

UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
WASHINGTON, D.C. 20549

FORM 8-K

CURRENT REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES  
EXCHANGE ACT OF 1934

Date of Report (Date of earliest event reported): October 31, 2006

Commission File Number 0-14112

JACK HENRY & ASSOCIATES, INC.

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(Exact name of registrant as specified in its charter)

Delaware

43-1128385

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(State or other jurisdiction of incorporation  
or organization)

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(I.R.S. Employer  
Identification Number)

663 Highway 60, P.O. Box 807, Monett, MO 65708  
(417) 235-6652

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(Address of principal executive offices and telephone number)

N/A

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(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to  
simultaneously satisfy the filing obligation of the registrant under any  
of the following provisions:

- Written communications pursuant to Rule 425 under the Securities  
Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange  
Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under  
the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under  
the Exchange Act (17 CFR 240-13e-4(c))

ITEM 1.01. Entry into a Material Definitive Agreement

On October 31, 2006, the stockholders of Jack Henry & Associates, Inc. (the "Company"), acting at their annual meeting, approved the Company's 2006 Employee Stock Purchase Plan (the "Plan"). The summary of the Plan set forth in this Item 1.01 is qualified in its entirety by reference to the Plan, a copy of which is filed as exhibit 10.29 to this Current Report on Form 8-K and incorporated herein by reference. All definitions not otherwise defined in the following summary of the Plan are set forth in the Plan.

The purpose of the Plan is to provide employees of the Company with an opportunity to purchase shares of the Company's Common Stock, thereby linking the interests of employees and stockholders. One million shares of the Common Stock are authorized for purchase under the Plan. If the number of issued shares of the Common Stock increases or decreases due to a stock split, reverse stock split, stock dividend, combination, reclassification or any other increase or decrease in the number of shares of the Common Stock without receipt of consideration by the Company, the number of shares available for purchase under the Plan, and the price for any shares subject to outstanding options, shall be proportionately adjusted.

The Plan is administered by the Board of Directors or a committee appointed by the Board which consists of members of the Board. The Board or the committee has full and exclusive discretionary authority to interpret the provisions of the Plan, determine eligibility and adjudicate disputed claims under the Plan.

Employees of the Company, including employees of the Company's wholly-owned subsidiaries and other subsidiaries as designated by the Board (other than stockholders who, immediately after the grant of any option under the Plan, would own or have the right to acquire 5% or more of the Company's common stock) are eligible to participate under the Plan if (i) their customary employment with the Company is at least twenty hours per week and more than five months in any calendar year, and (ii) they have been employed by the Company for at least one year. Employees' eligibility is determined on the enrollment date for each offering period.

Offering periods begin on the first trading day which is on or after the 16th day of each calendar month, and end on the last trading day which is on or before the 15th day of the following calendar month. A trading day is a day on which national stock exchanges and the Nasdaq system are open for trading. The Board of Directors can change the duration of offering periods for future offerings at least 15 days prior to the scheduled beginning of the first offering period to be affected.

Payroll deductions for participants begin on the first payday following the enrollment day. Participants select payroll deduction rates in whole dollar amounts or whole percentage of compensation, not less than \$10 per pay period, and not greater than 10% of total W-2 compensation during the pay period. The payroll deduction rate elected by a participant is irrevocable during the offering period, and remains in effect until changed or terminated by the participant. Participants may increase, decrease or discontinue their payroll deductions for subsequent offering periods by filing a change or withdrawal form with the Company at least 10 business days prior to an enrollment date.

When a participant enrolls in the Plan, the participant receives an option to purchase shares of the Common Stock on the last trading day of the offering period at 95% of the fair market value of the shares on that day. The number of shares a participant will be able to purchase will generally be equal to the payroll deductions during the offering period divided by the purchase price per share and will include fractional shares (to the fourth decimal place). The Plan limits each participant's share purchases in order to stay within the Code's \$25,000 per year purchase limitation (based on the fair market value of the shares on the first day of the offering period). The fair market value of the common stock for a given date is equal to the closing sales price (or, if no sales were reported, the closing bid) for the immediately preceding trading day on The Nasdaq Stock Market, as reported in The Wall Street Journal or such other source as the Board deems reliable.

