

AMENDED AND RESTATED ARTICLES OF INCORPORATION

FEB 21 2006

OF

ALLBUSINESS.COM, INC.

The undersigned, Peter Horan and Richard D. Harroch, hereby certify that:

1. They are the duly elected and acting CEO and Secretary, respectively, of AllBusiness.com, Inc., a California corporation.
2. The Amended and Restated 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 AllBusiness.com, 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

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 seventy five million eight hundred ten thousand (75,810,000) shares, each with a par value of \$0.001 per share. Fifty million (50,000,000) shares shall be Common Stock and twenty five million eight hundred ten thousand (25,810,000) shares shall be Preferred Stock. The Preferred Stock authorized by this 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 two million (2,000,000) shares. The second series of Preferred Stock shall be designated "Series B Preferred Stock" and shall consist of ten million (10,000,000) shares. The third series of Preferred Stock shall be designated "Series C Preferred Stock" and shall consist of thirteen million eight hundred ten thousand (13,810,000) shares.

ARTICLE IV

The rights, preferences, privileges, and restrictions granted to and imposed upon the Common Stock and the Preferred Stock are as set forth below:

1. Dividend Provisions.

(a) Preferred Stock. The holders of shares of Series A Preferred Stock, Series B Preferred Stock and Series C Preferred Stock shall be entitled to receive dividends, on a *pari passu* basis, out of any funds and 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, provided that an adjustment to the respective Conversion Price (as defined below) of each series of Preferred Stock has been made in accordance with Section 4(d)(ii) below) on the Corporation's Common Stock, at the

rate of (i) in the case of Series A Preferred Stock, \$0.04 per share per annum (as proportionately adjusted for stock splits, stock dividends, reclassification and the like that may occur after the date of filing of these Restated Articles), (ii) in the case of Series B Preferred Stock, \$0.04 per share per annum (as proportionately adjusted for stock splits, stock dividends, reclassification and the like that may occur after the date of filing of these Restated Articles) and (iii) in the case of Series C Preferred Stock, \$0.07272 per share per annum (as proportionately adjusted for stock splits, stock dividends, reclassification and the like that may occur after the date of filing of these Restated Articles). Such dividends shall be payable when, as and if declared by the Board of Directors of the Corporation, and shall not be cumulative.

(b) **Additional Dividends.** After payment of the dividends described in Section 1(a), any additional dividends declared or paid in any fiscal year shall be declared or paid among the holders of 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.** In the event of any Liquidation Transaction (as defined below), the funds and assets legally available for distribution to the shareholders of the Corporation (the "**Available Assets**") shall be distributed as follows:

(a) **Preferred Stock Preference.** The holders of Series A Preferred Stock, Series B Preferred Stock and Series C Preferred Stock shall be entitled to receive, on a *pari passu* basis, prior and in preference to any distribution of any of the Available Assets to the holders of Common Stock by reason of their ownership thereof, an amount equal to (i) in the case of Series A Preferred Stock, \$0.50 per share (as proportionately adjusted for stock splits, stock dividends, reclassifications or the like that may occur after the date of filing of these Restated Articles) plus declared and unpaid dividends (the "**Series A Preference**"), (ii) in the case of Series B Preferred Stock, \$0.50 per share (as proportionately adjusted for stock splits, stock dividends, reclassifications or the like that may occur after the date of filing of these Restated Articles) plus declared and unpaid dividends (the "**Series B Preference**") and (iii) in the case of Series C Preferred Stock, \$0.909 per share (as proportionately adjusted for stock splits, stock dividends, reclassifications or the like that may occur after the date of filing of these Restated Articles) plus declared and unpaid dividends (the "**Series C Preference**"). If, upon the occurrence of such event, the Available Assets are insufficient to permit the entire payment of the Series A Preference, Series B Preference and Series C Preference, then the entire Available Assets shall be distributed ratably among the holders of the Preferred Stock in proportion to the preferential amount each such holder is otherwise entitled to receive.

(b) **Remaining Assets.** Following the payment of the Series A Preference, the Series B Preference and the Series C Preference to the holders of Preferred Stock in accordance with Section 2(a) above, the remaining Available Assets shall be distributed ratably among the holders of Common Stock based on the number of shares of Common Stock held by each such holder.

