shareholders' meeting called to approve such Liquidation Transaction, and shall also notify such holders in writing of the final approval of such Liquidation Transaction within 10 business days after such approval. The first of such notices shall describe the material terms and conditions of the impending Liquidation Transaction and the provisions of this Section 2, and the Corporation shall thereafter give such holders prompt notice of any material changes. The Liquidation Transaction shall in no event take place sooner than 10 days after the Corporation has given the first notice provided for herein or sooner than 10 days after the Corporation has given notice of any material changes provided for herein. Notwithstanding the other provisions of these Restated Articles, all notice periods or requirements in these Restated Articles may be shortened or waived, either before or after the action for which notice is required, upon the written consent of the holders of a majority of the then outstanding shares of the Preferred Stock.

(iv) **Effect of Noncompliance.** In the event all of the requirements of this Section 2(c) are not complied with, the Corporation shall forthwith either cause the closing of the Liquidation Transaction to be postponed until all of the requirements of this Section 2 have been complied with (unless the holders of a majority of the outstanding shares of Preferred Stock, voting as separate classes, shall have waived in writing the applicable requirement(s)), or cancel such Liquidation Transaction, in which event the rights, preferences, privileges and restrictions of the holders of Series A Preferred Stock, Series B Preferred Stock, Series C Preferred Stock and Series D Preferred Stock shall revert to and be the same as such rights, preferences, privileges and restrictions existing immediately prior to the date of the first notice referred to in Section 2(c)(iii).

3. **Redemption.** The Preferred Stock is not redeemable.

#### 4. Conversion.

The holders of the Series A, Series B, Series C and Series D Preferred Stock shall have conversion rights as follows (the "Conversion Rights"):

(a) Right to Convert. Subject to Section 4(c), each share of Series A, Series B, Series C and Series D 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 stock, into such number of fully paid and nonassessable shares of Common Stock as is determined by dividing (i) \$0.15 in the case of the Series A Preferred Stock, (ii) \$0.25 in the case of the Series B Preferred Stock, (iii) \$0.40 in the case of the Series C Preferred Stock, and (iv) \$0.8447 in the case of the Series D Preferred Stock, by the Conversion Price applicable to such share, determined as hereafter provided, in effect on the date the certificate is surrendered for conversion. The initial Conversion Price per share shall be \$0.15 for shares of Series A Preferred Stock, \$0.25 for shares of Series B Preferred Stock, \$0.40 for shares of Series C Preferred Stock and \$0.8447 for shares of Series D Preferred Stock. Such initial Conversion Price shall be subject to adjustment as set forth in Section 4(d).

(b) Automatic Conversion. Each share of Series A, Series B, Series C or Series D Preferred Stock shall automatically be converted into shares of Common Stock at the Conversion Price at the time in effect for such share immediately upon the earlier of (i) except as provided below in Section 4(c), the Corporation's sale of its Common Stock in a firm commitment underwritten public offering pursuant to a registration statement under the Securities Act of 1933, as amended (the "Securities Act"), where the product of (A) the public offering price of each share of such Common Stock and (B) the total number of shares of capital stock, on a fully-diluted basis, outstanding immediately prior to such offering (including shares deemed to have been issued pursuant to Section 4(d)(i)(F) below), is not less than \$100,000,000 and which results in aggregate cash proceeds to the Corporation of not less than \$10,000,000 (net of underwriting discounts and commissions) or (ii) the date specified by written consent or agreement of the holders of a majority of the then outstanding shares of the Series A, Series B, Series C and Series D Preferred Stock, voting as separate classes; provided, however, that if the automatic conversion is in connection with a Liquidation Transaction in which the aggregate proceeds or consideration to be received by all securityholders of the Corporation is \$100,000,000 or greater, then such conversion shall occur on the date specified by written consent or agreement of the holders of a majority of the then outstanding shares of the Series A, Series B, Series C and Series D Preferred Stock, voting together as a single class.