A participant may terminate participation in the Plan as of the first day of any offering period by filing a change or withdrawal form with the Company. The participant's payroll deductions will continue through the end of the offering period in which the form is filed, and those amounts will be applied to the purchase of shares of the Common Stock in accordance with the terms of the Plan. As soon as administratively practicable thereafter, the participant will receive a stock certificate for the number of whole shares, and a cash payment equal to the fair market value of any fractional share, credited to the participant under the Plan.

The Board of Directors may amend or terminate the Plan at any time. However, amendments to the Plan to increase the number the number of shares available for purchase require stockholder approval. Generally no changes affecting existing purchase rights may be made without the consent of the affected participants. However, the Board may amend the Plan in the event that the Board determines that the ongoing operation of the Plan may result in unfavorable financial accounting consequences.

#### ITEM 5.03. Amendments to Articles of Incorporation or Bylaws; Change in Fiscal Year

On October 31, 2006, the Board of Directors of the Company approved certain amendments to the Company's Restated and Amended Bylaws. Notice provisions in Sections 2.4 and 3.5 of the Bylaws were amended to reflect changes in the technologies used to deliver notices, and to reflect changes in related Delaware law. Section 3.5 was also amended to clarify the power of the chairman of the board of directors to call special meetings of the board. Article VII of the Bylaws was amended to implement a book-entry direct registration system, which allows shares of stock to be owned, reported, and transferred electronically without the need for physical stock certificates. The amendments became effective upon adoption. The Company's Restated and Amended Bylaws, as amended and restated, are attached hereto as Exhibit 3.2 and are incorporated herein by reference.

#### ITEM 9.01. Financial Statements and Exhibits

(d) Exhibits.

Exhibit 3.2 Restated and Amended Bylaws of Jack Henry & Associates, Inc.,  
as amended and restated October 31, 2006

Exhibit 10.29 Jack Henry & Associates, Inc. 2006 Employee Stock Purchase  
Plan

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the  
registrant has duly caused this report to be signed on its behalf by the  
undersigned hereunto duly authorized.

JACK HENRY & ASSOCIATES, INC.  
(Registrant)

Date: November 6, 2006

By: /s/ Kevin D. Williams

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Kevin D. Williams  
Chief Financial Officer

RESTATED AND AMENDED  
BYLAWS OF  
JACK HENRY & ASSOCIATES, INC.  
(Effective October 31, 2006)

ARTICLE I  
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Section 1.1 Registered Office. The registered office of the corporation shall be Corporation Trust Center, 1209 Orange Street, City of Wilmington, County of New Castle, State of Delaware.

Section 1.2 Corporate Office. The corporation may have its office (or offices) at such place (or places) as the board of directors, in its discretion, may from time to time determine, or wherever the business of the corporation may require.

ARTICLE II  
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Meeting of Stockholders  
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Section 2.1 Time and Place. Any meeting of the stockholders may be held at such time and place, either within or outside the State of Delaware, as shall be designated from time to time by resolution of the board of directors or as shall be stated in a duly authorized notice, or in a duly executed waiver of notice, of the meeting.

Section 2.2 Annual Meeting. The annual meeting of the stockholders, commencing with the year 1986, shall be held on the second Tuesday in November of each year or on such other date as the board of directors may determine, for the purpose of electing a board of directors and transacting such other business as may properly be brought before the meeting.

