

FILED EFFECTIVE

READY FINANCIAL GROUP, INC.

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Articles of Amendment

Designating the Preferences, Rights and Limitations of
Series A Preferred Stock

SECRETARY OF STATE
STATE OF IDAHO

Series A Preferred Stock

I, Will Tumulty, being the duly elected President of Ready Financial Group, Inc., an Idaho corporation (the "Corporation"), hereby certify as follows:

1. The name of the corporation is Ready Financial Group, Inc.
2. The following resolution amending the Corporation's Articles of Incorporation was adopted in the manner prescribed by the Idaho Business Corporation Act ("IBCA"):

RESOLVED, that Article II, Section A of the Corporation's articles of incorporation, as amended, be amended as set forth on the attached Exhibit A.

3. The amendment does not provide for an exchange, reclassification or cancellation of issued shares.
4. The date of adoption of this amendment by the directors was February 22, 2008. Pursuant to IBCA Section 602, no approval of the Corporation's shareholders was required.

Dated February 29, 2008.

READY FINANCIAL GROUP, INC.


Will Tumulty, President

IDAHO SECRETARY OF STATE
03/03/2008 05:00
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**Designation of the Preferences, Rights and Limitations of
Series A Preferred Stock**

Article II of the Articles of Incorporation, as amended, is hereby amended by adding the following new Article II.D:

"D. Series A Preferred.

Section 1. Designation. There is hereby designated a series of Preferred Stock to be known as "Series A Preferred Stock", consisting of Six Million (6,000,000) shares, with the powers, rights, preferences, qualifications, limitations and restrictions specified herein.

Section 2. Dividend Rights.

(a) **Dividend Preference.** Holders of Series A Preferred Stock, in preference to the holders of Common Stock, shall be entitled to receive dividends, when and as declared by the Board of Directors, but only out of funds that are legally available therefor. The Board of Directors shall not, under any circumstances, be required to declare or pay dividends to the holders of Series A Preferred Stock.

(b) **Limitation on Dividends.** So long as any shares of Series A Preferred Stock shall be outstanding, no dividend, whether in cash or property, shall be paid or declared, nor shall any other distribution be made, on the Common Stock at a rate greater than the rate at which distributions or dividends are paid, declared or made on the Series A Preferred Stock, nor shall any shares of the Common Stock of the Corporation be purchased, redeemed, or otherwise acquired for value by the Corporation (except for acquisitions of Common Stock by the Corporation pursuant to agreements which permit the Corporation to repurchase such shares upon termination of employment with or services to the Corporation or in exercise of the Corporation's right of first refusal upon a proposed transfer) until all dividends set forth in Section 2(a) above, if any, on the Series A Preferred Stock shall have been paid or declared and set apart. In the event dividends are paid on any share of Common Stock, an additional dividend shall be paid with respect to all outstanding shares of Series A Preferred Stock in an amount equal per share (on an as-if-converted to Common Stock basis) to the amount paid or set aside for each share of Common Stock. The provisions of this Section 2(b) shall not, however, apply to (i) a dividend payable in Common Stock; (ii) the acquisition of shares of any Common Stock in exchange for shares of any other capital stock; or (iii) any repurchase of any outstanding securities of the Corporation that is approved by the Corporation's Board of Directors.

Section 3. Liquidation Rights.

(a) **Series A Liquidation Preference.** Upon any liquidation, dissolution or winding up of the Corporation, whether voluntary or involuntary, before any distribution or payment shall be made to the holders of Common Stock, the holders of Series A Preferred Stock shall be entitled to be paid out of the assets of the Corporation an amount equal to the original

issue price of the Series A Preferred Stock of \$0.55 per share (the "Original Issue Price"), plus the amount of any cash dividends previously declared but unpaid on the Series A Preferred Stock (as adjusted for any stock dividends, combinations, splits, recapitalizations and the like with respect to such shares) for each share of Series A Preferred Stock held by such holders (the "Series A Liquidation Preference"). If, upon any liquidation, distribution or winding up, the assets of the Corporation shall be insufficient to make payment in full to all holders of Series A Preferred Stock of the Series A Liquidation Preference set forth in this Section 3(a), then such assets shall be distributed among the holders of Series A Preferred Stock at the time outstanding, ratably in proportion to the full amounts to which they would otherwise be respectively entitled.