(c) **Certain Acquisitions.**

(i) **Liquidation Transaction.** For purposes of this Section 2, a "**Liquidation Transaction**" shall include (A) the closing of the sale, transfer or other disposition of all or substantially all of the Corporation's assets, (B) the consummation of the merger or consolidation of the Corporation with or into another entity (except a merger or consolidation in which the holders of capital stock of the Corporation immediately prior to such merger or consolidation continue to hold at least 50% of the voting power of the capital stock of the Corporation or the surviving or acquiring entity on account of shares of the Corporation's capital stock they owned prior to such merger or consolidation), (C) the closing of the transfer or sale (whether by merger, consolidation or otherwise), in one transaction or a series of related transactions, to a person or group of affiliated persons (other than an underwriter of the Corporation's securities), of the Corporation's securities if, after such closing such person or group of affiliated persons would hold more than 50% of the outstanding voting stock of the Corporation (or the surviving or acquiring entity), or (D) a liquidation, dissolution, or winding up of the Corporation; provided however, that neither a

transaction whose sole purpose is to change the state of the Corporation's incorporation nor the sale of shares of Series C Preferred Stock in an equity financing transaction shall constitute a Liquidation Transaction. Notwithstanding the foregoing, a transaction that would otherwise constitute a Liquidation Transaction shall not be deemed to be a Liquidation Transaction in the event that the holders of (Y) a majority of the outstanding shares of Preferred Stock of the Corporation (voting together as a single class and on an as-converted to Common Stock basis) and (Z) a majority of the outstanding shares of Series C Preferred Stock waive such treatment with respect to all holders of capital stock of the Corporation.

(ii) Valuation of Consideration. In the event of a Liquidation Transaction as described in Section 2(c)(i) above, 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, the value shall be deemed to be the average of the closing prices of the securities on such exchange or system over the thirty (30) trading-day period ending three (3) trading days prior to the closing of the Liquidation Transaction;

(2) 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 thirty (30) trading-day period ending three (3) trading days prior to the closing of the Liquidation Transaction; 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 determined in good faith by the Board of Directors.

(iii) Notice of Liquidation Transaction. The Corporation shall give each holder of record of Preferred Stock written notice of any impending Liquidation Transaction not later than 20 days prior to the shareholders' meeting called to approve such Liquidation Transaction, or 20 days prior to the closing of such Liquidation Transaction, whichever is earlier, and shall also notify such holders in writing of the final approval of such Liquidation Transaction. 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. Unless such notice requirements are waived, the Liquidation Transaction shall not 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 outstanding shares of Preferred Stock that are entitled to such notice rights.

(iv) Effect of Noncompliance. In the event 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 the requirements of this Section 2 have been complied with, or cancel such

Liquidation Transaction, in which event the rights, preferences, privileges and restrictions of the holders of 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 Preferred Stock shall have conversion rights as follows (the "Conversion Rights"):

(a) **Right to Convert.** Subject to Section 4(c), 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 stock, into such number of fully paid and nonassessable shares of Common Stock as is determined by dividing (i) \$0.50 in the case of the Series A Preferred Stock, (ii) \$0.50 in the case of the Series B Preferred Stock and (iii) \$0.909 in the case of the Series C Preferred Stock, by the Conversion Price applicable to such share (the "Conversion Price"), determined as hereafter provided, in effect on the date the certificate is surrendered for conversion. The initial Conversion Price per share shall be (x) \$0.50 for shares of Series A Preferred Stock, (y) \$0.50 for shares of Series B Preferred Stock and (z) \$0.909 for shares of Series C Preferred Stock. Such initial Conversion Price shall be subject to adjustment as set forth in Section 4(d) and (f) below.

(b) **Automatic Conversion.**

(i) Each share of Series A Preferred Stock and Series B 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 (A) 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"), which results in aggregate cash proceeds to the Corporation of at least \$25,000,000 (net of underwriting discounts and commissions) and having a price per share of at least \$4.545 (as proportionately adjusted for stock splits, stock dividends, reclassifications or the like that may occur after the date of filing of these Restated Articles) (a "Qualified IPO"), or (B) on the date specified by written consent or agreement of the holders of a majority of the then outstanding shares of Series A Preferred Stock and Series B Preferred Stock (voting together as a single class and on an as-converted basis).