Section 2.3 Special Meetings. Special meetings of the stockholders, for any purpose or purposes, may be called by the chairman of the board or the president, and shall be called by the chairman of the board, the president or any vice-President or the secretary, when directed to do so by resolution of the board of directors. A special meeting of the stockholders shall also be called by the president or secretary at the request in writing of stockholders owning at least two-thirds of the stock of the corporation entitled to vote. Any request of the stockholders for a special meeting shall state the purpose or purposes of the proposed meeting. Business transacted at any special meeting of the stockholders shall be limited to the purposes stated in the notice

Section 2.4 Notices. Written notice stating the place, date and hour of the meeting and, in case of a special meeting, the purpose or purposes for which the meeting is called, shall be given not less than 10 nor more than 60 days before the date of the meeting, except as otherwise required by statute or the certificate of incorporation, either personally, by mail, courier service, electronic mail, facsimile transmission, or by any other lawful means, to each stockholder of record entitled to vote at such meeting.

Section 2.5 Record Date. In order that the corporation may determine the stockholders entitled to notice of or to vote at any meeting, or any adjournment of a meeting, of stockholders, or to express consent to corporate action in writing without a meeting, or entitled to receive payment of any dividend or other distribution or allotment of any rights, or entitled to exercise any rights in respect of any change, conversion or exchange of stock or for the purpose of any other lawful action, the board of directors may fix, in advance, a record date, which shall not be more than 60 nor less than 15 days before the date of such meeting, nor more than 60 days prior to any other action. If no record date is fixed, the record date for determining stockholders shall be at the close of business on the day next preceding the day on which notice is given, and the record date for determining stockholders for any other purpose shall be at the close of business on the day on which the board of directors adopts the resolution relating to such other purpose. A determination of stockholders of record entitled to notice of or to vote at a meeting of stockholders shall apply to any adjournment of the meeting; provided, however, that the board of directors may fix a new record date for the adjourned meeting.

Section 2.6 Voting List. The secretary of the corporation shall prepare and make, at least ten days before every meeting of stockholders, a complete

list of the stockholders entitled to vote at the meeting, arranged in alphabetical order and showing the address and the number of shares registered in the name of each stockholder. Such list shall be open to the examination of any stockholder, for any purpose germane to the meeting, during ordinary business hours, for a period of at least ten days prior to the meeting, either at a place within the city where the meeting is to be held, which place shall be specified in the notice of the meeting, or, if not so specified, at the place where the meeting is to be held. The list shall be produced and kept at the time and place of the meeting during the whole time thereof to be open to the inspection of any stockholder who is present.

Section 2.7 Quorum. The holders of a majority of the stock issued and outstanding and entitled to vote at the meeting, present in person or represented by proxy, shall constitute a quorum at all meetings of the stockholders for the transaction of business except as otherwise provided by statute or by the Certificate of Incorporation. If, however, such a quorum shall not be present at any meeting of stockholders, the stockholders entitled to vote, present in person or represented by proxy, shall have the power to adjourn the meeting from time to time, without notice if the time and place are announced at the meeting, until a quorum shall be present. At such adjourned meeting at which a quorum shall be present any business may be transacted which might have been transacted at the original meeting. If the adjournment is for more than 30 days, or if after the adjournment a new record date is fixed for the adjourned meeting, a notice of the adjourned meeting shall be given to each stockholder of record entitled to vote at the meeting.

Section 2.8 Voting and Proxies. Each stockholder shall at every meeting of the stockholders be entitled to one vote in person or by proxy for each share of the capital stock having voting power held by such stockholder, but no proxy shall be voted on after three years from its date, unless the proxy provides for a longer period. When a quorum is present at any meeting, the vote of the holders of a majority of the stock having voting power present in person or represented by proxy shall decide any question brought before such meeting, unless the question is one upon which, by express provision of the statutes or of the Certificate of Incorporation, a different vote is required, in which case such express provision shall govern.

Section 2.9 Waiver. Attendance of a stockholder of the corporation, either in person or by proxy, at any meeting, either annual or special, shall constitute waiver of notice of such meeting, except where a stockholder attends a meeting for the express purpose of objecting, at the beginning of the meeting, to the transaction of any business because the meeting is not lawfully called or convened. A written waiver of notice of any such meeting signed by a stockholder or stockholders entitled to such notice, whether before, at or after the time stated in such notice, shall be equivalent to notice.

