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SECRETARY OF STATE
STATE OF IDAHO

READY FINANCIAL GROUP, INC.

Articles of Amendment and Restatement

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

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

RESOLVED, that the Company's articles of incorporation as in effect on the date hereof be amended and restated as set forth on the attached **Exhibit A** to create a new series of Preferred Stock to be designated Series B Preferred Stock, to make certain stylistic changes, and to delete obsolete information concerning the Company's initial registered office and initial registered agent.

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 October 21, 2009. The date of approval of this amendment by the shareholders of the Company was October 28, 2009.
5. This amendment has been duly approved by the shareholders of the Company in the manner required by the IBCA and by the articles of incorporation of the Company.

Dated October 28, 2009.

[SIGNATURE PAGE FOLLOWS]

IDAHO SECRETARY OF STATE
10/28/2009 05:00
CK: 304075 CT: 7012 BH: 1193066
1 @ 20.00 = 20.00 EXPEDITE C # 2

IDAHO SECRETARY OF STATE
10/28/2009 05:00
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FILED EFFECTIVE

READY FINANCIAL GROUP, INC.



Will Tumulty, President

READY FINANCIAL GROUP, INC.

Amended and Restated Certificate of Incorporation

1. **Name.** The name of the corporation is Ready Financial Group, Inc.

2. **Authorized shares.**

2.1 **Authorized Capital.** The corporation is authorized to issue two classes of capital stock, to be designated respectively "**Common Stock**" and "**Preferred Stock**." The total number of shares of capital stock the Company shall have the authority to issue is Fifty Million (50,000,000) shares, of which Twenty Five Million (25,000,000) shares shall be Common Stock and Twenty Five Million (25,000,000) shares shall be Preferred Stock.

2.2 **Blank Check Preferred Stock.** The Board of Directors is authorized, subject to limitations prescribed by the Idaho Business Corporation Act, as amended from time to time (the "**Act**"), and by the limitations contained in the provisions of this Amended and Restated Certificate of Incorporation, to issue Preferred Stock from time to time in one or more series. The Board of Directors is hereby authorized to adopt a resolution or resolutions from time to time to fix or alter the voting powers, designations, preferences, rights, qualifications, limitations and restrictions of any wholly unissued class of Preferred Stock, or any wholly unissued series of such class, and the number of shares constituting any such series and the designation thereof, or any of them, and to increase or decrease the number of shares of any series subsequent to the issuance of shares of that series, but not below the number of shares of such series then outstanding. In case the number of shares of any series shall be so decreased, the shares constituting such decrease shall resume the status they had prior to the adoption of the resolution originally fixing the number of shares of such series.

2.3 **Designation of Series of Preferred Stock.** The first series of Preferred Stock shall be designated "**Series A Preferred Stock**" and shall consist of Five Million Eight Hundred One Thousand Four Hundred Seventy Six (5,801,476) shares. The second series of Preferred Stock shall be designated "**Series B Preferred Stock**" and shall consist of Eight Million Two Hundred Forty Nine Thousand Eight Hundred Fifty Three (8,249,853) shares.

3. **Terms and Provisions of Common Stock and Preferred Stock.** The terms and provisions of the Common Stock and Preferred Stock are as follows:

3.1 **Definitions.** For purposes of this Article 3, the following definitions shall apply:

(a) "**Conversion Price**" shall mean \$0.55 per share for the Series A Preferred Stock and \$0.8485 per share for the Series B Preferred Stock (each of which shall be subject to adjustment from time to time for Recapitalizations and as otherwise set forth elsewhere herein).

(b) "**Convertible Securities**" shall mean any evidences of indebtedness, shares or other securities convertible into or exchangeable for Common Stock.

(c) **"Distribution"** shall mean the transfer of cash or other property without consideration whether by way of dividend or otherwise, other than dividends on Common Stock payable in Common Stock, or the purchase or redemption of shares of the Company for cash or property other than: (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, (iii) repurchase of capital stock of the Company in connection with the settlement of disputes with any shareholder, (iv) any other repurchase or redemption of capital stock of the Company approved by the holders of the Common and Preferred Stock of the Company voting as separate classes.

(d) **"Dividend Rate"** shall mean an annual rate of \$0.0679 per share for the Series B Preferred Stock (which shall be subject to adjustment from time to time for Recapitalizations as set forth elsewhere herein).

(e) **"Junior Stock"** means, with respect to Series B Preferred Stock, the Series A Preferred Stock and Common Stock; and with respect to Series A Preferred Stock, the Common Stock.

(f) **"Liquidation Preference"** shall mean \$0.55 per share for the Series A Preferred Stock and \$0.8485 per share for the Series B Preferred Stock (each of which shall be subject to adjustment from time to time for Recapitalizations as set forth elsewhere herein).

(g) **"Options"** shall mean rights, options or warrants to subscribe for, purchase or otherwise acquire Common Stock or Convertible Securities.

(h) **"Original Issue Price"** shall mean \$0.55 per share for the Series A Preferred Stock and \$0.8485 per share for the Series B Preferred Stock (each of which shall be subject to adjustment from time to time for Recapitalizations as set forth elsewhere herein).

(i) **"Preferred Stock"** shall mean the Series A Preferred Stock and the Series B Preferred Stock.

(j) **"Recapitalization"** shall mean any stock dividend, stock split, combination of shares, reorganization, recapitalization, reclassification or other similar event.