(c) Mechanics of Conversion. Before any holder of Series A, Series B, Series C or Series D Preferred Stock shall be entitled to convert such Preferred Stock into shares of Common Stock, the holder shall surrender the certificate or certificates therefor, duly endorsed, at the office of the Corporation or of any transfer agent for such series of Preferred Stock, and shall give written notice to the Corporation at its principal corporate office, of the election to convert the same and shall state therein the name or names in which the certificate or certificates for shares of Common Stock are to be issued. The Corporation shall, as soon as practicable thereafter, issue and deliver at such office to such holder of Preferred Stock, or to the nominee or nominees of such holder, a certificate or certificates for the number of

shares of Common Stock to which such holder shall be entitled as aforesaid. 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 such series 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 as of such date. If the conversion is in connection with an underwritten public offering of securities registered pursuant to the Securities Act the conversion may, at the option of any holder tendering such Preferred Stock for conversion, be conditioned upon the closing with the underwriters of the sale of securities pursuant to such offering, in which event any persons entitled to receive Common Stock upon conversion of such Preferred Stock shall not be deemed to have converted such Preferred Stock until immediately prior to the closing of such sale of securities.

(d) **Conversion Price Adjustments of Preferred Stock for Certain Dilutive Issuances, Splits and Combinations.** The Conversion Prices of the Series A, Series B, Series C and Series D Preferred Stock shall be subject to adjustment from time to time as follows:

(i) **Issuance of Additional Stock below Purchase Price.** If the Corporation should issue, at any time after the date upon which any shares of Series A, Series B, Series C or Series D Preferred Stock were first issued (the "Purchase Date" with respect to such series), any Additional Stock (as defined below) without consideration or for a consideration per share less than the Conversion Price for such series in effect immediately prior to the issuance of such Additional Stock, the Conversion Price for such series in effect immediately prior to each such issuance shall automatically be adjusted as set forth in this Section 4(d)(i), unless otherwise provided in this Section 4(d)(i).

(A) **Adjustment Formula.** Whenever the Conversion Price is adjusted pursuant to this Section 4(d)(i), the new Conversion Price shall be determined by multiplying the Conversion Price then in effect by a fraction, (x) the numerator of which shall be the number of shares of Common Stock outstanding immediately prior to such issuance (the "Outstanding Common") plus the number of shares of Common Stock that the aggregate consideration received by the Corporation for such issuance would purchase at such Conversion Price in effect immediately prior to such issuance; and (y) the denominator of which shall be the number of shares of Outstanding Common plus the number of shares of such Additional Stock. For purposes of the foregoing calculation, the term "Outstanding Common" shall include shares of Common Stock deemed issued pursuant to Section 4(d)(i)(E) below.

(B) **Definition of "Additional Stock".** For purposes of this Section 4(d)(i), "Additional Stock" shall mean any shares of Common Stock issued (or deemed to have been issued pursuant to Section 4(d)(i)(E)) by the Corporation after the Purchase Date) other than:

(1) Common Stock issued pursuant to stock dividends, stock splits or similar transactions, as described in Section 4(d)(ii) hereof;

(2) 4,000,000 Shares of Common Stock issued or issuable to employees, consultants or directors of the Corporation pursuant to the Corporation's 2002 Stock Plan, or such greater number of shares as is approved by the Board of Directors of the Corporation and the holders of a majority of the outstanding shares of Series B, Series C and Series D Preferred Stock, voting as a single class;

(3) Up to a total of 200,000 shares of Common Stock, or options or warrants to purchase Common Stock, issued to financial institutions or lessors in connection with commercial credit arrangements, equipment financings, commercial property lease transactions or similar transactions, the terms of which are approved by the Board of Directors of the Corporation;

(4) Up to a total of 250,000 shares of Common Stock issuable upon exercise of warrants held by VenGlobal Capital Fund;