(b) **Distributions of Remaining Assets.** After the payment in full of the Series A Liquidation Preference as set forth in Section 3(a) above, the remaining assets of the Corporation legally available for distribution, if any, shall be distributed ratably to the holders of the Common Stock and Series A Preferred Stock, on an as-if-converted basis (at the then applicable Series A Conversion Price applicable to such shares, as described in Section 5 below).

(c) **Deemed Liquidations.** For purposes of this Section 3, (i) any consolidation or merger of the Corporation with or into any other corporation or other entity or person, or any other corporate reorganization, in which the stockholders of the Corporation immediately prior to such consolidation, merger or reorganization own less than fifty percent (50%) of the Corporation's voting power immediately after such consolidation, merger or reorganization, or any transaction or series of related transactions in which in excess of fifty percent (50%) of the Corporation's voting power is transferred (an "Acquisition"); or (ii) a sale, lease, transfer or other disposition of all or substantially all of the assets of the Corporation (an "Asset Transfer"), shall be treated as a liquidation, dissolution or winding up of the Corporation and shall entitle the holders of the Series A Preferred Stock to receive cash, securities or other property (valued in accordance with paragraph (d) below) in the amounts specified in Sections 3(a) and 3(b) above; provided, however, that if the fair market value of the proceeds of any Acquisition or Asset Transfer exceeds \$8,000,000, and if the conversion of the Series A Preferred Stock into shares of Common Stock would entitle the holders thereof to receive an amount in excess of the Original Issue Price per share of the Series A Preferred Stock (as adjusted for any stock dividends, combinations, splits, recapitalizations and the like with respect to such shares), then all shares of Series A Preferred Stock then outstanding shall be automatically converted into shares of Common Stock at the then-effective Series A Conversion Price, and the holders thereof shall be entitled to a distribution of such proceeds ratably with all other holders of Common Stock.

(d) **Non-Cash Distributions.** Whenever a distribution provided for in this Section 3 shall be payable in securities or property other than cash, the value of such distribution shall be the fair market value of such securities or other property as determined in good faith by the Board of Directors.

Section 4. Voting Rights. Except as otherwise provided herein or as required by law, or except as may be set forth in a written agreement with the Corporation, the Series A Preferred Stock shall be voted with the shares of the Common Stock of the Corporation and not as a separate class, at any annual or special meeting of shareholders of the Corporation, and may

act by written consent in the same manner as the Common Stock, in either case upon the following basis: each holder of shares of Series A Preferred Stock shall be entitled to such number of votes as shall be equal to the whole number of shares of Common Stock into which such holder's aggregate number of shares of Series A Preferred Stock are convertible (pursuant to Section 5 hereof) immediately after the close of business on the record date fixed for such meeting or the effective date of such written consent. For purposes hereof, all votes of each series of Preferred Stock shall require the vote of the holder of the series of Preferred Stock in the event there is only one holder thereof; and, in the event there is more than one holder of shares of the series of Preferred Stock, shall require the majority vote of all of the outstanding shares of the series of Preferred Stock. Fractional votes by the holders of Series A Preferred Stock shall not, however, be permitted and any fractional voting rights shall (after aggregating all shares of Common Stock into which shares of Series A Preferred Stock held by each holder could be converted) be rounded to the nearest whole number (with one-half being rounded upward).

