

# Delaware

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*The First State*

I, HARRIET SMITH WINDSOR, SECRETARY OF STATE OF THE STATE OF DELAWARE, DO HEREBY CERTIFY THE ATTACHED IS A TRUE AND CORRECT COPY OF THE CERTIFICATE OF DESIGNATION OF "KINTERA, INC.", FILED IN THIS OFFICE ON THE EIGHTH DAY OF MARCH, A.D. 2002, AT 11:30 O'CLOCK A.M.

A FILED COPY OF THIS CERTIFICATE HAS BEEN FORWARDED TO THE KENT COUNTY RECORDER OF DEEDS.



*Harriet Smith Windsor*  
Harriet Smith Windsor, Secretary of State

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AUTHENTICATION: 1656319

DATE: 03-08-02

**KINTERA, INC.**

**CERTIFICATE OF DESIGNATION,  
PREFERENCES AND RIGHTS OF THE TERMS  
OF THE SERIES F PREFERRED STOCK**

Pursuant to Section 151 of the General Corporation Law of the State of Delaware

I, the President and Chief Executive Officer, of Kintera, Inc. (the "Corporation"), organized and existing under the General Corporation Law of the State of Delaware, in accordance with the provisions of Section 103 thereof, do hereby certify:

That pursuant to the authority conferred upon the Board of Directors by the Certificate of Incorporation of the Corporation, the Board of Directors adopted the following resolution creating a series of 2,000,000 shares of Preferred Stock designated as Series F Preferred Stock on March 7, 2002:

**RESOLVED**, that pursuant to the authority vested in the Board of Directors of this Corporation in accordance with the provisions of its Certificate of Incorporation, a series of Preferred Stock of the Corporation be and it hereby is created, and that the designation and amount thereof and the powers, preferences and relative, participating, optional and other special rights of the shares of such series, and the qualifications, limitations or restrictions thereof are as follows:

1. Designation and Amount. The shares of such series shall be designated as "Series F Preferred Stock" (the "Series F Preferred Stock"), \$0.001 par value per share, and the number of shares constituting such series shall be 2,000,000.

2. Dividend Provisions.

(a) The holders of shares of Series F Preferred Stock shall be entitled to receive non-cumulative dividends, out of any assets legally available therefor, at an annual rate equal to \$0.40 per share of Series F Preferred Stock, only when, as and if declared by the Board of Directors. No dividend shall be paid to holders of Common Stock unless an equal dividend is declared and paid to the holders of Series F Preferred Stock as though all such holders were the holders of the number of shares of Common Stock of this Corporation into which their respective shares of Series F Preferred Stock would be convertible as of the record date fixed for the determination of the holders of Common Stock of this Corporation entitled to receive such dividends.

(b) In the event this Corporation shall declare a distribution or dividend payable in securities of this Corporation or of other persons, evidences of indebtedness issued by this Corporation or other persons, or assets (excluding cash dividends), then, in each case the holders of shares of the Series F Preferred Stock shall be entitled to a proportionate share of any such distribution as though all such holders were the holders of the number of shares of Common

Stock of this Corporation into which their respective shares of Series F Preferred Stock would be convertible as of the record date fixed for the determination of the holders of Common Stock of this Corporation entitled to receive such distribution.

(c) Dividends shall be paid by forwarding a check, postage prepaid, to the address of each holder (or, in the case of joint holders, to the address of any such holder) of Series F Preferred Stock on which such dividend is declared, as shown on the books of the Corporation, or to such other address as such holder specifies for such purpose by written notice to the Corporation.

3. Liquidation Preference.

(a) The rights of the holders of the Series F Preferred Stock to receive payment of a liquidation preference pursuant to Section 3(b) shall be junior and subordinate to the rights of the holders of Series A Preferred Stock, the holders of Series B Preferred Stock, the holders of Series C Preferred Stock, the holders of Series D Preferred Stock and any additional Preferred Stock hereafter designated by the Board of Directors as senior to the Series F Preferred Stock (collectively, the "Senior Stock"). The Series F Preferred Stock is senior to the Series E Preferred Stock, Common Stock and other junior stock. The holders of the Series F Preferred Stock shall not receive any amounts pursuant to Section 3(b) until the liquidation preference of each share of Senior Stock has been paid in full.