(5) Capital stock, or warrants or options to purchase capital stock, issued in connection with bona fide acquisitions, mergers or similar transactions, the terms of which are approved by the Board of Directors of the Corporation and the holders of a majority of the outstanding shares of Series B, Series C and Series D Preferred Stock, voting as a single class:

(6) Shares of Common Stock issued or issuable upon conversion of the Series A, Series B, Series C or Series D Preferred Stock;

(7) Shares of Common Stock issued or issuable in a public offering prior to or in connection with which all outstanding shares of Series A, Series B, Series C and Series D Preferred Stock will be converted to Common Stock pursuant to Section 4(b) of Article III (B);

(8) Up to a total of 500,000 shares of Common Stock issued or issuable to entities as a component of any business relationship with such entities for the purpose of (A) joint venture, technology licensing or development activities, (B) distribution, supply or manufacture of the Corporation's products or services or (C) any other arrangements involving corporate partners that are primarily for purposes other than raising capital, the terms of which business relationship with such entity are approved by the Board of Directors; and

(9) Securities (including any capital stock into which such securities may convert) issued or issuable in a transaction or a series of related transactions or pursuant to a plan, arrangement or agreement in which an exemption from the anti-dilution provisions is approved by the affirmative vote of the holders of at least a majority of the then outstanding shares of Series B, Series C and Series D Preferred Stock, voting as a single class.

(C) No Fractional Adjustments. No adjustment of the Conversion Price for the Series A, Series B, Series C or Series D Preferred Stock shall be made

in an amount less than one cent per share, provided that any adjustments which are not required to be made by reason of this sentence shall be carried forward and shall be either taken into account in any subsequent adjustment made prior to three years from the date of the event giving rise to the adjustment being carried forward, or shall be made at the end of three years from the date of the event giving rise to the adjustment being carried forward.

(D) **Determination of Consideration.** In the case of the issuance of Common Stock for cash, the consideration shall be deemed to be the amount of cash paid therefor before deducting any reasonable discounts, commissions or other expenses allowed, paid or incurred by the Corporation for any underwriting or otherwise in connection with the issuance and sale thereof. In the case of the issuance of the Common Stock for a consideration in whole or in part other than cash, the consideration other than cash shall be deemed to be the fair value thereof as determined by the Board of Directors irrespective of any accounting treatment.

(E) **Deemed Issuances of Common Stock.** In the case of the issuance (whether before, on or after the applicable Purchase Date) of securities or rights convertible into, or entitling the holder thereof to receive directly or indirectly, additional shares of Common Stock (the "Common Stock Equivalents"), the following provisions shall apply for all purposes of this Section 4(d)(i):

(1) The aggregate maximum number of shares of Common Stock deliverable upon conversion, exchange or exercise (assuming the satisfaction of any conditions to convertibility, exchangeability or exercisability, including, without limitation, the passage of time, but without taking into account potential antidilution adjustments) of any Common Stock Equivalents and subsequent conversion, exchange or exercise thereof shall be deemed to have been issued at the time such securities were issued or such Common Stock Equivalents were issued and for a consideration equal to the consideration, if any, received by the Corporation for any such securities and related Common Stock Equivalents (excluding any cash received on account of accrued interest or accrued dividends), plus the minimum additional consideration, if any, to be received by the Corporation (without taking into account potential antidilution adjustments) upon the conversion, exchange or exercise of any Common Stock Equivalents (the consideration in each case to be determined in the manner provided in Section 4(d)(i)(D)).

(2) In the event of any change in the number of shares of Common Stock deliverable or in the consideration payable to the Corporation upon conversion, exchange or exercise of any Common Stock Equivalents including, but not limited to, a change resulting from the antidilution provisions thereof, the Conversion Price of each series of Preferred Stock, to the extent in any way affected by or computed using such Common Stock Equivalents, shall be recomputed to reflect such change, but no further adjustment shall be made for the actual issuance of Common Stock or any payment of such consideration upon the conversion, exchange or exercise of such Common Stock Equivalents.