(k) **"Sale"** of the Company means (a) the acquisition of the Company by another entity by means of any transaction or series of related transactions (including, without limitation, any stock acquisition, reorganization, merger or consolidation but excluding any sale of stock for capital raising purposes) other than a transaction or series of transactions in which the holders of the voting securities of the Company outstanding immediately prior to such transaction continue to retain (either by such voting securities remaining outstanding or by such voting securities being converted into voting securities of the surviving entity), as a result of shares in the Company held by such holders prior to such transaction, at least fifty percent (50%) of the total voting power represented by the voting securities of the Company or such surviving

entity outstanding immediately after such transaction or series of transactions; or (b) a sale, lease or other conveyance of all or substantially all of the assets of the Company.

(l) **"Senior Stock"** means, with respect to Common Stock, the Series A Preferred Stock and the Series B Preferred Stock; and with respect to Series A Preferred Stock, the Series B Preferred Stock.

3.2 Dividends.

(a) Preferred Stock.

(i) Series B Preferred Stock. From and after the date of the issuance of any shares of Series B Preferred Stock, dividends at the Dividend Rate shall accrue on such shares of Series B Preferred Stock (the **"Accruing Dividends"**). Accruing Dividends shall accrue from day to day, whether or not declared and whether or not there are profits, surplus or other funds of the Company legally available for the payment of dividends, and shall be cumulative; provided however, that except as set forth in Section 3.2(a)(ii), 3.3(a)(i) or 3.9, such Accruing Dividends shall be payable only when, as, and if declared by the Board of Directors and the Company shall be under no obligation to pay such Accruing Dividends.

(ii) Limitation on Dividends. The Company shall not declare, pay or set aside any dividends on shares of Junior Stock (other than dividends on shares of Common Stock payable in shares of Common Stock) unless (in addition to the obtaining of any consents required elsewhere in this Certificate of Incorporation) the holders of the Senior Stock then outstanding shall first receive, or simultaneously receive, a dividend on each outstanding share of Senior Stock in an amount at least equal to the greater of (i) the amount of the aggregate Accruing Dividends then accrued on such share of Senior Stock, if any, and not previously paid, and (ii) that dividend per share of Senior Stock as would equal the product of (1) the dividend payable on each share of Common Stock or any class or series that is convertible into Common Stock determined, if applicable, as if all shares of such class or series had been converted into Common Stock and (2) the number of shares of Common Stock issuable upon conversion of a share of Senior Stock, in each case calculated on the record date for determination of holders entitled to receive such dividend; provided that, if the Company declares, pays or sets aside, on the same date, a dividend on shares of more than one class or series of capital stock of the Company, the dividend payable to the holders of Senior Stock pursuant to this Section 3.2(a) shall be calculated based upon the dividend on the class or series of capital stock that would result in the highest Senior Stock dividend.

(b) Common Stock. Dividends may be paid on the Common Stock when, as and if declared by the Board of Directors, subject to the prior dividend rights of the Preferred Stock and pursuant to Sections 3.6 and 3.7 below.

3.3 Liquidation Rights.

(a) Liquidation Preference. In the event of any liquidation, dissolution or winding up of the Company, either voluntary or involuntary, Distributions to the shareholders of the Company shall be made in the following manner:

(i) Series B Preferred Stock. The holders of the Series B Preferred Stock shall be entitled to receive, prior and in preference to any Distribution of any of the assets of the Company to the holders of the Junior Stock by reason of their ownership of such stock, an amount per share for each share of Series B Preferred Stock held by them equal to the sum of (i) the Liquidation Preference specified for such share of Series B Preferred Stock, (ii) any Accruing Dividends accrued but unpaid thereon, whether or not declared, if any, and without duplication (iii) all declared but unpaid dividends, if any, on such share of Series B Preferred Stock. If upon the liquidation, dissolution or winding up of the Company, the assets of the Company legally available for distribution to the holders of the Series B Preferred Stock are insufficient to permit the payment to such holders of the full amounts specified in this Section 3.3(a)(i), then the entire assets of the Company legally available for distribution shall be distributed with equal priority and pro rata among the holders of the Series B Preferred Stock in proportion to the full amounts they would otherwise be entitled to receive pursuant to this Section 3.3(a)(i).

(ii) Series A Preferred Stock. After the Distribution described in Section 3.3(a)(i) above has been paid in full, the holders of the Series A Preferred Stock shall be entitled to receive, prior and in preference to any Distribution of any of the assets of the Company to the holders of the Junior Stock by reason of their ownership of such stock, an amount per share for each share of Series A Preferred Stock held by them equal to the sum of (i) the Liquidation Preference specified for such share of Series A Preferred Stock, and (ii) all declared but unpaid dividends, if any, on such share of Series A Preferred Stock. If upon the liquidation, dissolution or winding up of the Company, the assets of the Company legally available for distribution to the holders of the Series A Preferred Stock are insufficient to permit the payment to such holders of the full amounts specified in this Section 3.3(a)(ii), then the entire assets of the Company legally available for distribution shall be distributed with equal priority and pro rata among the holders of the Series A Preferred Stock in proportion to the full amounts they would otherwise be entitled to receive pursuant to this Section 3.3(a)(ii).

(b) Remaining Assets. After the payment to the holders of Preferred Stock of the full preferential amounts specified in Section 3.3(a) above, the entire remaining assets of the Company legally available for distribution by the Company shall be distributed with equal priority and pro rata among the holders of Common Stock and the holders of Preferred Stock in proportion to the number of shares of Common Stock held by them (assuming conversion of all shares of Preferred Stock into Common Stock).

