

**AMENDED AND RESTATED CERTIFICATE  
OF INCORPORATION OF  
ACTELIS NETWORKS, INC.  
A Delaware Corporation**

Tuvia Barlev hereby certifies that:

1. He is the duly elected President of Actelis Networks, Inc., a Delaware corporation.
2. The company was originally incorporated on November 12, 1998, as ACTEL Networks, Inc.
2. The following Amended and Restated Certificate of Incorporation has been duly approved by the required vote of the stockholders in accordance with the Amended and Restated Certificate of Incorporation and the provisions of Sections 242 and 245 of the Delaware General Corporation Law.
3. The Amended and Restated Certificate of Incorporation of this corporation, filed with the Secretary of State of the State of Delaware on June 12, 2001, is hereby amended and restated to read as follows:

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**ARTICLE ONE**

The name of the corporation is Actelis Networks, Inc. (the "**Company**").

**ARTICLE TWO**

The purpose of the Company is to engage in any lawful act or activity for which a corporation may be organized under the General Corporation Law of Delaware.

**ARTICLE THREE**

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

## ARTICLE FOUR

The Company is authorized to issue two classes of shares, designated respectively "Common Stock" and "Preferred Stock". The Company is authorized to issue 43,000,000 shares of Common Stock with a par value of \$0.01 per share. The Company is authorized to issue 26,007,500 shares of Preferred Stock, 800,000 of which are designated Series A Preferred Stock with a par value of \$0.01 per share ("**Series A Preferred**"), 700,000 of which are designated Series B Preferred Stock with a par value of \$0.01 per share ("**Series B Preferred**"), 1,507,500 of which are designated Series C Preferred Stock with a par value of \$0.01 per share ("**Series C Preferred**") and 23,000,000 of which are designated Series D Preferred Stock with a par value of \$0.01 per share ("**Series D Preferred**"). For the purpose of this Amended and Restated Certificate of Incorporation, the term "**Preferred Stock**" shall mean Series A Preferred, Series B Preferred, Series C Preferred and Series D Preferred, collectively.

The relative rights, preferences, privileges, and restrictions granted to or imposed upon the Common Stock and the Preferred Stock and the holders thereof are as follows:

### SECTION 1. DIVIDENDS.

The holders of record of Common Stock (the "**Common Holders**") and the holders of record of Preferred Stock (the "**Preferred Holders**") shall be entitled to receive dividends out of funds legally available therefor, when, as, and if declared by the board of directors of the Company (the "**Board**"), provided that:

1.1 Preferential Dividends. The holders of record of Series D Preferred (the "**Series D Holders**") shall be entitled to receive a non-cumulative, preferential dividend of \$0.08 per fiscal year per share of Series D Preferred (as adjusted for any stock splits, stock dividends, recapitalizations or the like, with respect to the applicable series of Preferred Stock occurring after the date of the filing of this Certificate). The holders of record of Series C Preferred (the "**Series C Holders**") shall be entitled to receive a non-cumulative, preferential dividend of \$0.27 per fiscal year per share of Series C Preferred (as adjusted for any stock splits, stock dividends, recapitalizations or the like, with respect to the applicable series of Preferred Stock occurring after the date of the filing of this Certificate). The holders of record of Series B Preferred (the "**Series B Holders**") shall be entitled to receive a non-cumulative, preferential dividend of \$0.25 per fiscal year per share of Series B Preferred (as adjusted for any stock splits, stock dividends, recapitalizations or the like, with respect to the applicable series of Preferred Stock occurring after the date of the filing of this Certificate). The holders of record of Series A Preferred (the "**Series A Holders**") shall be entitled to receive a non-cumulative, preferential dividend of \$0.07 per fiscal year per share of Series A Preferred (as adjusted for any stock splits, stock dividends, recapitalizations or the like, with respect to the applicable series of Preferred Stock occurring after the date of the filing of this Certificate).

1.2 Paid Ratably. Such preferential dividends shall be paid ratably in proportion to the respective preference amounts and in preference and prior to any dividends paid in respect to the Common Stock. After such preferential dividends have been paid in full to such Preferred Holders for a given year, the Preferred Stock shall participate pro-rata with the Common Stock with respect to the receipt of any additional dividends on an as if converted to Common Stock basis.

1.3 Non-cumulative. Such preferential dividends shall be non-cumulative, and no right shall accrue to the Preferred Holders by reason of the fact that such dividends are not declared in any period.

1.4 Non-Cash Distributions. Whenever a dividend provided for in this Section 1 shall be payable in property other than cash, the value of such dividend shall be deemed to be the fair market value of such property as determined in good faith by the Board of Directors.