(ii) Each share of Series C 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 (A) except as provided below in Section 4(c), a Qualified IPO, or (B) on the date specified by written consent or agreement of the holders of a majority of the then outstanding shares of Series C Preferred Stock.

(c) **Mechanics of Conversion.** Before any holder of 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; provided, 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 and provides, if requested by the Corporation, a bond satisfactory to the Corporation to indemnify the Corporation from any loss incurred by it in connection with such certificates. 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 Price of each series of 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, or shall be deemed to issue, at any time after the date upon which the first share of Series C Preferred Stock were first issued (the "Purchase Date" with respect to all series of Preferred Stock), any Additional Stock (as defined below) without consideration or for a consideration per share less than the Conversion Price for any series of Preferred Stock in effect immediately prior to the issuance of such Additional Stock, the Conversion Price for such series of Preferred Stock in effect immediately prior to each such issuance shall automatically be adjusted as set forth 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 Outstanding Common (defined below) 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; 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 (1) outstanding shares of Common Stock, (2) the aggregate maximum number of shares of Common Stock issuable upon conversion of outstanding shares of Preferred Stock and (3) the aggregate maximum number of 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) Shares of Common Stock issued pursuant to stock dividends, stock splits or similar transactions, as described in Section 4(d)(ii) hereof;

(2) Shares of Common Stock issued or issuable (or deemed to have been issued pursuant to Section 4(d)(i)(E)) to employees, consultants or directors of the Corporation directly or pursuant to a stock option plan or restricted stock plan approved by the Board of Directors, provided, however, that such issuance or deemed issuance is primarily for purposes other than raising capital;

(3) Capital stock, or options or warrants to purchase capital stock, issued to financial institutions or lessors in connection with commercial credit arrangements, equipment financings,

commercial property lease transactions or similar transactions approved by the Board of Directors;

(4) 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;

(5) Capital stock, or warrants or options to purchase capital stock, issued to an entity as a component of any business relationship with such entity primarily for the purpose of (A) joint venture, technology licensing or development activities or (B) distribution, supply or manufacture of the Corporation's products or services, provided, however, that such issuance is primarily for purposes other than raising capital, the terms of which business relationship with such entity are approved by the Board of Directors;

(6) Securities issuable upon exercise of currently outstanding warrants, notes, or other rights to acquire securities of the Corporation;

(7) Shares of Common Stock issued or issuable upon conversion of the Preferred Stock, including Preferred Stock issued upon the exercise or conversion of outstanding options, warrants or other rights;

(8) Shares of Common Stock issued or issuable (or deemed to have been issued pursuant to Section 4(d)(i)(E)) as a result of a decrease in the Conversion Price of the Preferred Stock resulting from the operation of Section 4(d); or

(9) Shares of Common Stock issued in a Qualified IPO.

(C) No Fractional Adjustments. No adjustment of the Conversion Price for any series of 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 taken into account in any subsequent adjustment made.

(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 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, other than a change resulting from the antidilution provisions thereof, the Conversion Price of any 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 not to a Conversion Price that is greater than the Conversion Price that would have applied had such Common Stock Equivalents not been issued, and 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 any 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 number 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.

(iv) **Waiver of Adjustment to Conversion Price.** Notwithstanding anything herein to the contrary, any downward adjustment of the Conversion Price of any series of Preferred Stock may be waived by the consent or vote of the holders of the majority of the outstanding shares of such series either before or after the issuance causing the adjustment.

(e) **Other Distributions.** In the event the Corporation shall declare a distribution payable in securities of other persons, evidences of indebtedness issued by the Corporation or other persons, assets (excluding cash dividends) or options or rights not referred to in Section 4(d)(i) or 4(d)(ii), then, in each such case for the purpose of this Section 4(e), the holders of 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 in Section 2) provision shall be made so that the holders of the Series A, Series B and Series C 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 Fractional Shares and Certificate as to Adjustments.**

(i) No fractional shares shall be issued upon the conversion of any share or shares of the Preferred Stock, and the number of shares of Common Stock to be issued shall be rounded down to the nearest whole share. The number of shares issuable upon such conversion shall be determined on the basis of the total number of shares of 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. If

the conversion would result in any fractional share, the Corporation shall, in lieu of issuing any such fractional share, pay the holder thereof an amount in cash equal to the fair market value of such fractional share on the date of conversion, as determined in good faith by the Board of Directors.