(c) Reorganization. For purposes of this Section 3.3, a liquidation, dissolution or winding up of the Company shall be deemed to be occasioned by, or to include, (a) a Sale of the Company; or (b) any other liquidation, dissolution or winding up of the Company, whether voluntary or involuntary.

(d) Valuation of Non-Cash Consideration. If any assets of the Company distributed to shareholders in connection with any liquidation, dissolution, or winding up of the Company are other than cash, then the value of such assets shall be their fair market value as determined in good faith by the Board of Directors, except that any publicly-traded securities to be distributed to shareholders in a liquidation, dissolution, or winding up of the Company shall be valued as follows:

(i) If the securities are then traded on a national securities exchange or the Nasdaq Stock Market (or a similar national quotation system), then the value of the securities shall be deemed to be the average of the closing prices of the securities on such exchange or system over the ten (10) trading day period ending five (5) trading days prior to the Distribution;

(ii) if the securities are actively traded over-the-counter, then the value of the securities shall be deemed to be the average of the closing bid prices of the securities over the ten (10) trading day period ending five (5) trading days prior to the Distribution.

In the event of a merger or other acquisition of the Company by another entity, the Distribution date shall be deemed to be the date such transaction closes.

For the purposes of this subsection 3.3(d), "**trading day**" shall mean any day which the exchange or system on which the securities to be distributed are traded is open and "**closing prices**" or "**closing bid prices**" shall be deemed to be: (i) for securities traded primarily on the New York Stock Exchange, the American Stock Exchange or Nasdaq, the last reported trade price or sale price, as the case may be, at 4:00 p.m., New York time, on that day and (ii) for securities listed or traded on other exchanges, markets and systems, the market price as of the end of the regular hours trading period that is generally accepted as such for such exchange, market or system. If, after the date hereof, the benchmark times generally accepted in the securities industry for determining the market price of a stock as of a given trading day shall change from those set forth above, the fair market value shall be determined as of such other generally accepted benchmark times.

3.4 Conversion. The holders of the Preferred Stock shall have conversion rights as follows (the "**Conversion Rights**"):

(a) Right to Convert. 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 Company or any transfer agent for the Preferred Stock, into that number of fully-paid, nonassessable shares of Common Stock determined by dividing the Original Issue Price for the relevant series by the Conversion Price for such series. (The number of shares of Common Stock into which each share of Preferred Stock of a series may be converted is hereinafter referred to as the "**Conversion Rate**" for each such series.) Upon any decrease or increase in the Conversion Price for any series of Preferred Stock, as described in this Section 3.4, the Conversion Rate for such series shall be appropriately increased or decreased.

(b) Automatic Conversion. Preferred Stock shall automatically be converted into fully-paid, nonassessable shares of Common Stock at the then effective Conversion Rate for such share as follows:

(i) With respect to each share of Preferred Stock, immediately prior to the closing of a firm commitment underwritten initial public offering pursuant to an effective registration statement filed under the Securities Act of 1933, as amended (the "**Securities Act**"), covering the offer and sale of the Company's Common Stock to the general public, the aggregate proceeds of which (prior to deduction of underwriter commissions and offering expenses) are at least \$20,000,000 at such time as the enterprise value of the Company is at least \$150,000,000 (a "**Qualified Public Offering**");

(ii) With respect to each share of Series B Preferred Stock:

(1) upon the receipt by the Company of a written request for such conversion from the holders of not less than a majority of the Series B Preferred Stock then outstanding, or, if later, the effective date for conversion specified in such requests; or

(2) upon a Sale of the Company in which the fair market value of the proceeds of such Sale available for distribution exceeds \$50,000,000;

(iii) With respect to each share of Series A Preferred Stock:

(1) upon the receipt by the Company of a written request for such conversion from the holders of not less than a majority of the Series A Preferred Stock then outstanding, or, if later, the effective date for conversion specified in such requests; or

(2) upon a Sale of the Company in which the fair market value of the proceeds of such Sale available for distribution after payment of the Series B Liquidation Preference exceed \$8,000,000 and in which the amount distributed per share of Series A Preferred Stock would exceed the Original Issue Price for such share.

Each of the events referred to in 3.4(b)(i), (ii) and (iii) above are referred to herein as an "**Automatic Conversion Event**").

(c) Mechanics of Conversion.

(i) No fractional shares of Common Stock shall be issued upon conversion of Preferred Stock. In lieu of any fractional shares to which the holder would otherwise be entitled, the Company shall pay cash equal to such fraction multiplied by the then fair market value of a share of Common Stock as determined by the Board of Directors. For such purpose, all shares of Preferred Stock held by each holder of Preferred Stock shall be aggregated, and any resulting fractional share of Common Stock shall be paid in cash.

(ii) With respect to a conversion of Preferred Stock under Section 3.4(a) above, the holder of Preferred Stock shall either (A) surrender the certificate or certificates therefor, duly endorsed, at the office of the Company or of any transfer agent for the Preferred Stock or (B) notify the Company or its transfer agent that such certificates have been lost, stolen or destroyed and execute an agreement satisfactory to the Company to indemnify the Company from any loss incurred by it in connection with such certificates, and shall give written notice to the Company at such office that such holder elects to convert the same. 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 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 on such date. The Company shall, as soon as practicable after such delivery, or after such agreement and indemnification, issue and deliver at such office to such holder of Preferred Stock, a certificate or certificates for the number of shares of Common Stock to which he shall be entitled as aforesaid and a check payable to the holder in the amount of any cash amounts payable as the result of a conversion into fractional shares of Common Stock, plus any declared and unpaid dividends on the converted Preferred Stock.