Section 5. Conversion Rights. The holders of Series A Preferred Stock shall have the following rights with respect to the conversion of the Series A Preferred Stock into shares of Common Stock (the "Conversion Rights"):

(a) **Optional Conversion.** Subject to and in compliance with the provisions of this Section 5, each share of Series A 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 equal to the product obtained by multiplying the Series A Conversion Rate then in effect (as determined as provided below) by the number of shares of Series A Preferred Stock being converted. The conversion rate in effect at any time for conversion of the Series A Preferred Stock (the "Series A Conversion Rate") shall be the quotient obtained by dividing the Original Issue Price of the Series A Preferred Stock by the Series A Conversion Price (defined below). The "Series A Conversion Price" shall initially be the Original Issue Price of the Series A Preferred Stock and shall be subject to adjustment as hereinafter provided. Upon conversion, any declared and unpaid dividends shall be paid in accordance with the provisions of Section 5(c).

(b) **Automatic Conversion.** Each share of Series A Preferred Stock shall automatically be converted into shares of Common Stock at the then-effective Series A Conversion Price (i) immediately upon the closing of the sale of the Corporation's Common Stock in a firm commitment, underwritten public offering pursuant to an effective registration statement under the Securities Act of 1933, as amended (the "Securities Act"), other than a registration statement relating solely to a transaction under Rule 145 of the Securities Act (or any successor to such rule) or to any employee benefit plan of the Corporation, which sale results in total offering proceeds to the Corporation (prior to underwriter commissions and discounts) of at least \$20,000,000 (a "Qualified IPO"); or (ii) the date specified by vote or written consent or agreement of the holders of not less than fifty-one percent (51%) of the shares of Series A Preferred Stock then outstanding; or (iii) as provided in Section 3(c) above. In the event of the automatic conversion of the Series A Preferred Stock upon a Qualified IPO as described above, the person(s) entitled to receive the Common Stock issuable upon conversion of the Series A

Preferred Stock shall not be deemed to have converted such Series A Preferred Stock until immediately prior to the closing of the Qualified IPO. Upon such automatic conversion, any declared and unpaid dividends shall be paid in accordance with the provisions of Section 5(c).

(c) **Mechanics of Conversion.** Before any holder of Series A Preferred Stock shall be entitled to convert the same into shares of Common Stock and receive certificates therefor, the holder shall surrender the certificate or certificates therefor, duly endorsed, at the office of the Corporation or of any transfer agent for the Series A Preferred Stock and shall give written notice to the Corporation at such office that such holder elects to convert the same; provided, however, that in the event of an automatic conversion pursuant to Section 5(b), the outstanding shares of Series A Preferred Stock so converted shall be converted automatically without any further action by the holders of such shares and whether or not the certificates representing such shares are surrendered to the Corporation or its transfer agent; and provided, further, that the Corporation shall not be obligated to issue certificates evidencing the shares of Common Stock issuable upon such automatic conversion unless the certificates evidencing such shares of Series A Preferred Stock are either 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 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 after such delivery, or such agreement and indemnification in the case of a lost certificate, issue and deliver at such office to such holder of Series A Preferred Stock, a certificate or certificates for the number of shares of Common Stock to which the holder shall be entitled as aforesaid and shall promptly pay in cash or, to the extent sufficient funds are not then legally available therefor, in Common Stock (at the Common Stock's fair market value determined by the Board of Directors as of the date of such conversion), any amounts payable as the result of a conversion into fractional shares of Common Stock, and any declared and unpaid dividends on the shares of Series A Preferred Stock being converted. 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 Series A Preferred Stock to be converted, or in the case of automatic conversion as provided in Section 5(b), then 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 on such date.

(d) **Fractional Shares.** In lieu of any fractional shares to which the holder of Series A Preferred Stock would otherwise be entitled, the Corporation shall pay cash equal to such fraction multiplied by the effective Series A Conversion Price or round such fractional share up to a whole share (after aggregating all shares into which shares of Series A Preferred Stock held by such holder could be converted). Whether or not fractional shares are issuable upon such conversion shall be determined on the basis of the total number of shares of Series A Preferred Stock of each holder at the time of converting into Common Stock and the number of shares of Common Stock issuable upon such aggregate conversion.