(3) Upon the termination or expiration of the convertibility, exchangeability or exercisability of any Common Stock Equivalents, the



Conversion Price of each series of Preferred Stock, to the extent in any way affected by or computed using such Common Stock Equivalents, shall be recomputed to reflect the issuance of only the number of shares of Common Stock (and Common Stock Equivalents that remain convertible, exchangeable or exercisable) actually issued upon the conversion, exchange or exercise of such Common Stock Equivalents.

(4) The number of shares of Common Stock deemed issued and the consideration deemed paid therefor pursuant to Section 4(d)(i)(E)(1) shall be appropriately adjusted to reflect any change, termination or expiration of the type described in either Section 4(d)(i)(E)(2) or 4(d)(i)(E)(3).

(F) **No Increased Conversion Price.** Notwithstanding any other provisions of this Section 4(d)(i), except to the limited extent provided for in Sections 4(d)(i)(E)(2) and 4(d)(i)(E)(3), no adjustment of the Conversion Price pursuant to this Section 4(d)(i) shall have the effect of increasing the Conversion Price above the Conversion Price in effect immediately prior to such adjustment.

(ii) **Stock Splits and Dividends.** In the event the Corporation should at any time after the Purchase Date fix a record date for the effectuation of a split or subdivision of the outstanding shares of Common Stock or the determination of holders of Common Stock entitled to receive a dividend or other distribution payable in additional shares of Common Stock or Common Stock Equivalents without payment of any consideration by such holder for the additional shares of Common Stock or the Common Stock Equivalents (including the additional shares of Common Stock issuable upon conversion or exercise thereof), then, as of such record date (or the date of such dividend distribution, split or subdivision if no record date is fixed), the Conversion Price of each series of Preferred Stock shall be appropriately decreased so that the number of shares of Common Stock issuable on conversion of each share of such series shall be increased in proportion to such increase of the aggregate of shares of Common Stock outstanding and those issuable with respect to such Common Stock Equivalents with the number of shares issuable with respect to Common Stock Equivalents determined from time to time in the manner provided for deemed issuances in Section 4(d)(i)(E).

(iii) **Reverse Stock Splits.** If the number of shares of Common Stock outstanding at any time after the Purchase Date is decreased by a combination of the outstanding shares of Common Stock, then, following the record date of such combination, the Conversion Price for each series of Preferred Stock shall be appropriately increased so that the number of shares of Common Stock issuable on conversion of each share of such series shall be decreased in proportion to such decrease in outstanding shares.

(e) **Other Distributions.** In the event the Corporation shall declare a distribution (other than distributions described in or pursuant to Section 2 above) payable in securities of other persons, evidences of indebtedness issued by the Corporation or other persons, assets (excluding cash dividends) or options or rights to purchase any such securities or evidences of indebtedness, then, in each such case for the purpose of this Section 4(e), the holders of Series A, Series B, Series C and Series D Preferred Stock shall be entitled to a proportionate share of any such distribution as though they were the holders of the number of

shares of Common Stock of the Corporation into which their shares of Preferred Stock are convertible as of the record date fixed for the determination of the holders of Common Stock of the Corporation entitled to receive such distribution.

(f) **Recapitalizations.** If at any time or from time to time there shall be a recapitalization of the Common Stock (other than a subdivision, combination or merger or sale of assets transaction provided for elsewhere in this Section 4 or Section 2) provision shall be made so that the holders of the Series A, Series B, Series C and Series D Preferred Stock shall thereafter be entitled to receive upon conversion of such Preferred Stock the number of shares of stock or other securities or property of the Corporation or otherwise, to which a holder of Common Stock deliverable upon conversion would have been entitled on such recapitalization. In any such case, appropriate adjustment shall be made in the application of the provisions of this Section 4 with respect to the rights of the holders of such Preferred Stock after the recapitalization to the end that the provisions of this Section 4 (including adjustment of the Conversion Price then in effect and the number of shares purchasable upon conversion of such Preferred Stock) shall be applicable after that event and be as nearly equivalent as practicable.