(iii) With respect to a conversion of Preferred Stock under Section 3.4(b) above, on the date of the occurrence of an Automatic Conversion Event (which in the event of a conversion requested under Section 3.4(b)(ii)(1) or 3.4(b)(iii)(1) shall be the effective date for conversion specified by the holder of record of shares of Preferred Stock electing to convert), each such holder of record of shares of Preferred Stock shall be deemed to be the holder of record of the Common Stock issuable upon such conversion, notwithstanding that (A) the certificates representing such shares of Preferred Stock shall not have been surrendered at the office of the Company, (B) notice from the Company shall not have been received by any holder of record of shares of Preferred Stock, or (C) that the certificates evidencing such shares of Common Stock shall not then be actually delivered to such holder. Notwithstanding any other provision hereof, if a conversion of Preferred Stock is to be made in connection with the events referred to in 3.4(b)(i), (ii)(2) or (iii)(2) above, the conversion of any shares Preferred Stock shall be conditional upon the consummation of such transaction and shall not be deemed to be effective until such transaction has been consummated.

(iv) Following a conversion as set forth in Section 3.4(c)(iii) above, the holder of Preferred Stock shall within a reasonable time after such conversion, and in order to receive certificates therefor, either (A) surrender the certificate or certificates therefor, duly endorsed, at the office of the Company or of any transfer agent for the Preferred Stock or (B) notify the Company or its transfer agent that such certificates have been lost, stolen or destroyed and execute an agreement satisfactory to the Company to indemnify the Company from any loss incurred by it in connection with such certificates, and shall give written notice to the Company at such office that such holder elects to convert the same. The Company shall, as soon as practicable after such delivery, or after such agreement and indemnification, issue and deliver at such office to such holder of Preferred Stock, a certificate or certificates for the number of shares of Common Stock to which he shall be entitled as aforesaid and a check payable to the holder in the amount of

any cash amounts payable as the result of a conversion into fractional shares of Common Stock, plus any declared and unpaid dividends on the converted Preferred Stock.

(v) The issue of certificates for shares of Preferred Stock upon conversion shall be made without charge to the holders of such Preferred Stock for any issuance tax in respect thereof (so long as such certificates are issued in the name of the record holder of such Preferred Stock) or other costs incurred by the Company in connection with such conversion and the related issuance of Common Stock. Upon conversion of each share of Preferred Stock, the Company shall take all actions as are necessary in order to ensure that the Common Stock issuable with respect to such conversion shall be validly issued, fully paid and non-assessable, free and clear of all taxes, liens, charges and encumbrances with respect to the issuance thereof. In addition, the Company shall assist and cooperate with any holder of Preferred Stock required to make any governmental filings or obtain any governmental approval prior to or in connection with any conversion of shares of Preferred Stock hereunder (including without limitation making any filings required to be made by the Company).

Issues. (d) Adjustments to Conversion Price of Series B Preferred Stock for Diluting

(i) Special Definition. For purposes of this paragraph 3.4(d), "Additional Shares of Common Stock" shall mean all shares of Common Stock issued (or, pursuant to paragraph 3.4(d)(iii), deemed to be issued) by the Company after the filing of this Amended and Restated Certificate of Incorporation, other than issuances or deemed issuances of:

(1) shares of Common Stock and options, warrants or other rights to purchase Common Stock issued to employees, officers or directors of, or consultant or advisors to the Company or any subsidiary pursuant to restricted stock purchase agreements, stock option plans or similar arrangements as may be approved by the Board of Directors and a majority of the Series B Directors;

(2) shares of Common Stock issued upon the exercise or conversion of Options or Convertible Securities outstanding as of the date of the filing of this Amended and Restated Certificate of Incorporation or upon the exercise or conversion of Options or Convertible Securities set forth in subparagraph 3.4(d)(i)(1) above;

(3) shares of Common Stock issued or issuable as a dividend or Distribution on Preferred Stock or pursuant to any event for which adjustment is made pursuant to paragraph 3.4(e), 3.4(f), or 3.4(g) hereof;

(4) shares of Common Stock issued in a Qualified Public Offering pursuant to which all outstanding shares of Preferred Stock are automatically converted into Common Stock pursuant to an Automatic Conversion Event;

(5) shares of Common Stock issued or issuable pursuant to the acquisition of another corporation by the Company by merger, purchase of substantially all of the assets or other reorganization or to a joint venture agreement, provided, that such issuances are approved by the Board of Directors; and a majority of the Series B Directors; and

(6) shares of Common Stock which the holders of a majority of the then outstanding Series B Preferred Stock agree in writing shall not constitute Additional Shares of Common Stock.

(ii) No Adjustment of Conversion Price. No adjustment in the Conversion Price of Series B Preferred Stock shall be made in respect of the issuance of Additional Shares of Common Stock unless the consideration per share (as determined pursuant to paragraph 3.4(d)(v)) for an Additional Share of Common Stock issued or deemed to be issued by the Company is less than the Conversion Price in effect on the date of, and immediately prior to such issue, for such Series B Preferred Stock.