1.5 Consent to Certain Distributions. As authorized by Section 402.5(c) of the California Corporations Code, if Section 502 or Section 503 of the California Corporations Code is applicable to a payment made by the Company then such applicable section or sections shall not apply if such payment is a payment made by the Company in connection with (i) repurchases of Common Stock issued to or held by employees, officers, directors or consultants of the Company or its subsidiaries upon termination of their employment or services pursuant to agreements providing for the right of said repurchase, (ii) repurchases of Common Stock issued to or held by employees, officers, directors or consultants of the Company or its subsidiaries pursuant to rights of first refusal contained in agreements providing for such right and (iii) any other repurchase or redemption of Common Stock or Preferred Stock approved by the holders of at least two-thirds (2/3) of (y) the Preferred Stock and (z) the Series D Preferred Stock of the Company.

## SECTION 2. LIQUIDATION PREFERENCES.

2.1 Liquidation. In the event of any liquidation, dissolution, Business Combination, as defined below, or winding up of the Company, whether voluntary or involuntary:

(i) The Series D Holders shall be entitled to receive a liquidation preference of \$1.00 per share of Series D Preferred (as adjusted for any stock splits, stock dividends, recapitalizations or the like, with respect to the applicable series of Preferred Stock occurring after the date of the filing of this Certificate) plus any declared but unpaid dividends thereon (the "Series D Liquidation Preference").

(ii) The Series C Holders shall be entitled to receive a liquidation preference of \$3.32 per share of Series C Preferred (as adjusted for any stock splits, stock dividends, recapitalizations or the like, with respect to the applicable series of Preferred Stock occurring after the date of the filing of this Certificate) plus any declared but unpaid dividends thereon (the "Series C Liquidation Preference").

(iii) The Series B Holders shall be entitled to receive a liquidation preference of \$3.10 per share of Series B Preferred (as adjusted for any stock splits, stock dividends, recapitalizations or the like, with respect to the applicable series of Preferred Stock occurring after the date of the filing of this Certificate) plus any declared but unpaid dividends thereon (the "Series B Liquidation Preference").

(iv) The Series A Holders shall be entitled to receive a liquidation preference of \$0.85 per share of Series A Preferred (as adjusted for any stock splits, stock dividends, recapitalizations or the like, with respect to the applicable series of Preferred Stock occurring after the date of the filing of this Certificate) plus any declared but unpaid dividends thereon (the

**"Series A Liquidation Preference"** and collectively with the Series D Liquidation Preference, Series C Liquidation Preference and Series B Liquidation Preference, the **"Liquidation Preferences"**).

(v) If the assets of the Company legally available for distribution to the stockholders (the **"Assets"**) are insufficient to permit the full payment of the Liquidation Preferences, then all of the Assets shall be distributed first to the Series D Holders prior and in preference to the payment of any amounts to Series C Holders, Series B Holders, Series A Holders or Common Holders on account of any shares of Series C Preferred, Series B Preferred, Series A Preferred or Common Stock held by them. If the Assets are insufficient to permit the payment in full of such Series D Liquidation Preference, then all of the Assets shall be distributed ratably among the Series D Holders in proportion to the full Series D Liquidation Preference such holders would have been entitled to receive under this subsection (v) had sufficient Assets remained to permit payment in full of such amount.

(vi) If, after the payment in full of the Series D Liquidation Preference any Assets remain, then the Series C Holders shall be entitled to receive their Series C Liquidation Preference prior and in preference to the payment of any amounts to the Series B Holders, Series A Holders or Common Holders on account of any shares of Series B Preferred, Series A Preferred or Common Stock held by them. If, following the payment in full of the Series D Liquidation Preference, the remaining Assets are insufficient to permit payment in full of the Series C Liquidation Preference, then the remaining Assets shall be distributed ratably among the Series C Holders in proportion to the full Series C Liquidation Preference that such holders would have been entitled to receive under this subsection (vi) had sufficient Assets remained to permit payment in full of such amount. After payment of such full Series C Liquidation Preference, if the Assets are insufficient to permit the full payment of the Series B Liquidation Preference and Series A Liquidation Preference, then all of the Assets shall be distributed ratably among the Series B and A Holders in proportion to the full Series B Liquidation Preference and Series A Liquidation Preference such holders would otherwise be entitled to receive.

(vii) After payment of such full Series D Liquidation Preference, Series C Liquidation Preference, Series B Liquidation Preference, and Series A Liquidation Preference, the Common Holders and Series D Holders (on an as-converted to Common Stock basis) shall be entitled to receive ratably the entire remaining Assets, if any.