(g) **No Impairment.** The Corporation will not, by amendment of these Restated Articles (except in accordance with Section 6 hereof) or through any reorganization, recapitalization, transfer of assets, consolidation, merger, dissolution, issue or sale of securities or any other voluntary action, avoid or seek to avoid the observance or performance of any of the covenants to be observed or performed hereunder by the Corporation, but will at all times in good faith assist in the carrying out of all the provisions of this Section 4 and in the taking of all such action (and where appropriate, refraining from taking action) as may be necessary or appropriate in order to protect (and to avoid impairment in any way of) the Conversion Rights and other rights (under these Restated Articles) of the holders of Preferred Stock against impairment.

(h) **No Fractional Shares and Certificate as to Adjustments.**

(i) No fractional shares shall be issued upon the conversion of any share or shares of any series of Preferred Stock. In lieu of fractional shares, the Corporation will pay cash in an amount equal to the fair value of such fractional shares, based on the fair market value of the shares of Common Stock, as determined in good faith by the Board of Directors, as of the time when those who would otherwise be entitled to receive such fractional shares is determined. The number of shares issuable upon such conversion shall be determined on the basis of the total number of shares of Series A, Series B, Series C or Series D Preferred Stock the holder is at the time converting into Common Stock and the number of shares of Common Stock issuable upon such aggregate conversion.

(ii) Upon the occurrence of each adjustment or readjustment of the Conversion Price of any series of Preferred Stock pursuant to this Section 4, the Corporation, at its expense, shall promptly compute such adjustment or readjustment in accordance with the terms hereof and prepare and furnish to each holder of such Preferred Stock a certificate executed by the Corporation's Chief Executive Officer or Chief Financial Officer setting forth such adjustment or readjustment and showing in detail the facts upon which such adjustment or

readjustment is based. The Corporation, at its expense, shall, upon the written request at any time of any holder of any series of Preferred Stock, promptly furnish or cause to be furnished to such holder a like certificate setting forth (A) such adjustment and readjustment, (B) the Conversion Price for such series of Preferred Stock at the time in effect, and (C) 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 a share of such series of Preferred Stock.

(i) **Notices of Record Date.** In the event of 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 (other than a cash dividend) or other distribution, any right to subscribe for, purchase or otherwise acquire any shares of stock of any class or any other securities or property, or to receive any other right, the Corporation shall mail to each holder of Preferred Stock, at least 15 days prior to the date specified therein, a notice specifying the date on which any such record is to be taken for the purpose of such dividend, distribution or right, and the amount and character of such dividend, distribution or right.

(j) **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 Series A, Series B, Series C and Series D Preferred Stock, such number of its shares of Common Stock as shall from time to time be sufficient to effect the conversion of all outstanding shares of such series of 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 such series of Preferred Stock, in addition to such other remedies as shall be available to the holder of such 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 purposes, including, without limitation, engaging in best efforts to obtain the requisite shareholder approval of any necessary amendment to these Restated Articles.

(k) **Notices.** Any notice required by the provisions of these Restated Articles to be given to the holders of shares of Preferred Stock shall be deemed given if deposited in the United States mail, postage prepaid or delivered personally by hand or nationally recognized courier and in each case addressed to each holder of record at his address appearing on the books of the Corporation.

## **5. Voting Rights; Directors.**

(a) Except as otherwise expressly provided herein or by law, the holder of each share of Series A, Series B, Series C and Series D Preferred Stock shall have the right to one vote for each share of Common Stock into which such Preferred Stock could then be converted, and with respect to such vote, such holder shall have full voting rights and powers equal to the voting rights and powers of the holders of Common Stock, and shall be entitled, notwithstanding any provision hereof, to notice of any shareholders' meeting in accordance with the bylaws of the Corporation, and shall be entitled to vote, together with holders of Common Stock, with respect to any question upon which holders of Common Stock have the right to vote.