(iii) Deemed Issue of Additional Shares of Common Stock. In the event the Company at any time or from time to time after the date of the filing of this Amended and Restated Certificate of Incorporation shall issue any Options or Convertible Securities or shall fix a record date for the determination of holders of any class of securities entitled to receive any such Options or Convertible Securities, then the maximum number of shares (as set forth in the instrument relating thereto without regard to any provisions contained therein for a subsequent adjustment of such number) of Common Stock issuable upon the exercise of such Options or, in the case of Convertible Securities, the conversion or exchange of such Convertible Securities or, in the case of Options for Convertible Securities, the exercise of such Options and the conversion or exchange of the underlying securities, shall be deemed to have been issued as of the time of such issue or, in case such a record date shall have been fixed, as of the close of business on such record date, provided that in any such case in which shares are deemed to be issued:

(1) no further adjustment in the Conversion Price of the Series B Preferred Stock shall be made upon the subsequent issue of Convertible Securities or shares of Common Stock in connection with the exercise of such Options or conversion or exchange of such Convertible Securities;

(2) if such Options or Convertible Securities by their terms provide, with the passage of time or otherwise, for any change in the consideration payable to the Company or in the number of shares of Common Stock issuable upon the exercise, conversion or exchange thereof (other than a change pursuant to the anti-dilution provisions of such Options or Convertible Securities such as this Section 3.4(d) or pursuant to Recapitalization provisions of such Options or Convertible Securities such as Sections 3.4(e), 3.4(f), or 3.4(g) hereof), the Conversion Price of the Series B Preferred Stock and any subsequent adjustments based thereon shall be recomputed to reflect such change as if such

change had been in effect as of the original issue thereof (or upon the occurrence of the record date with respect thereto);

(3) no readjustment pursuant to clause 3.4(d)(iii)(2) above shall have the effect of increasing the Conversion Price of the Series B Preferred Stock to an amount above the Conversion Price that would have resulted from any other issuances of Additional Shares of Common Stock and any other adjustments provided for herein between the original adjustment date and such readjustment date;

(4) upon the expiration of any such Options or any rights of conversion or exchange under such Convertible Securities which shall not have been exercised, the Conversion Price of the Series B Preferred Stock computed upon the original issue thereof (or upon the occurrence of a record date with respect thereto) and any subsequent adjustments based thereon shall, upon such expiration, be recomputed as if:

a. in the case of Convertible Securities or Options for Common Stock, the only Additional Shares of Common Stock issued were the shares of Common Stock, if any, actually issued upon the exercise of such Options or the conversion or exchange of such Convertible Securities and the consideration received therefor was the consideration actually received by the Company for the issue of such exercised Options plus the consideration actually received by the Company upon such exercise or for the issue of all such Convertible Securities which were actually converted or exchanged, plus the additional consideration, if any, actually received by the Company upon such conversion or exchange; and

b. in the case of Options for Convertible Securities, only the Convertible Securities, if any, actually issued upon the exercise thereof were issued at the time of issue of such Options, and the consideration received by the Company for the Additional Shares of Common Stock deemed to have been then issued was the consideration actually received by the Company for the issue of such exercised Options, plus the consideration deemed to have been received by the Company (determined pursuant to Section 3.4(d)(v)) upon the issue of the Convertible Securities with respect to which such Options were actually exercised; and

(5) if such record date shall have been fixed and such Options or Convertible Securities are not issued on the date fixed therefor, the adjustment previously made in the Conversion Price which became effective on such record date shall be canceled as of the close of business on such record date, and thereafter the Conversion Price shall be adjusted pursuant to this paragraph 3.4(d)(iii) as of the actual date of their issuance.

(iv) Adjustment of Conversion Price of Series B Preferred Stock Upon Issuance of Additional Shares of Common Stock. In the event this Company shall issue Additional Shares of Common Stock (including Additional Shares of Common Stock deemed to be issued pursuant to paragraph 3.4(d)(iii)) without consideration or for a consideration per share less than the applicable Conversion Price of the Series B Preferred Stock in effect on the date of and immediately prior to such issue, then the Conversion Price of the Series B Preferred Stock shall be reduced, concurrently with such issue, to a price (calculated to the nearest cent) determined by multiplying such Conversion Price by a fraction, the numerator of which shall be the number of shares of Common Stock outstanding immediately prior to such issue plus the number of shares which the aggregate consideration received by the Company for the total number of Additional Shares of Common Stock so issued would purchase at such Conversion Price, and the denominator of which shall be the number of shares of Common Stock outstanding immediately prior to such issue plus the number of such Additional Shares of Common Stock so issued. Notwithstanding the foregoing, the Conversion Price shall not be reduced at such time if the amount of such reduction would be less than \$0.01, but any such amount shall be carried forward, and a reduction will be made with respect to such amount at the time of, and together with, any subsequent reduction which, together with such amount and any other amounts so carried forward, equal \$0.01 or more in the aggregate. For the purposes of this Section 3.4(d)(iv), all shares of Common Stock issuable upon conversion of all outstanding shares of Preferred Stock and the exercise and/or conversion of any other outstanding Convertible Securities and all outstanding Options shall be deemed to be outstanding.