**2.2 Business Combination.** For purposes of this Section 2, a **"Business Combination"** shall mean each of (i) the sale, lease or exchange (for cash, shares of stock, securities or other consideration) of all or substantially all the stock or property and assets of the Company, (ii) the merger or consolidation of the Company into or with any other corporation or the merger or consolidation of any other corporation into or with the Company (except for a merger or consolidation in which the holders of 100% of the voting capital stock of the Company hold more than 50% of the voting rights of the surviving entity) and (iii) an exclusive, irrevocable licensing of all or substantially all of the Company's intellectual property to a third party.

### SECTION 3. CONVERSION.

The Preferred Holders shall have conversion rights as follows (the "Conversion Rights"):

(a) Right to Convert; Automatic Conversion.

(i) Subject to Section 3(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 this Company or any transfer agent for such shares, into such number of fully paid and nonassessable shares of Common Stock determined as set forth below.

Each share of Series D Preferred shall be convertible into such number of fully paid and nonassessable shares of Common Stock as determined by dividing \$1.00 by the Series D Conversion Price, determined as hereafter provided, in effect at the time of conversion. The initial Series D Conversion Price shall be \$1.00 per share; provided, however, that such Series D Conversion Price shall be subject to adjustment occurring after the date of the filing of this Certificate as set forth below.

1.5-1.0  
1.0  
50%

Each share of Series C Preferred shall be convertible into such number of fully paid and nonassessable shares of Common Stock as determined by dividing \$1.00 by the Series C Conversion Price, determined as hereafter provided, in effect at the time of conversion. The initial Series C Conversion Price shall be \$1.00 per share; provided, however, that such Series C Conversion Price shall be subject to adjustment occurring after the date of the filing of this Certificate as set forth below.

Each share of Series B Preferred shall be convertible into such number of fully paid and nonassessable shares of Common Stock as determined by dividing \$1.00 by the Series B Conversion Price, determined as hereafter provided, in effect at the time of conversion. The initial Series B Conversion Price shall be \$1.00 per share; provided, however, that such Series B Conversion Price shall be subject to adjustment occurring after the date of the filing of this Certificate as set forth below.

Each share of Series A Preferred shall be convertible into such number of fully paid and nonassessable shares of Common Stock as is determined by dividing \$1.00 by the Series A Conversion Price, determined as hereafter provided, in effect at the time of conversion. The initial Series A Conversion Price shall be \$1.00 per share; provided, however, that such Series A Conversion Price shall be subject to adjustment occurring after the date of the filing of this Certificate as set forth below.

If a conversion election under this Section 3(a)(i) is made in connection with an underwritten offering of the Company's securities pursuant to the Securities Act of 1933, as amended (the "Act") (which underwritten offering does not cause an automatic conversion pursuant to Section 3(a)(ii)(A) to take place) the conversion may, at the option of the holder tendering shares of Preferred Stock for conversion, be conditioned upon the closing with the underwriters of the sale of the Company's securities pursuant to such offering, in which event the holders making such elections who are entitled to receive Common Stock upon conversion of their Preferred Stock shall not be deemed to have converted such shares of Preferred Stock until immediately prior to the closing of such sale of the Company's securities in the offering.

(ii) Each share of each series of Preferred Stock shall automatically be converted into shares of Common Stock at the applicable Conversion Price immediately upon the occurrence of the first of the following:

(A) Immediately prior to the closing of a firm commitment underwritten public offering pursuant to an effective registration statement filed under the Act as to the Company's Common Stock (other than a registration relating solely to a transaction under Rule 145 of the Act or to an employee benefit plan of the Company), provided that the public offering price equals or exceeds \$3.00 per share (as adjusted for any stock splits, stock dividends, recapitalizations or the like occurring after the date of the filing of this Certificate) and the aggregate gross proceeds thereof are not less than \$25,000,000 (in each case before deduction of underwriter discounts and commissions); or

(B) The approval of such conversion by the written consent of the holders of two-thirds (2/3) of the then voting power of the outstanding shares of Preferred Stock.

Upon the occurrence of any event specified in subparagraph 3(a)(ii)(A) or (B) above, the outstanding shares of Preferred Stock shall be converted into Common Stock automatically without the need for any further action by the holders of such shares and whether or not the certificates representing such shares are surrendered to the Company or its transfer agent; provided, however, that the Company shall not be obligated to issue certificates evidencing the shares of Common Stock issuable upon such conversion unless the holder of such shares complies with paragraph 3(b) below.

(b) Mechanics of Conversion. Before any holder of shares of Preferred Stock shall be entitled to convert the same into shares of Common Stock, the holder shall surrender the certificate or certificates therefor, duly endorsed, at the office of the Company or of any transfer agent for such shares, and shall give written notice by mail, postage prepaid, to the Company 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, however, that a Preferred Holder may not effect a transfer of shares pursuant to a conversion unless all applicable restrictions on transfer are complied with. The Company shall, as soon as practicable thereafter, issue and deliver at such office to such holder of shares 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. Except as otherwise provided herein, such conversion shall be deemed to have been made immediately prior to the close of business on the date of such surrender of the certificate or certificates representing the shares of Preferred Stock to be converted and the person or persons entitled to receive the shares of Common Stock issuable upon such conversion shall be treated for all purposes as the record holder or holders of such shares of Common Stock as of such date.