(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 series of Preferred Stock a certificate setting forth such adjustment or readjustment and showing in detail the facts upon which such adjustment or readjustment is based. The Corporation shall, upon the written request at any time of any holder of Preferred Stock, 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.

(h) **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 10 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.

(i) **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 each series of 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 series of 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.

(j) **Notices.** Any notice required by the provisions of this Section 4 to be given to the holders of shares of Preferred Stock shall be deemed given if deposited in the United States mail, postage prepaid, and addressed to each holder of record at his address appearing on the books of the Corporation.

5. Voting Rights.

(a) **General.** Except as expressly provided by this Restated Articles or as provided by law, the holders of Preferred Stock shall have the same voting rights as the holders of Common Stock and shall be entitled to notice of any shareholders' meeting in accordance with the Bylaws of the Corporation, and the holders of Common Stock and the Preferred Stock shall vote together as a single class on all matters. Each holder of Common Stock shall be entitled to one vote for each share of Common Stock held, and each holder 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 could be converted. 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 Preferred Stock held by each holder could be converted) shall be rounded to the nearest whole number (with one-half being rounded upward).

(b) **Election of Directors** At each election of directors, (i) the holders of Series C Preferred Stock, voting as a separate class, shall be entitled to elect one (1) member of the Corporation's Board of Directors, (ii) the holders of Series B Preferred Stock, voting as a separate class, shall be entitled to elect one (1) member of the Corporation's Board of Directors, (iii) the holders of Common Stock, voting as a separate class, shall be entitled to elect two (2) members of the Corporation's Board of Directors and (iv) any additional members of the Corporation's Board of Directors shall be elected by the holders of Preferred Stock and Common Stock, voting together as a single class on an as-converted basis. Subject to Section 302, Section 303 and Section 304 of the California Corporations Code, any director who shall have been elected by a specified group of shareholders may be removed during the aforesaid term of office, either for or without cause, by, and only by, the affirmative vote of the holders of a majority of the shares of such specified group, given at a special meeting of such shareholders duly called or by an action by written consent for that purpose. Any vacancy in the Board of Directors caused by the removal, resignation or death of any such director who shall have been elected by a specified group of shareholders or the declaration by the Board of Directors that the office of such director is vacant because such director has been declared of unsound mind by a court or convicted of a felony may be filled by, and only by, the vote of the holders of a majority of the shares of such specified group given at a special meeting of such shareholders or by an action by unanimous written consent.

(c) **No Series Voting**. Other than as provided herein or required by law, there shall be no series voting.

6. **Protective Provisions**.

(a) So long as any shares of Preferred Stock are outstanding, the Corporation shall not (by amendment, merger, consolidation or otherwise) without first obtaining the approval (by vote or written consent, as provided by law) of the holders of a majority of the then outstanding shares of Preferred Stock, voting as a single class and on an as-converted basis:

(1) create or issue (by reclassification or otherwise) any new class or series of shares having a preference over, or being on a parity with, the Preferred Stock with respect to voting, dividends, or upon liquidation;

(2) effect a Liquidation Transaction;

(3) amend or modify any stock option or purchase plan to change the number of shares of capital stock of the Corporation authorized for issuance thereunder;

(4) increase or decrease the number of Directors of the Board of Directors;

(5) sell any material assets of the Corporation which may include any material intellectual property rights of the Corporation;

(6) redeem, purchase or otherwise acquire (or pay into or set funds aside for a sinking fund for such purpose) any share or shares of Common Stock, or declare or pay any dividend on or make any distribution on the account of any shares of Common Stock or Preferred 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;

(7) effect any material change in the nature of the Corporation's business;

(8) amend these Restated Articles or the Bylaws of the Corporation in a manner that adversely affects the rights, preferences or privileges of the Preferred Stock; or

(9) increase or decrease the authorized number of shares of Common Stock or Preferred Stock.

(b) So long as any shares of Series A Preferred Stock are outstanding, the Corporation shall not (by amendment, merger, consolidation or otherwise) 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 A Preferred Stock, voting together as a single class:

(1) increase or decrease the authorized number of shares of Series A Preferred Stock; or

(2) amend these Restated Articles or the Bylaws of the Corporation in a manner that adversely affects the rights, preferences or privileges of the Series A Preferred Stock.