(b) In the event of any liquidation, dissolution or winding up of this Corporation, either voluntary or involuntary, and subject to any prior rights of any Senior Stock then in effect, the holders of Series F Preferred Stock shall be entitled to receive, prior and in preference to any distribution of any of the assets of this Corporation to the holders of the Series E Preferred Stock, Common Stock or other junior stock, by reason of their ownership thereof, an amount per share equal to the sum of (i) \$5.00 for each outstanding share of Series F Preferred Stock (subject to appropriate adjustments for stock splits, combinations or other recapitalizations and hereinafter referred to as the "Original Series F Issue Price") and (ii) an amount equal to declared but unpaid dividends on such share.

If upon the occurrence of such event, the assets and funds available for distribution to the holders of the Series F Preferred Stock shall be insufficient to permit the payment to such holders of the full aforesaid preferential amounts, then, the entire assets and funds of the Corporation legally available for distribution shall be distributed ratably among the holders of Series F Preferred Stock all in proportion to such full preferential amount that would otherwise be paid to each such holder.

(c) After the distributions described in Section 3(a) and 3(b) above have been paid, the remaining assets of this Corporation available for distribution to stockholders shall be distributed to the holders of Series E Preferred Stock, the holders of Common Stock or other junior stock.

(d) Each holder of Series F Preferred Stock shall be deemed to have consented to distributions made by this Corporation in connection with the repurchase of shares of Common Stock issued to or held by officers, directors or employees of, or consultants to, the

Corporation upon termination of their employment or services or pursuant to agreements (whether now existing or hereafter entered into) providing for the right of said repurchase between this Corporation and such persons.

(e) Whenever the 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 by the Board of Directors in the good faith exercise of its reasonable business judgment.

4. Conversion. The holders of the Series F Preferred Stock shall have conversion rights as follows (the "Conversion Rights"):

(a) Right to Convert.

(i) Each share of Series F 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 Corporation or any transfer agent for the Series F Preferred Stock, into such number of fully paid nonassessable shares of Common Stock as is determined by dividing the Original Series F Issue Price by the Conversion Price, determined as hereinafter provided, in effect at the time of conversion. The "Conversion Price" for Series F Preferred Stock shall initially be \$5.00 and shall be adjusted as set forth below.

(ii) Each share of Series F Preferred Stock shall automatically be converted into shares of Common Stock at the then effective Conversion Price immediately upon the earlier of (A) the consummation of the Corporation's sale of its Common Stock in a firm commitment underwriting pursuant to a registration statement under the Securities Act of 1933, as amended (the "Securities Act") which results in an aggregate price to the public of at least \$7,500,000 or (B) the date upon which the Corporation obtains the consent of the holders of at least a majority of the then outstanding shares of Series F Preferred Stock.

(b) Mechanics of Conversion. Before any holder of Series F Preferred Stock shall be entitled to convert the same into shares of Common Stock, he, she or it shall surrender the certificate or certificates therefor, duly endorsed, at the office of this Corporation or of any transfer agent for such stock, and shall give written notice by mail, postage prepaid, to this Corporation at its principal corporate office, of the election to convert the same and shall state therein the name or names in which the certificate or certificates for shares of Common Stock are to be issued. This Corporation shall, as soon as practicable thereafter, issue and deliver at such office to such holder, or to the nominee or nominees of such holder, a certificate or certificates for the number of shares of Common Stock to which such holder shall be entitled as aforesaid. Such conversion shall be deemed to have been made immediately prior to the close of business on the date of such surrender of the shares of Series F Preferred Stock to be converted, and the person or persons entitled to receive the shares of Common Stock issuable upon such conversion shall be treated for all purposes as the record holder or holders of such shares of Common Stock as of such date. If the conversion is in connection with an underwritten offer of securities registered pursuant to the Securities Act, the conversion may, at the option of any holder tendering Series F Preferred Stock for conversion, be conditioned upon the closing with the underwriter of the sale of securities pursuant to such offering, in which event the person(s)

entitled to receive the Common Stock issuable upon such conversion of the Series F Preferred Stock shall not be deemed to have converted such Series F Preferred Stock until immediately prior to the closing of such sale of securities. In the event of an underwritten offer of securities registered pursuant to the Securities Act, the failure of any holder of the Series F Preferred Stock to surrender certificates evidencing said shares of Series F Preferred Stock shall not in any way affect the conversion of the Series F Preferred Stock to Common Stock.