(e) **Adjustments for Subdivisions, Combinations or Consolidation of Series A Preferred Stock and Common Stock.** In the event the outstanding shares of Series A Preferred Stock or Common Stock shall be subdivided (by stock split, stock dividend,

reclassification or similar event) into a greater number of shares of Series A Preferred Stock or Common Stock, the Series A Conversion Price then in effect shall, concurrently with the effectiveness of such subdivision, be proportionately decreased. In the event the outstanding shares of Series A Preferred Stock or Common Stock shall be combined (by stock combination, reverse stock split, reclassification or similar event), into a lesser number of shares of Series A Preferred Stock or Common Stock, the Series A Conversion Price then in effect shall, concurrently with the effectiveness of such combination, be proportionately increased. Any adjustment under this Section 5(f) shall become effective at the close of business on the date the subdivision or combination becomes effective.

(f) Adjustments for Reorganization, Reclassification, Merger, Exchange and Substitution. If the shares of Common Stock issuable upon conversion of any shares of Series A Preferred Stock shall be changed into the same or a different number of shares of any other class or classes of stock or other securities or property, whether by reorganization, reclassification, merger or otherwise (other than an Acquisition or Asset Transfer as defined in Section 3(c) or a subdivision or combination of shares provided for in Section 5(e)), the Series A Conversion Price then in effect shall, concurrently with the effectiveness of such reorganization, reclassification or merger, be proportionately adjusted such that the shares of Series A Preferred Stock shall be convertible into, in lieu of the number of shares of Common Stock which the holders thereof would otherwise have been entitled to receive upon such conversion, a number of shares of such other class or classes of stock or other securities or property equivalent to the number of shares of Common Stock that would have been issuable to the holders of Series A Preferred Stock if their shares of Series A Preferred Stock had been converted immediately before such change; and, in any such case, appropriate adjustment (as determined by the Board of Directors) shall be made in the application of the provisions herein set forth with respect to the rights and interest thereafter of the holders of Series A Preferred Stock, to the end that the provisions set forth herein (including the provisions with respect to changes in and other adjustments of the Series A Conversion Price) shall thereafter be applicable, as nearly as reasonably may be, in relation to any shares of stock or other property thereafter deliverable upon the conversion of the Series A Preferred Stock.

(g) Adjustment for Common Stock Dividends and Combinations or Subdivisions. In the event that the Corporation at any time or from time to time after the Original Issue Date makes, or fixes a record date for the determination of holders of Common Stock entitled to receive, a dividend or other distribution payable in additional shares of Common Stock, in each such event the Series A Conversion Price that is then in effect shall be decreased as of the time of such issuance or, in the event such record date is fixed, as of the close of business on such record date, by multiplying the Series A Conversion Price then in effect by a fraction (1) the numerator of which is the total number of shares of Common Stock issued and outstanding immediately prior to the time of such issuance or the close of business on such record date, and (2) the denominator of which is the total number of shares of Common Stock issued and outstanding immediately prior to the time of such issuance or the close of business on such record date plus the number of shares of Common Stock issuable in payment of such dividend or distribution; provided, however, that if such record date is fixed and such dividend is not fully paid or if such distribution is not fully made on the date fixed therefor, the Series A Conversion Price shall be recomputed accordingly as of the close of business on such record date

and thereafter the Series A Conversion Price shall be adjusted pursuant to this Section 5(g) to reflect the actual payment of such dividend or distribution.

(h) **Adjustments for Other Dividends and Distributions.** If the Corporation at any time or from time to time after the Original Issue Date makes, or fixes a record date for the determination of holders of Common Stock entitled to receive, a dividend or other distribution payable in securities of the Corporation other than shares of Common Stock, in each such event provision shall be made so that the holders of the Series A Preferred Stock shall receive upon conversion thereof, in addition to the number of shares of Common Stock receivable thereupon, the amount of other securities of the Corporation which they would have received had their Series A Preferred Stock been converted into Common Stock on the date of such event and had they thereafter, during the period from the date of such event to and including the conversion date, retained such securities receivable by them as aforesaid during such period, subject to all other adjustments called for during such period under this Section 5 with respect to the rights of the holders of the Series A Preferred Stock or with respect to such other securities by their terms.

