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SECRETARY OF STATE  
STATE OF IDAHO

## SECOND ARTICLES OF AMENDMENT TO AMENDED AND RESTATED ARTICLES OF INCORPORATION OF KNOSYS INC.

IDAHO SECRETARY OF STATE  
06/26/2000 09:00  
CX: 61146 CT: 1177 BH: 329382  
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Pursuant to the provisions of Section 30-1-1006 of the Idaho Business Corporation Act (the "Act"), KNOSYS INC., an Idaho corporation (the "Corporation"), hereby adopts the following Second Articles of Amendment to its Amended and Restated Articles of Incorporation (the "Articles"):

**FIRST:** The name of the Corporation is KNOSYS INC.

**SECOND:** Section A, Article IV of the Articles is amended in its entirety to read as follows:

### ARTICLE IV CAPITAL STOCK

**A. AUTHORIZED SHARES.** The Corporation is authorized to issue two classes of capital stock, designated, respectively, "Common Stock" and "Preferred Stock". The total number of shares of capital stock that the Corporation is authorized to issue is One Hundred Ten Million (110,000,000) shares, consisting of (i) One Hundred Million (100,000,000) shares of Common Stock, having no par value; and (ii) Ten Million (10,000,000) shares of Preferred Stock, having no par value, the first series of which shall consist of One Hundred Ninety-Five Thousand Six Hundred Ninety-Seven (195,697) shares, and shall be designated as Series A Convertible Preferred Stock (the "Series A Preferred").

**THIRD:** Paragraph 4(b) of Section D, Article IV of the Articles is amended in its entirety to read as follows:

**(b) Conversion Ratio and Price.** The "Series A Conversion Ratio" shall be the quotient obtained by dividing the amount of \$7.00 per share (the "Series A Original Issue Price") by \$0.70 (the "Series A Conversion Price"). The Series A Conversion Price shall be adjusted from time to time in

accordance with this *Section D.4*. All references to the Series A Conversion Price herein shall mean the Series A Conversion Price as so adjusted.

**FOURTH:** The remainder of the Articles, including Article IV, as hereby amended, shall remain in full force and effect.

**FIFTH:** The foregoing amendment was adopted by the Board of Directors of the Corporation on May 19, 2000 and by the shareholders of the Corporation on June 8, 2000.

**SIXTH:** The designation, number of outstanding shares, number of votes entitled to be cast by each voting group entitled to vote thereon is as follows:

<u>Designation</u>	<u>Number of Outstanding Shares</u>	<u>No. of Shares Entitled to Vote</u>	<u>No. of Shares Represented At the Meeting</u>
Common:	1,847,649	1,847,649	1,525,312
Series A Preferred:	195,697	195,697	174,277

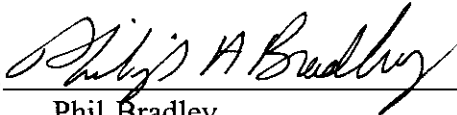
**SEVENTH:** The number of shares of each class voted for and against such amendment is as follows:

	<u>Number of Shares Voting for Amendment</u>	<u>Number of Shares Voting Against Amendment</u>
Common:	1,525,312	-0-
Series A Preferred:	174,277	-0-

**EIGHTH:** The amendment provides for an exchange, reclassification or cancellation of issued shares as follows: At the time this amendment becomes effective, and without any further action on the part of the Corporation or its shareholders, each share of Common Stock then issued and outstanding shall be changed and reclassified into ten (10) fully paid and nonassessable shares of Common Stock. The capital account of the Corporation shall not be increased or decreased by such change and reclassification. To reflect the foregoing change and reclassification, each certificate representing shares of Common Stock theretofore issued and outstanding shall represent a like number of shares of Common Stock issued and outstanding after such change and reclassification; and at the time this amendment becomes effective, the holders of record of Common Stock shall be entitled to receive a new certificate representing nine (9) shares of Common Stock for each one (1) share of Common Stock of which he or she was the holder prior to the effectiveness of this amendment.

EXECUTED IN DUPLICATE this 23 day of June, 2000.

KNOSYS INC.

By:   
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Phil Bradley  
*Chief Financial Officer and Secretary*