(c) Conversion Price Adjustments.

(i) The Conversion Price of each series of Preferred Stock shall be subject to adjustment from time to time as follows:

(A) If, on or following the Effective Date, the Company shall issue any (or be deemed to have issued) Additional Stock without consideration or for a consideration per

share less than such Conversion Price in effect immediately prior to the issuance of such Additional Stock, then such Conversion Price shall (except as otherwise provided in this clause (i)) be reduced, concurrently with such issue, to a price (calculated to the nearest cent) determined by dividing:

(X) an amount equal to the sum of (a) the product derived by multiplying the Conversion Price of such series in effect immediately prior to such issue *times* the number of shares of Common Stock (including shares of Common Stock deemed to have been issued upon conversion of the outstanding Preferred Stock or otherwise under Section 3(c)(i)(E)) outstanding immediately prior to such issue, *plus* (b) the consideration, if any, received by or deemed to have been received by the Company upon such issue, by

(Y) an amount equal to the sum of (a) the number of shares of Common Stock (including shares of Common Stock deemed to have been issued upon conversion of the outstanding Preferred Stock or otherwise under Section 3(c)(i)(E)) outstanding immediately prior to such issue, *plus* (b) the number of shares of Common Stock issued or deemed to have been issued in such issue.

(B) 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, however, that any adjustment that is not required to be made by reason of this sentence shall be carried forward and taken into account in any subsequent adjustment. Except to the limited extent provided for in Sections 3(c)(i)(E)(3), 3(c)(i)(E)(4) and 3(c)(iv), no adjustment of such Conversion Price shall have the effect of increasing the Conversion Price above the Conversion Price in effect immediately prior to such adjustment.

(C) In the case of the issuance of Additional 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 this corporation for any underwriting or otherwise in connection with the issuance and sale thereof.

(D) In the case of the issuance of Additional 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 in good faith by the Board of Directors.

(E) In the case of the issuance of options to purchase or rights to subscribe for Common Stock, securities by their terms convertible into or exchangeable for Common Stock or options to purchase or rights to subscribe for such convertible or exchangeable securities (where the shares of Common Stock issuable upon exercise of such options or rights or upon conversion or exchange of such securities are not excluded from the definition of Additional Stock), the following provisions shall apply:

(1) The aggregate maximum number of shares of Common Stock deliverable upon exercise of such options to purchase or rights to subscribe for Common Stock shall be deemed to have been issued at the time such options or rights were issued and for a consideration equal to the consideration (determined in the manner provided in Sections 3(c)(i)(C) and 3(c)(i)(D)), if any, received by the Company upon the issuance of such options or rights plus the minimum purchase price provided in such options or rights for the Common Stock covered thereby.

(2) The aggregate maximum number of shares of Common Stock deliverable upon conversion of, or in exchange for, any such convertible or exchangeable securities or upon the exercise of options to purchase or rights to subscribe for such convertible or exchangeable securities and subsequent conversion or exchange thereof shall be deemed to have been issued at the time such securities were issued or such options or rights were issued and for a consideration equal to the consideration, if any, received by the Company for any such securities and related options or rights (excluding any cash received on account of accrued interest or accrued dividends), plus the minimum additional consideration, if any, to be received by the Company upon the conversion or exchange of such securities or the exercise of any related options or rights (the consideration in each case to be determined in the manner provided in Sections 3(c)(i)(C) and 3(c)(i)(D)).

(3) In the event of any change in the number of shares of Common Stock deliverable upon exercise of such options or rights or upon conversion of or in exchange for such convertible or exchangeable securities, including, but not limited to, a change resulting from the antidilution provisions thereof, the Conversion Price in effect at the time for each series of Preferred Stock shall forthwith be readjusted to such Conversion Price as would have been obtained had the adjustment that was made upon the issuance of such options, rights or securities not converted prior to such change or the options or rights related to such securities not converted prior to such change been made upon the basis of such change, but no further adjustment shall be made for the actual issuance of Common Stock upon the exercise of any such options or rights or the conversion or exchange of such securities.

(4) Upon the expiration of any such options or rights, the termination of any such rights to convert or exchange or the expiration of any options or rights related to such convertible or exchangeable securities, the Conversion Price for each series of Preferred Stock shall forthwith be readjusted to such Conversion Price as would have been obtained had the adjustment that was made upon the issuance of such options, rights or securities or options or rights related to such securities been made upon the basis of the issuance of only the number of shares of Common Stock actually issued (or deemed issued) upon the exercise of such options or rights, upon the conversion or exchange of such securities or upon the exercise of the options or rights related to such securities.