(i) **No Impairment.** The Corporation will not through any amendment to its Articles of Incorporation or through reorganization, recapitalization, transfer of assets, consolidation, merger, dissolution, issue or sale of securities or any other voluntary action, avoid or seek to avoid the observance or performance of any of the terms to be observed or performed hereunder by the Corporation, but will at all times in good faith assist in the carrying out of all the provisions of this Section 5 and in the taking of all such action as may be necessary or appropriate in order to protect the Conversion Rights of the holders of Series A Preferred Stock against dilution or other impairment. This provision shall not restrict the Corporation's right to amend its Articles of Incorporation with the requisite stockholder consent.

(j) **Reservation of Common 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 Series A 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 Series A 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 Series A 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 purpose.

(k) **Notice of Record Date.** Upon any taking by the Corporation of a record of the holders of any class of securities for the purpose of, or in connection with (i) determining the holders thereof who are entitled to receive any dividend or other distribution, or (ii) any Acquisition (as defined in Section 3(c)) or other capital reorganization of the Corporation, any reclassification or recapitalization of the capital stock of the Corporation, any merger or consolidation of the Corporation with or into any other corporation, or any Asset Transfer (as defined in Section 3(c)), or any voluntary or involuntary dissolution, liquidation or winding up of the Corporation, the Corporation shall mail to each holder of Series A Preferred Stock at least

twenty (20) days prior to the record date specified therein a notice specifying (1) the date on which any such record is to be taken for the purpose of such dividend or distribution and a description of such dividend or distribution, (2) the date on which any such Acquisition, reorganization, reclassification, transfer, consolidation, merger, Asset Transfer, dissolution, liquidation or winding up is expected to become effective, (3) the date, if any, that is to be fixed as to when the holders of record of Common Stock (or other securities) shall be entitled to exchange their shares of Common Stock (or other securities) for securities or other property deliverable upon such Acquisition, reorganization, reclassification, transfer, consolidation, merger, Asset Transfer, dissolution, liquidation or winding up.

(l) **Notices.** Any notice required by the provisions of this Section 5 shall be in writing and shall be deemed effectively given: (i) upon personal delivery to the party to be notified, (ii) when sent by confirmed telex or facsimile if sent during normal business hours of the recipient; if not, then on the next business day, (iii) five (5) days after having been sent by registered or certified mail, return receipt requested, postage prepaid, or (iv) one (1) day after deposit with a nationally recognized overnight courier, specifying next day delivery, with written verification of receipt. All notices shall be addressed to each holder of record at the address of such holder appearing on the books of the Corporation.

Section 6. Protective Covenants. So long as a majority of the Series A Preferred Stock remains outstanding, the Corporation shall not, without the affirmative vote or written consent of not less than a majority of the outstanding shares of Series A Preferred Stock, voting together as a single class and on an as converted basis:

(a) amend, alter or repeal of any provision of, or add any provision to, the Articles of Incorporation or Bylaws of the Corporation, or take any action, in each case that changes the voting powers, preferences or other special rights or privileges, qualifications, limitations, or restrictions of the Series A Preferred Stock (and for the avoidance of doubt, the filing of a designation creating any new series or class of security (including any security convertible into or exercisable for any security) senior in priority to, or on a parity with the Series A Preferred Stock, shall not be deemed to affect the powers, preferences or other special rights or privileges of the Series A Preferred Stock);

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

(c) liquidate, voluntarily dissolve or wind up the Corporation;

Section 7. Residual Rights. Subject to applicable law, all rights accruing to the outstanding shares of the Corporation not expressly provided for to the contrary herein shall be vested in the Common Stock.

Section 8. No Redemption. The Corporation shall be under no obligation to redeem all or any portion of the Series A Preferred Stock at any time.

Section 9. No Reissuance of Series A Preferred Stock. No share or shares of Series A Preferred Stock acquired by the Corporation by reason of redemption, purchase, conversion or otherwise shall be reissued.