(v) Determination of Consideration. For purposes of this subsection 3.4(d), the consideration received by the Company for the issue (or deemed issue) of any Additional Shares of Common Stock shall be computed as follows:

(1) Cash and Property. Such consideration shall:

a. insofar as it consists of cash, be computed at the aggregate amount of cash received by the Company before deducting any reasonable discounts, commissions or other expenses allowed, paid or incurred by the Company for any underwriting or otherwise in connection with such issuance;

b. insofar as it consists of property other than cash, be computed at the fair market value thereof at the time of such issue, as determined in good faith by the Board of Directors; and

c. in the event Additional Shares of Common Stock are issued together with other shares or securities or other assets of the Company for consideration which covers both, be the proportion of such consideration so received, computed as provided in clauses (a) and (b) above, as reasonably determined in good faith by the Board of Directors.

(2) Options and Convertible Securities. The consideration per share received by the Company for Additional Shares of Common Stock deemed to have been issued pursuant to paragraph 3.4(d)(iii) shall be determined by dividing:

a. the total amount, if any, received or receivable by the Company as consideration for the issue of such Options or Convertible Securities, plus the minimum aggregate amount of additional consideration (as set forth in the instruments relating thereto, without regard to any provision contained therein for a subsequent adjustment of such consideration) payable to the Company upon the exercise of such Options or the conversion or exchange of such Convertible Securities, or in the case of Options for Convertible Securities, the exercise of such Options for Convertible Securities and the conversion or exchange of such Convertible Securities; by

b. the maximum number of shares of Common Stock (as set forth in the instruments relating thereto, without regard to any provision contained therein for a subsequent adjustment of such number) issuable upon the exercise of such Options or the conversion or exchange of such Convertible Securities.

(e) Adjustments for Subdivisions or Combinations of Common Stock. In the event the outstanding shares of Common Stock shall be subdivided (by stock split, by payment of a stock dividend or otherwise), into a greater number of shares of Common Stock, the Conversion Price of each series of Preferred Stock in effect immediately prior to such subdivision shall, concurrently with the effectiveness of such subdivision, be proportionately decreased. In the event the outstanding shares of Common Stock shall be combined (by reclassification or otherwise) into a lesser number of shares of Common Stock, the Conversion Prices in effect immediately prior to such combination shall, concurrently with the effectiveness of such combination, be proportionately increased.

(f) Adjustments for Subdivisions or Combinations of Preferred Stock. In the event the outstanding shares of Preferred Stock or a series of Preferred Stock shall be subdivided (by stock split, by payment of a stock dividend or otherwise), into a greater number of shares of Preferred Stock, the Dividend Rate (if any), Original Issue Price and Liquidation Preference of the affected series of Preferred Stock in effect immediately prior to such subdivision shall, concurrently with the effectiveness of such subdivision, be proportionately decreased. In the event the outstanding shares of Preferred Stock or a series of Preferred Stock shall be combined (by reclassification or otherwise) into a lesser number of shares of Preferred Stock, the Dividend Rate (if any), Original Issue Price and Liquidation Preference of the affected series of Preferred Stock in effect immediately prior to such combination shall, concurrently with the effectiveness of such combination, be proportionately increased.

(g) Adjustments for Reclassification, Exchange and Substitution. Subject to Section 3.3 above (Liquidation Rights), if the Common Stock issuable upon conversion of the Preferred Stock shall be changed into the same or a different number of shares of any other class

or classes of stock, whether by capital reorganization, reclassification or otherwise (other than a subdivision or combination of shares provided for above), then, in any such event, in lieu of the number of shares of Common Stock which the holders would otherwise have been entitled to receive each holder of such Preferred Stock shall have the right thereafter to convert such shares of Preferred Stock into a number of shares of such other class or classes of stock which a holder of the number of shares of Common Stock deliverable upon conversion of such series of Preferred Stock immediately before that change would have been entitled to receive in such reorganization or reclassification, all subject to further adjustment as provided herein with respect to such other shares.

(h) Certificate as to Adjustments. Upon the occurrence of each adjustment or readjustment of the Conversion Price pursuant to this Section 3.4, the Company at its expense shall promptly compute such adjustment or readjustment in accordance with the terms hereof and furnish to each holder 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 Company 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 (i) such adjustments and readjustments, (ii) the Conversion Price at the time in effect and (iii) 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 Preferred Stock.

(i) Waiver of Adjustment of 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.

(j) Reservation of Stock Issuable Upon Conversion. The 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 the Preferred Stock, such number of its shares of Common Stock as shall from time to time be sufficient to effect the conversion of all then outstanding shares of the 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 the Preferred Stock, the 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 purpose.

3.5 Voting.

(a) Restricted Class Voting. 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.

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

(c) Preferred Stock. Each holder of Preferred Stock shall be entitled to the number of votes equal to the number of shares of Common Stock into which the shares of

Preferred Stock held by such holder could be converted as of the record date. The holders of shares of the Preferred Stock shall be entitled to vote on all matters on which the Common Stock shall be entitled to vote. Holders of Preferred Stock shall be entitled to notice of any shareholders' meeting in accordance with the Bylaws of the Company. Fractional votes shall not, however, be permitted and any fractional voting rights resulting from the above formula (after aggregating all shares into which shares of Preferred Stock held by each holder could be converted), shall be disregarded.

(d) Adjustment in Authorized Common Stock. 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 capital stock of the Company.