(ii) **"Effective Date"** shall mean the date of the filing of this Certificate.

**"Additional Stock"** shall mean any shares of Common Stock issued (or deemed to have been issued pursuant to Section 3(c)(i)(E)) by this Company after the Effective Date other than:



(A) Common Stock issued pursuant to a transaction described in Section 3(c)(iii);

(B) Common Stock (or options, warrants, or other convertible securities therefor) issued or issuable to employees, officers, or directors of, or consultants to, the Company, pursuant to an arrangement approved by the Board, including a majority of directors that are not then employed by or consultants to the Company (the "**Non-employee Directors**"), or upon exercise of options or warrants granted to such parties pursuant to any such plan or arrangement;

(C) Common Stock issued pursuant to the acquisition of another corporation by merger, purchase of all or substantially all of the assets, or other reorganization in which the Company acquires, in a single transaction or series of related transactions, all or substantially all of the assets of such other corporation or entity or fifty percent (50%) or more of the voting power of such other corporation or entity or fifty percent (50%) or more of the equity ownership of such other entity, provided that such transaction or series of transactions has been approved by the Board, including a majority of the Non-employee Directors;

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

(E) Common Stock issued in a registered public offering under the Securities Act pursuant to which all outstanding shares of Preferred Stock are automatically converted into Common Stock pursuant to an Automatic Conversion Event; and

(F) Common Stock that are otherwise excluded by vote or written consent of holders of two-thirds (2/3) of the Preferred Stock and holders of two-thirds (2/3) of the Series D Preferred.

(iii) In the event the Company should at any time or from time to time after the Effective Date fix a record date for the effectuation of a split or subdivision of the outstanding shares of Common Stock or (subject to obtaining the required consents provided for in Sections 5.1 and 5.2) the determination of holders of Common Stock entitled to receive a dividend or other distribution payable in additional shares of Common Stock or other securities or rights convertible into, or entitling the holder thereof to receive, directly or indirectly, additional shares of Common Stock (hereinafter referred to as "**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 but contingent on such dividend, distribution, split or subdivision being consummated (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 such share shall be increased in proportion to such increase of outstanding shares determined by taking Section 3(c)(i)(E) into account.

(iv) If the number of shares of Common Stock outstanding at any time after the Effective Date is decreased by a combination of the outstanding shares of Common Stock, then, as of the 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 such share shall be decreased in proportion to such decrease in outstanding shares.

(d) Other Distributions. In the event this Company shall (subject to obtaining the required consents provided for in Sections 5.1 and 5.2) declare a distribution payable in securities of other persons, evidences of indebtedness issued by this Company or other persons, assets (excluding cash dividends) or options or rights not referred to in Section 3(c)(iii), then, in each such case for the purpose of this Section (d), the holders of the 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 Company 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 Company entitled to receive such distribution.

(e) Recapitalizations, Mergers. If at any time or from time to time there shall be a recapitalization of the Common Stock or a merger of the Company with or into another entity (other than a Business Combination) (other than a subdivision, combination or merger or sale of assets transaction provided for elsewhere in this Section), provision shall be made (in form and substance reasonably satisfactory to the holders of a majority of the Preferred Stock then outstanding) so that the holders of the Preferred Stock shall thereafter be entitled to receive, upon conversion of the Preferred Stock, such shares or other securities or property of the Company or otherwise, to which a holder of Common Stock deliverable upon conversion would have been entitled on such recapitalization or merger. In any such case, appropriate adjustment shall be made in the application of the provisions of this Section with respect to the rights of the holders of the Preferred Stock after the recapitalization or merger to the end that the provisions of this Section (including adjustment of the Conversion Prices then in effect and the number of shares purchasable upon conversion of shares of Preferred Stock) shall be applicable after that event as nearly equivalent as may be practicable.

(f) No Fractional Shares and Certificate as to Adjustments.

(i) No fractional shares shall be issued upon conversion of shares of Preferred Stock. In lieu of fractional shares, the number of shares of Common Stock to be issued to a Preferred Holder upon conversion of all of the shares being converted of any series of Preferred Stock held by such holder shall be rounded to the nearest whole number.

(ii) Upon the occurrence of each adjustment of the Conversion Price of a series of Preferred Stock pursuant to this Section, the Company, at its expense, shall promptly compute such adjustment in accordance with the terms hereof and prepare and furnish to each holder of shares of the series of Preferred Stock with respect to which the Conversion Price is being adjusted a certificate setting forth such adjustment and showing in detail the facts upon which such adjustment is based. The Company shall, upon the written request at any time of any Preferred Holder, furnish or cause to be furnished to such holder a like certificate setting forth (A) such adjustment, (B) the Conversion Price at the time in effect for each series of Preferred Stock, 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 such holder's shares of Preferred Stock.