(c) So long as any shares of Series B Preferred Stock are outstanding, the Corporation shall not (by amendment, merger, consolidation or otherwise) 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, voting together as a single class:

(1) increase or decrease the authorized number of shares of Series B Preferred Stock; or

(2) amend these Restated Articles or the Bylaws of the Corporation in a manner that adversely affects the rights, preferences or privileges of the Series B Preferred Stock.

(d) So long as any shares of Series C Preferred Stock are outstanding, the Corporation shall not (by amendment, merger, consolidation or otherwise) 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 C Preferred Stock, voting together as a single class:

(1) increase or decrease the authorized number of shares of Series C Preferred Stock; or

(2) amend these Restated Articles or the Bylaws of the Corporation in a manner that adversely affects the rights, preferences or privileges of the Series C Preferred Stock.

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.

8. **Common Stock.**

(a) **Dividend Rights.** Subject to the rights of holders of all classes of stock at the time outstanding having prior rights as to dividends and subject to Section 6(a), 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.

(b) **Liquidation Rights.** Upon the occurrence of a Liquidation Transaction, the assets of the Corporation shall be distributed as provided in Section 2.

(c) **Redemption.** The Common Stock is not redeemable.

(d) **Voting Rights.** Each holder of Common Stock shall have the right to one vote per share of Common Stock, 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. Voting with respect to the election of members of the Corporation's Board of Directors shall be as set forth in Section 5(b)

ARTICLE V

The holders of the Preferred Stock expressly waive their rights, if any, as described in California Corporations Code Sections 502 and 503 as they relate to repurchase of shares upon termination of employment.

ARTICLE VI

(a) **Limitation of Liability.** The liability of the directors of the Corporation for monetary damages shall be eliminated to the fullest extent permissible under California law. The Corporation is also authorized, to the fullest extent permissible under California law, to indemnify its agents (as defined in Section 317 of the California Corporations Code), whether by bylaw, agreement or otherwise, for breach of duty to the Corporation and its shareholders in excess of that expressly permitted by Section 317 and to advance defense expenses to its agents in connection with such matters as they are incurred. If, after the effective date of this Article, California law is amended in a manner which permits a corporation to limit the monetary or other liability of its directors or to authorize indemnification of, or advancement of such defense expenses to, its directors or other persons, in any such case to a greater extent than is permitted on such effective date, the references in this Article to "California law" shall to that extent be deemed to refer to California law as so amended.

(b) **Repeal or Modification.** Any repeal or modification of the foregoing provisions of this Article V shall not adversely affect any right of indemnification or limitation of liability of an agent of the Corporation relating to acts or omissions occurring prior to such repeal or modification.

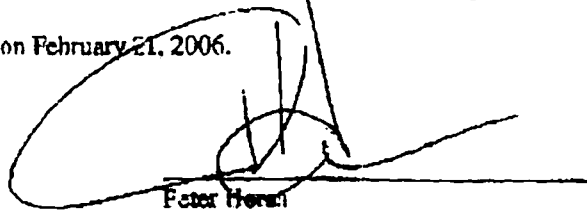
* * * * *

3 The foregoing amendment and restatement of the Corporation's Amended and Restated Articles of Incorporation has been duly approved by the Corporation's Board of Directors.


4 The amendment and restatement of the Articles of Incorporation herein set forth has been duly approved by the required vote of the shareholders of the Corporation in accordance with Section 902 of the California Corporations Code. There are 4,500,000 shares of Common Stock, 2,000,000 shares of Series A Preferred Stock and 10,000,000 shares of Series B Preferred Stock outstanding and entitled to vote on this amendment. Approval of (i) more than 50% of the outstanding shares of Common Stock, (ii) more than 50% of the outstanding shares of Series A Preferred Stock and (iii) more than 50% of the outstanding shares of Series B Preferred Stock, each voting as a separate class, was required to pass the foregoing amendment and restatement. The number of shares voting in favor of the amendment and restatement equaled or exceeded the vote required.

The undersigned further declare under penalty of perjury under the laws of the State of California that the matters set forth in the foregoing certificate are true and correct to their own knowledge.

Executed at San Bruno, California, on February 21, 2006.



Peter Harroch
Chief Executive Officer



Richard D. Harroch
Secretary