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

(f) Board of Directors. There shall be seven (7) Directors on the Board, to be designated as follows:

(i) three (3) members of the Company's Board of Directors (the "Series B Directors") shall be designated by the holders of the Series B Preferred Stock, voting together as a single group;

(ii) two (2) members of the Company's Board of Directors (the "Series A Directors") shall be designated by the holders of the Series A Preferred Stock, voting together as a single group;

(iii) two (2) members of the Company's Board of Directors (the "Common Directors") shall be designated by the holders of the Common Stock, voting together as a single group;

(iv) Any party entitled to designate a director pursuant to this Section may remove its or their designated director at any time and from time to time, with or without cause (subject to the Bylaws of the Company as in effect from time to time and any requirements of law), in their sole discretion; and

(v) Unless otherwise approved by the Series B Directors, Series A Directors, and Common Directors, any committee authorized by the Board of Directors shall consist of the same ratio of members as set forth in subparagraphs (i)-(iv) above.

(g) Increase in Authorized Capital Stock. Each holder of Preferred Stock shall vote all of its shares from time to time and at all times, in whatever manner shall be necessary to authorize an increase in the authorized capital stock of the Company so that there will be sufficient shares of Common Stock available for conversion of all of the then outstanding shares of Preferred Stock at any time that an adjustment to the Series A Conversion Price or the Series B Conversion Price is made pursuant to Section 3.4.

3.6 Protective Provisions for Series B Preferred Stock. As long as 25% of the Series B Preferred Stock issued and outstanding as of the date hereof shall continue to be issued and outstanding, the Company shall not, without first obtaining the approval of a majority of the Series B Directors:

(a) amend, alter or repeal any provision of, or add any provision to, this Certificate or the Bylaws of the Company, 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 B Preferred Stock;

(b) approve annual budgets and operating plans;

(c) authorize or issue, or permit the authorization or issuance by a subsidiary, of (i) any equity security having rights, preferences or privileges senior to or on parity with the Series B Preferred Stock, including any increase in the number of authorized shares of Series B Preferred and/or (ii) issue, or permit the issuance of, any equity securities having rights, preferences or privileges junior to Series B Preferred stock at a per share price or conversion price, as the case may be, of less than the Original Issue Price of the Series B Preferred, except for shares issued pursuant to the Company's 2006 Stock Incentive Plan;

(d) authorize, issue or enter into any agreement providing for the issuance (contingent or otherwise) of any notes or debt securities containing equity features (including, without limitation, any notes or debt securities convertible into or exchangeable for capital stock or other equity securities, issued in connection with the issuance of capital stock or other equity securities or containing profit participation features) that would require the consent of the Series B Directors pursuant to Section 3.6(c);

(e) acquire any interest in any company or business (whether by a purchase of assets, purchase of stock, merger or otherwise);

(f) merge or consolidate with any company or business or permit any subsidiary to merge or consolidate with any company or business (other than a wholly-owned subsidiary);

(g) authorize the sale of substantially all of the assets of the Company or of the equity interests in any subsidiary in any transaction or series of transactions;

(h) hire, terminate, or change the compensation of the executive officers, including approving any option grants or stock awards to executive officers;

(i) liquidate, voluntarily dissolve or wind up the Company, or authorize the filing of any bankruptcy petition or similar insolvency proceeding by the Company or any subsidiary;

(j) declare or pay any Distribution with respect to the Series A Preferred Stock (other than as set forth in Section 3.2 hereof) or Common Stock of the Company;

(k) materially change the principal business of the Company or enter into any new lines of business that are unrelated to the business now being conducted or proposed to be conducted;

(l) create, incur, assume, guarantee or suffer to exist any indebtedness for borrowed money in excess of \$250,000;

(m) become subject to (including, without limitation, by way of amendment to or modification of) any agreement or instrument which by its terms would (under any circumstances) restrict (a) the payment of any Distribution on the Series B Preferred Stock as set forth in this Certificate or (b) the right of any subsidiary to make loans or advances or pay dividends to, transfer property to, or repay any indebtedness owed to, the Company or another subsidiary;

(n) directly or indirectly purchase, redeem or otherwise acquire any of the Company's capital stock or other equity securities (including, without limitation, warrants, options and other rights to acquire such capital stock or other equity securities) other than the Series B Preferred Stock as set forth in this Certificate;

(o) directly or indirectly redeem, purchase or make any payments with respect to any stock appreciation rights, phantom stock plans or similar rights or plans, except in the ordinary course of business; or

(p) amend this Section 3.6;

provided, however, that if (i) the aggregate purchase price paid for the shares of Series B Preferred Stock outstanding as of April 1, 2011 is less than \$7,000,000, or (ii) (A) the Board of Directors determines that the Company requires additional equity capital ("Additional Equity Requirement"), (B) the aggregate purchase price of shares of Series B Preferred Stock outstanding as of the time of such determination is less than \$7,000,000, and (C) within 30 days after such determination the holders of the Series B Preferred Stock fail to purchase additional shares of Series B Preferred Stock with an aggregate purchase price equal to the lesser of the Additional Equity Requirement and the amount that would cause their total purchase price for all shares of Series B Preferred Stock to equal \$7,000,000, then the restrictions set forth in Section 3.6(c) and Section 3.6(l) shall no longer apply.

3.7 Protective Provisions for Series A Preferred Stock. As long as a majority of the Series A Preferred Stock shall be issued and outstanding, the Company shall not, without first obtaining the approval of all the Series A Directors:

(a) amend, alter or repeal any provision of, or add any provision to, the Articles of Incorporation or Bylaws of the Company, 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;

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

(d) amend this Section 3.7.