(g) Notices of Record Date. In the event of any taking by this Company of a record of its stockholders for the purpose of determining stockholders who are entitled to receive payment of any dividend (other than a cash dividend) or other distribution, any right to subscribe for, purchase or otherwise acquire any shares of any class or any other securities or property, or to receive any other right, this Company shall mail to each holder of shares of Preferred Stock, at least 20 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.

(h) Reservation of Shares Issuable Upon Conversion. This Company 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 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 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 Preferred Stock, this Company 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.

(i) Notices. Any notice required by the provisions of this Section to be given to the holders of shares of Preferred Stock shall be deemed to be delivered three (3) business days after it is deposited in the United States mail, postage prepaid, registered or certified, and addressed to each holder of record at his address appearing on the stock transfer books of this Company.

(j) Waiver of Adjustment of Conversion Price. Notwithstanding anything herein to the contrary, any downward adjustment of the Conversion Price of (i) the Series A Preferred, Series B Preferred or Series C Preferred may be waived by the consent or vote, either before or after the issuance causing the adjustment, of a majority of the outstanding shares of such series, (ii) of the Series D Preferred may be waived by the consent or vote, either before or after the issuance causing the adjustment, of the holders of two-thirds (2/3) of the voting power of the outstanding shares of Series D Preferred, or (iii) each series of Preferred Stock may be waived by the consent or vote, either before or after the issuance causing the adjustment, of each of: (i) the holders of two-thirds (2/3) of the voting power of the outstanding shares of Series D Preferred and (ii) the holders of two-thirds (2/3) of the voting power of the outstanding shares of Preferred Stock, provided in the case of this subsection (iii) that such waiver affects each series of Preferred Stock in the same manner.

#### SECTION 4. VOTING RIGHTS.

4.1 Common Stock. Each holder of shares of Common Stock shall be entitled to one (1) vote for each share thereof held.

4.2 Adjustment in Authorized Common Stock. Pursuant to Section 242(b)(2) of the Delaware General Corporation Law, the number of authorized shares of Common Stock may be increased or decreased (but not below the number of shares of Common Stock then outstanding) by an affirmative vote of the holders of a majority of the stock of the Company.

**4.3 Preferred Stock.** Each holder of shares of Preferred Stock shall be entitled to the number of votes equal to the number of whole shares of Common Stock into which such shares of Preferred Stock could be converted pursuant to the provisions of Section 3 above at the record date for the determination of the stockholders entitled to vote on such matters or, if no such record date is established, the date such vote is taken or any written consent of stockholders is solicited.

(a) **General.** Subject to the other provisions of this Certificate of Incorporation, each holder of Preferred Stock shall have full voting rights and powers equal to the voting rights and powers of the holders of Common Stock, and shall be entitled to notice of any stockholders' meeting in accordance with the bylaws of the Company (as in effect at the time in question) and applicable law, and shall be entitled to vote, together with the holders of Common Stock, with respect to any question upon which holders of Common Stock have the right to vote, except as may be otherwise provided by applicable law. Except as otherwise expressly provided herein or as required by law, the holders of Preferred Stock and the holders of Common Stock shall vote together and not as separate classes. So long as Section 2115 of the California General Corporation Law purports to make Section 708 subdivisions (a), (b) and (c) of the California General Corporation Law applicable to the Corporation, the Corporation's stockholders shall have the right to cumulate their votes in connection with the election of directors as provided by Section 708 subdivisions (a), (b) and (c) of the California General Corporation Law.

#### **4.4 Board of Directors Election and Removal.**

(a) **Election of Directors.** The authorized number of directors of the Company shall be seven (7). So long as at least three million (3,000,000) shares of Preferred Stock are outstanding (such number of shares being subject to proportional adjustments to reflect combinations or subdivisions of each such series of Preferred Stock or dividends declared in shares of such stock occurring after the date of the filing of this Certificate), (i) the holders of the Series D Preferred Stock, voting as a separate series, shall be entitled to elect one (1) director of the Company, (ii) the holders of the Series A Preferred Stock, Series B Preferred Stock, and Series C Preferred Stock, voting together as a single class on an as-converted to Common Stock basis (with cumulative voting rights as among themselves with respect to the two (2) directors elected pursuant to this subsection (ii) in accordance with Section 214 of the Delaware General Corporation Law), shall be entitled to elect two (2) directors of the Company, (iii) the holders of the Common Stock, voting as a separate class, shall be entitled to elect one (1) director of the Company, and (iv) the holders of the Preferred Stock and the Common Stock, voting together as a single class (with cumulative voting rights with respect to the three (3) directors elected pursuant to this subsection (iv) in accordance with Section 214 of the Delaware General Corporation Law) shall be entitled to elect the remaining directors of the Company.