(c) Conversion Adjustments of Series F Preferred Stock. The Conversion Price of the Series F Preferred Stock shall be subject to appropriate and proportionate adjustments from time to time as follows:

(i) In the event the outstanding shares of Common Stock shall be subdivided or combined, by reclassification or otherwise, into a greater or lesser number of shares of Common Stock, the Conversion Price of the Series F Preferred Stock in effect immediately prior to such subdivision or combination shall, concurrently with the effectiveness of such subdivision, combination or consolidation, be proportionately adjusted.

(ii) In the event of a distribution or a stock dividend on the then outstanding shares of Common Stock, the Conversion Price of the Series F Preferred Stock in effect immediately prior to the declaration of such distribution shall, concurrently with the effectiveness of such distribution be proportionately adjusted.

(iii) In case of, and as a condition to, any capital reorganization of, or any reclassification of the capital stock of this Corporation (other than a subdivision or combination provided for elsewhere in this Section 4) or in the case of, and as a condition to, the consolidation or merger of this Corporation with or into another Corporation (other than a merger which does not result in any reclassification of outstanding shares of Common Stock), each share of outstanding Series F Preferred Stock shall be convertible into the number of shares of stock or other securities or property receivable upon such reorganization, reclassification, consolidation or merger by a holder of the number of shares of Common Stock of this Corporation into which such shares of Series F Preferred Stock was convertible immediately prior to such reorganization, reclassification, consolidation or merger.

(d) No Fractional Shares. No fractional shares shall be issued upon conversion of the Series F Preferred Stock and the number of shares of Common Stock to be issued shall be rounded down to the nearest whole share.

(e) Notices of Record Date. In the event of any taking by this Corporation of a record of the holders of any class of securities for the purpose of determining the holders thereof who are entitled to receive any dividend (other than a cash dividend) or other distribution, or to receive any other rights, this Corporation shall mail to each holder of Series F Preferred Stock at least 20 calendar 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.

(f) Reservation of Stock Issuable Upon Conversion. This 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 the Series F 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 F 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 F Preferred Stock in addition to such other remedies as shall be available to the holder of such Preferred Stock, this Corporation will take such corporate action as may, in the opinion of its counsel, be necessary to increase its authorized but unissued shares of Common Stock to such number of shares as shall be sufficient for such purposes.

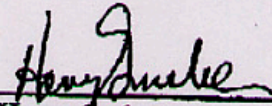
(g) Notices. Any notice required by the provisions of this Section 4 to be given to the holders of shares of Series F Preferred Stock shall be deemed given when deposited in the United States mail, postage prepaid, and addressed to each holder of record at his/her address appearing on the books of this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

5. Voting Rights. The holder of each share of Series F Preferred Stock shall have the right to one vote for each share of Common Stock into which such Preferred Stock could then be converted (with any fractional share determined on an aggregate conversion basis being rounded to the nearest whole share), and with respect to such vote, such holder shall have full voting rights and powers equal to the voting rights and powers of the holders of Common Stock, and shall be entitled, notwithstanding any provisions hereof, to notice of any stockholders' meeting in accordance with the by-laws of this Corporation, and shall be entitled to vote, together as a single class with holders of Common Stock and holders of other series of Preferred Stock, with respect to any question upon which holders of Common Stock have the right to vote.

6. Redemption. The shares of Series F Preferred Stock are not redeemable.

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IN WITNESS WHEREOF, I have executed and subscribed this Certificate of Designation and do affirm the foregoing as true under the penalties of perjury this 7<sup>th</sup> day of March, 2002.

  
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Harry Gruber  
President and Chief Executive Officer