3.8 Reissuance of Preferred Stock. In the event that any shares of Preferred Stock shall be converted pursuant to Section 3.4 or otherwise repurchased by the Company, the shares so converted or repurchased shall be cancelled and shall not be issuable by this Company.

3.9 Redemption.

(a) At any time after October 28, 2014, if so requested by at least 10% of the holders of Series B Preferred Stock, the Company shall redeem all of the shares of Series B Preferred Stock owned by the requesting holders that have been requested to be redeemed (the "**Designated Stock**") at a price per Series B Preferred share equal to the sum of (x) the Liquidation Preference specified for such share of Series B Preferred Stock, (y) any Accruing Dividends accrued but unpaid thereon, whether or not declared, if any, and, without duplication, (z) all declared but unpaid dividends, if any, on such share of Designated Stock (the "**Redemption Price**").

(b) The Company shall redeem the Designated Stock (i) on the date that is 90 days after the Company's receipt of such notice (the "**Redemption Date**"), or (ii) in accordance with the following schedule (the "**Redemption Schedule**"):

(i) on the Redemption Date, the Company shall redeem one-third of the Designated Stock at the Redemption Price;

(ii) on the first anniversary of the Redemption Date, the Company shall redeem one-third of the Designated Stock at the then applicable Redemption Price; and

(iii) on the second anniversary of the Redemption Date, the Company shall redeem one-third of the Designated Stock at the then applicable Redemption Price.

(c) Accruing Dividends and all other dividends, if any, shall continue to accrue on each share of Designated Stock until such share of Designated Stock is redeemed in accordance with Section 3.9(b).

(d) If the funds of the Company legally available for redemption of Designated Stock are insufficient to redeem the total number of Designated Stock to be redeemed on any date set forth in the Redemption Schedule, those funds which are legally available shall be used to redeem the maximum possible number of shares of Designated Stock pro rata among the holders of the Designated Stock on the applicable date set forth in the

Redemption Schedule. If anytime thereafter when additional funds of the Company are legally available for the redemption of such shares, such funds shall immediately be used to redeem the balance of the shares which the Company has become obligated to redeem in accordance with the Redemption Schedule but which it has not redeemed. Notwithstanding the foregoing, however, the Company's failure for any reason to pay any portion of the Redemption Price within 60 days of the date due under Section 3.9(b) above shall constitute a "**Redemption Default**". The Company subsequently may cure a Redemption Default by paying the portion of the Redemption Price that was not paid when due (together with any Accruing Dividends that have accrued on such Designated Stock from the scheduled Redemption Date until the date on which the Redemption Price is actually paid).

(e) Except as otherwise provided herein, the Company shall mail written notice of each redemption of any shares of Class B Preferred to each record holder thereof not more than 60 nor less than 30 days prior to the date on which such redemption is to be made. In case fewer than the total number of Shares represented by any certificate are redeemed, a new certificate representing the number of unredeemed Shares shall be issued to the holder thereof without cost to such holder within five business days after surrender of the certificate representing the redeemed Shares.

(f) Any Series B Preferred shares which are redeemed or otherwise acquired by the Company shall be canceled and retired to authorized but unissued shares and shall not be reissued, sold or transferred.

3.10 No Redemption. The Company shall not redeem any shares of Series B Preferred Stock except as expressly authorized herein.

3.11 Notices. Any notice required by the provisions of this Article 3 to be given to the holders of Preferred Stock shall be deemed given if deposited in the United States mail, postage prepaid, and addressed to each holder of record at such holder's address appearing on the books of the Company.

4. Limitation of Liability. No director of the Company shall be personally liable to the Company or its shareholders for monetary damages for conduct as a director, provided that this Article shall not eliminate the liability of a director for any act or omission for which such elimination of liability is not permitted under the Act. No amendment to the Act that further limits the acts or omissions for which elimination of liability is permitted shall affect the liability of a director for any act or omission which occurs prior to the effective date of the amendment.

5. Indemnification. The Company shall indemnify to the fullest extent not prohibited by law any current or former director or officer of the Company who is made, or threatened to be made, a party to an action, suit or proceeding, whether civil, criminal, administrative, investigative or other (including an action, suit or proceeding by or in the right of the Company), by reason of the fact that such person is or was a director, officer, employee or agent of the Company or a fiduciary within the meaning of the Employee Retirement Income Security Act of 1974 with respect to any employee benefit plan of the Company, or serves or served at the request of the Company as a director, officer, employee or agent, or as a fiduciary of an employee benefit plan, of another corporation, partnership, joint venture, trust or other

enterprise. The Company shall pay for or reimburse the reasonable expenses incurred by any such current or former director or officer in any such proceeding in advance of the final disposition of the proceeding if the person sets forth in writing (i) the person's good faith belief that the person is entitled to indemnification under this Article and (ii) the person's agreement to repay all advances if it is ultimately determined that the person is not entitled to indemnification under this Article. No amendment to this Article that limits the Company's obligation to indemnify any person shall have any effect on such obligation for any act or omission that occurs prior to the later of the effective date of the amendment or the date notice of the amendment is given to the person. This Article shall not be deemed exclusive of any other provisions for indemnification or advancement of expenses of directors, officers, employees, agents and fiduciaries that may be included in any statute, bylaw, agreement, general or specific action of the Board of Directors, vote of shareholders or other document or arrangement.