#### **(b) Quorum; Required Vote.**

(i) **Quorum.** At any meeting held for the purpose of electing directors, the presence in person or by proxy (A) of the holders of a majority of the shares of the Series D Preferred Stock then outstanding shall constitute a quorum for the election of the director to be elected solely by the holders of the Series D Preferred Stock, (B) of the holders of a majority of the shares of the Series A Preferred Stock, Series B Preferred Stock and Series C Preferred Stock then outstanding

shall constitute a quorum for the election of the two directors to be elected solely by the holders of the Series A Preferred Stock, Series B Preferred Stock and Series C Preferred Stock, (C) of the holders of a majority of the shares of the Common Stock then outstanding shall constitute a quorum for the election of directors to be elected solely by the holders of the Common Stock, and (D) of holders of a majority of the voting power of all the then-outstanding shares of Preferred Stock and Common Stock shall constitute a quorum for the election of the directors to be elected jointly by the holders of the Preferred Stock and the Common Stock.

(ii) Required Vote. With respect to the election of any director or directors by the holders of the outstanding shares of a specified class or Series of stock given the right to elect such director or directors pursuant to Section 4.4(a) above (the "**Specified Stock**"), that candidate or those candidates (as applicable) shall be elected who receive the highest number of affirmative votes (on an as-converted basis) of the outstanding shares of such Specified Stock, up to the number of directors to be elected by such Specified Stock.

(c) Vacancy. If there shall be any vacancy in the office of a director elected or to be elected by the holders of any Specified Stock, then a director to hold office for the unexpired term of such directorship may be elected by either: (i) a majority of the remaining director or directors (if any) in office that were so elected by the holders of such Specified Stock, by the affirmative vote of a majority of such directors (or by the sole remaining director elected by the holders of such Specified Stock if there be but one), unless the vacancy is due to the removal of a director, in which case the vacancy can only be filled by the holders pursuant to clause (ii) of this subsection (c) or (ii) the required vote of holders of the shares of such Specified Stock specified in Section 4.4(b)(ii) above that are entitled to elect such director.

(d) Removal. Subject to Section 141(k) of the Delaware General Corporation Law, any director who shall have been elected to the Board by the holders of any Specified Stock, or by any director or directors elected by holders of any Specified Stock as provided in Section 4.4(b), may be removed during his or her term of office, without cause, by, and only by, the affirmative vote of shares representing a majority of the voting power, on an as-converted basis, of all the outstanding shares of such Specified Stock entitled to vote, given either at a meeting of such stockholders duly called for that purpose or pursuant to a written consent of stockholders without a meeting, and any vacancy created by such removal may be filled only in the manner provided in Section 4.4(b).

(e) Procedures. Any meeting of the holders of any Specified Stock, and any action taken by the holders of any Specified Stock by written consent without a meeting, in order to elect or remove a director under this Section 4.4, shall be held in accordance with the procedures and provisions of the Company's Bylaws, the Delaware General Corporation Law and applicable law regarding stockholder meetings and stockholder actions by written consent, as such are then in effect (including but not limited to procedures and provisions for determining the record date for shares entitled to vote).

(f) Termination. Notwithstanding anything in this Section 4.4 to the contrary, the rights of the holders of Preferred Stock and Common Stock under this Section 4.4 shall cease to be of any further force or effect upon the earlier of: (i) the first date on which the total number of outstanding shares of Preferred Stock is less than three million (3,000,000) shares (such number of

shares being subject to proportional adjustment to reflect combination or subdivisions of such Preferred Stock or dividends declared in shares of such stock occurring after the date of the filing of this Certificate) and (ii) the closing of a merger or consolidation of the Company into or with any other corporation or the merger or consolidation of any other corporation into or with the Company (except for a merger or consolidation in which the holders of 100% of the voting capital stock of the Company hold more than 50% of the voting rights of the surviving entity).

#### SECTION 5. PROTECTIVE PROVISIONS.

5.1 The Company shall not, without the approval of the holders of two-thirds (2/3) of the voting power of the outstanding shares of Series D Preferred Stock:

(i) Amend or repeal any provision of, or add any provision to, this Company's Certificate of Incorporation or Bylaws;

(ii) Authorize or issue shares of any class or series of stock having any rights, preferences, privileges or restrictions senior to or on a parity with the Series D Preferred Stock;

(iii) Reclassify any shares of Common Stock or any other shares of this Company into shares having any rights, preferences, privileges or restrictions senior to or on a parity with any series of the Preferred Stock;

(iv) Increase or decrease (other than by redemption or conversion) the total number of authorized shares of Preferred Stock or Common Stock;

(v) Agree to enter into, or consummate, any Business Combination.