Fractional votes shall not, however, be permitted and any fractional voting rights available on an as-converted basis (after aggregating all shares into which shares of Series A, Series B, Series C and Series D Preferred Stock held by each holder could be converted) shall be rounded to the nearest whole number (with one-half being rounded upward).

(b) The authorized number of members of the Board of Directors shall be as set forth in the Corporation's Bylaws. At each meeting of shareholders at which members of the Board of Directors are to be elected, or whenever members of the Board of Directors are to be elected by written consent of the shareholders, (i) the holders of the Series C Preferred Stock, voting together as a separate class shall be entitled to elect one (1) member of the Board of Directors, (ii) the holders of the Series B Preferred Stock, voting together as a separate class shall be entitled to elect one (1) member of the Board of Directors, (iii) the holders of the Common Stock, voting together as a separate class, shall be entitled to elect two (2) members of the Board of Directors, and (iii) the holders of the Common Stock and Preferred Stock, voting together as a single class shall be entitled to elect any remaining directors.

(c) In the case of any vacancy in the office of a director occurring among the directors elected by the holders of Series C Preferred Stock, voting together as a separate class, in accordance with the provisions of Section 5(b) above, such vacancy shall be filled by the vote or written consent of the holders of the Series C Preferred Stock. In the case of any vacancy in the office of a director occurring among the directors elected by the holders of Series B Preferred Stock, voting together as a separate class, in accordance with the provisions of Section 5(b) above, such vacancy shall be filled by the vote or written consent of the holders of the Series B Preferred Stock. In the case of any vacancy in the office of a director occurring among the directors elected by the holders of Common Stock, voting together as a separate class, in accordance with the provisions of Section 5(b) above, such vacancy shall be filled by the vote or written consent of the holders of the Common Stock. In the case of any vacancy in the office of a director occurring among the directors elected by the holders of Common Stock and Preferred Stock, voting together as a single class, in accordance with the provisions of Section 5(b) above, such vacancy shall be filled by the vote or written consent of the holders of the Common Stock and Preferred Stock, voting together as a single class.

6. **Protective Provisions.** So long as at least 2,000,000 shares of Series B Preferred Stock, Series C Preferred Stock, or Series D Preferred Stock (or any combination thereof) are outstanding (as adjusted for stock splits, stock dividends, reclassifications or the like), the Corporation shall not without first obtaining the approval (by vote or written consent, as provided by law) of the holders of at least a majority of the then outstanding shares of Series B Preferred Stock, Series C Preferred Stock and Series D Preferred Stock, voting together as a single class:

- (a) effect any Liquidation Transaction, any other consolidation or merger involving the Corporation, any other reorganization or recapitalization of the Corporation, or any reclassification of any stock of the Corporation;

- (b) amend the Articles of Incorporation of the Corporation or change any rights preferences, privileges or restrictions applicable to the holders of Preferred Stock;
- (c) authorize or issue, or obligate itself to issue, any other equity security, including any security (other than Series A, Series B, Series C or Series D Preferred Stock) convertible into or exercisable for any equity security, having a preference over, or being on a parity with, the Series A, Series B, Series C or Series D Preferred Stock with respect to voting, dividends, conversion or upon liquidation;
- (d) redeem, purchase or otherwise acquire (or pay into or set aside for a sinking fund for such purpose) any share or shares of Preferred Stock or Common Stock; provided, however, that this restriction shall not apply to the repurchase of shares of Common Stock from employees, officers, directors, consultants or other persons performing services for the Corporation or any subsidiary pursuant to agreements under which the Corporation has the option to repurchase such shares at cost upon the occurrence of certain events, such as the termination of employment, or through the exercise of any right of first refusal;
- (e) declare or take any action resulting in the payment of dividends or other distributions with respect to capital stock other than the Preferred Stock and as permitted under Section (6)(a)(d) above, without first declaring dividends for the Preferred Stock as set forth in Section 1 of Article III (B);
- (f) increase or decrease the authorized number of shares of any class or series of capital stock of the Corporation; or
- (g) increase or decrease the authorized number of members of the Board of Directors of the Corporation or the voting rights of the classes or series of stock that are entitled to designate members of the Board of Directors.

7. **Status of Converted Stock.** In the event any shares of Preferred Stock shall be converted pursuant to Section 4 hereof, the shares so converted shall be cancelled and shall not be issuable by the Corporation. These Restated Articles shall be appropriately amended to effect the corresponding reduction in the Corporation's authorized capital stock.

8. **Repurchase of Shares.** In connection with repurchases by the Corporation of its Common Stock pursuant to its agreements with certain of the holders thereof, Sections 502 of the California General Corporation Law shall not apply in whole or in part with respect to such repurchases, if such repurchases have been approved by the Board of Directors.

(C) **Common Stock.**

1. **Dividend Rights.** Subject to the prior rights of holders of all classes of stock at the time outstanding having prior rights as to dividends, the holders of the Common Stock shall be entitled to receive, when and as declared by the Board of Directors, out of any assets of the Corporation legally available therefor, such dividends as may be declared from time to time by the Board of Directors.

2. **Liquidation Rights.** Upon the liquidation, dissolution or winding up of the Corporation, or the occurrence of a Liquidation Transaction, the assets of the Corporation shall be distributed as provided in Section 2 of Article III (B).

3. **Redemption.** The Common Stock is not redeemable.

4. **Voting Rights.** Each holder of Common Stock shall have the right to one vote per share of Common Stock, and shall be entitled to notice of any shareholders' meeting in accordance with the Bylaws of the Corporation, and shall be entitled to vote upon such matters and in such manner as may be provided by law.

**ARTICLE IV**

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

(B) The Corporation is authorized to provide indemnification of agents (as defined in Section 317 of the California Corporations Code) to the fullest extent permissible under California law.

(C) Any amendment, repeal or modification of the foregoing provisions of this Article IV by the shareholders of the Corporation shall not adversely affect any right or protection of a director or agent of the Corporation existing at the time of such amendment, repeal or modification."

\* \* \*

3. The foregoing amendment has been approved by the Board of Directors of this corporation.

4. The foregoing amendment was approved by the holders of the requisite number of shares of this corporation in accordance with Sections 902 and 903 of the California General Corporation Law. The total number of outstanding shares entitled to vote with respect to the foregoing amendment was 13,283,207 shares of Common Stock, 3,433,327 shares of Series A Preferred Stock, 8,200,000 shares of Series B Preferred Stock and 5,000,000 shares of Series C Preferred Stock. The number of shares voting in favor of the foregoing amendment equaled or exceeded the vote required. The percentage vote required was (i) a majority of the outstanding

shares of Common Stock, voting separately as a class, (ii) a majority of the outstanding shares of Series A Preferred Stock, voting separately as a class, (iii) a majority of the outstanding shares of Series B Preferred Stock, voting separately as a class, (iv) a majority of the outstanding shares of Series C Preferred Stock, voting separately as a class, and (v) a majority of the outstanding shares of Common Stock and Preferred Stock, voting together as a single class.

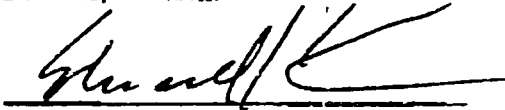
*[remainder of page intentionally left blank]*

The undersigned certify 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 our own knowledge.

Executed at Mountain View, California, on January 3, 2005.

A handwritten signature in black ink, appearing to be 'D. Au', written over a horizontal line.

Dean Au, President

A handwritten signature in black ink, appearing to be 'Edward Kim', written over a horizontal line.

Edward Kim, Assistant Secretary