(vi) Increase or decrease the authorized size of the Company's Board of Directors;

(vii) Declare or pay any dividend or other distribution on the Common Stock or Preferred Stock; or

(viii) Redeem or repurchase any shares of Preferred Stock or Common Stock (other than pursuant to equity incentive agreements with service providers giving the Corporation the right to repurchase shares at cost upon the termination of services or the exercise by the Company of contractual rights of first refusal).

5.2 The Company shall not, without the approval of the holders of two-thirds (2/3) of the voting power of the outstanding shares of Preferred Stock:

(i) Amend or repeal any provision of, or add any provision to, this Company's Certificate of Incorporation or Bylaws if such action would materially and adversely alter or change the rights, preferences, privileges or powers of, or the restrictions provided for the benefit of any series of the Preferred Stock;

(ii) Authorize or issue shares of any class or series of stock having any rights, preferences, privileges or restrictions senior to or on a parity with any series of the Preferred Stock;

(iii) Reclassify any shares of Common Stock or any other shares of this Company into shares having any rights, preferences, privileges or restrictions senior to or on a parity with any series of the Preferred Stock;

(iv) Increase or decrease (other than by redemption or conversion) the total number of authorized shares of Preferred Stock;

(v) Agree to enter into, or consummate, any Business Combination, liquidation, voluntary dissolution or winding-up of the Company.

(vi) Increase or decrease the authorized size of the Company's Board of Directors;

(vii) Declare or pay any dividend or other distribution on the Common Stock or Preferred Stock; or

(viii) Redeem or repurchase any shares of Preferred Stock or Common Stock (other than pursuant to equity incentive agreements with service providers giving the Corporation the right to repurchase shares at cost upon the termination of services or the exercise by the Company of contractual rights of first refusal).

#### **ARTICLE FIVE**

The Company is to have perpetual existence.

#### **ARTICLE SIX**

Subject to Article Four, the Company reserves the right to amend, alter, change or repeal any provision contained in this Certificate of Incorporation, in the manner now or hereafter prescribed by statute, and all rights conferred upon the stockholders herein are granted subject to this right.

#### **ARTICLE SEVEN**

Meetings of stockholders may be held within or without the State of Delaware, as the Bylaws may provide. The books of the Company may be kept (subject to any provision contained in the statutes) outside the State of Delaware at such place or places as may be designated from time to time by the Board of Directors or in the Bylaws of the Company.

#### **ARTICLE EIGHT**

At each annual meeting of stockholders, directors of the Company shall be elected to hold office until the expiration for the term for which they are elected and until their successors have been duly elected and qualified, except that if any such election shall not be so held, such election shall

take place at a stockholders' meeting called and held in accordance with the General Corporation Law of Delaware.

#### ARTICLE NINE

To the fullest extent permitted by the Delaware General Corporation Law as the same exists or may hereafter be amended, a director of the Company shall not be personally liable to the Company or its stockholders for monetary damages for breach of fiduciary duty as a director, except to the extent such exception from liability or limitation thereof is not permitted under the Delaware Corporation Law as the same exists or may hereafter be amended.

The Company may indemnify to the fullest extent permitted by law any person made or threatened to be made a party to an action or proceeding, whether criminal, civil, administrative or investigative, by reason of the fact that such person, such person's testator or intestate is or was a director or officer of the Company or any predecessor of the Company or serves or served at any other enterprise as a director, officer or employee at the request of the Company or any predecessor of the Company.

Neither any amendment nor repeal of this Article, nor the adoption of any provision of this Certificate of Incorporation inconsistent with this Article, shall eliminate or reduce the effect of this Article in respect of any matter occurring, or any cause of action, suit or claim that, but for this Article, would accrue or arise, prior to such amendment, repeal or adoption of an inconsistent provision. The indemnification and advancement of expenses provided by, or granted pursuant to, this Article Nine shall not be deemed exclusive of any additional rights to which those seeking indemnification or advancement of expenses may be entitled under any bylaw, agreement, vote of stockholders or disinterested directors or otherwise, both as to action in such person's official capacity and as to action in another capacity while holding such office.

#### ARTICLE TEN

Subject to Article Four in furtherance and not in limitation of the powers conferred by statute, the Board of Directors is expressly authorized to make, alter, amend or repeal the Bylaws of the Company.

The undersigned party hereby acknowledges that the foregoing Amended and Restated Certificate of Incorporation is his act and deed and that the facts stated herein are true.

Dated: January 6, 2005

/s/ Tuvia Barlev  
Tuvia Barlev, President