Section 2.10 Conduct of Stockholder Meetings. At every meeting of stockholders, the chairman of the board, or in his absence, the president, or in his absence, a vice-president, or if none be present, the appointee of the meeting, shall act as chairman of the meeting, the secretary, or in the absence an assistant secretary, or if none be present, the appointee of the chairman of the meeting shall act as secretary of the meeting. The chairman of the meeting shall call the meeting to order, and shall make such rulings and determinations as shall be necessary or convenient for the orderly conduct of the meeting, including but not limited to setting the place and agenda, imposing reasonable time limits on speakers, determining when the polls shall open and close, the method of voting and the manner in which votes are counted, the sufficiency and interpretation of any proxy, the propriety of any matter submitted for stockholder action, and the time of adjournment.

Section 2.11 Notice of Stockholder Business and Nominations.

(A) Annual Meeting of Stockholders.

(1) Nominations of persons for election to the board of directors of the corporation and the proposal of business to be considered by the stockholders may be made at an annual meeting of stockholders (a) by or at the direction of the board of directors or (b) by any stockholder of the corporation who is entitled to vote at the meeting, who complies with the notice procedures set forth in clauses (2) and (3) of paragraph (A) of this Section 2.11 and who is a stockholder of record at the time such notice is delivered to the secretary of the corporation.

(2) For nominations or other business to be properly brought before the annual meeting by a stockholder pursuant to clause (b) of paragraph (A)(1) of this Section 2.11, the stockholder must

have given timely notice thereof in writing to the secretary of the corporation and such business must be a proper subject for stockholder action under the Delaware General Corporation Law. To be timely, a stockholder's notice shall be delivered to the secretary at the principal executive offices of the corporation not less than 70 days nor more than 90 days prior to the first anniversary of the preceding year's annual meeting; provided, however, that in the event that the date of the annual meeting is advanced by more than 20 days, or delayed by more than 70 days, from such anniversary notice by the stockholder to be timely must be so delivered not earlier than the 90th day prior to such annual meeting and not later than the close of business following the day on which public announcement of the date of such meeting is first made. Such stockholder's notice shall set forth (a) as to each person whom the stockholder proposes to nominate for election or reelection as a director all information relating to such person that is required to be disclosed in solicitations of proxies for election of directors, or is otherwise required, in each case pursuant to Regulation 14A under the Securities Exchange Act of 1934, as amended (the "Exchange Act"), including such person's written consent to being named in the proxy statement as a nominee and to serving as a director if elected; (b) as to any other business that the stockholder proposes to bring before the meeting, a brief description of the business desired to be brought before the meeting, the reasons for conducting such business at the meeting and any material interest in such business of such stockholder and the beneficial owner, if any, on whose behalf the proposal is made; and (c) as to the stockholder giving the notice and the beneficial owner, if any, on whose behalf the nomination or proposal is made (i) the name and address of such stockholder, as they appear on the corporation's books, and of such beneficial owner and (ii) the class and number of shares of the corporation which are owned beneficially and of record by such stockholder and such beneficial owner.

(3) Notwithstanding anything in the second sentence of paragraph (A)(2) of this Section 2.11 to the contrary, in the event that the number of directors to be elected to the board of directors is increased and there is no public announcement naming all of the nominees for director or specifying the size of the increased board of directors made by the corporation at least 80 days prior to the first anniversary of the preceding year's annual meeting, a stockholder's notice required by this paragraph (A)(2) of this Section 2.11 shall also be considered timely, but only with respect to nominees for any new positions created by such increase, if it shall be delivered to the secretary at the principal executive offices of the corporation not later than the close of business on the 10th day following the day on which such public announcement is first made by the corporation.

(B) Special Meeting of the Stockholders. Nominations of persons for election to the board of directors may be made at a special meeting of stockholders at which directors are to be elected (i) by or at the direction of the board of directors or (ii) by any stockholder of the corporation who is entitled to vote at the meeting, who complies with the notice procedures set forth in this paragraph (B) and who is a stockholder of record at the time such notice is delivered to the secretary of the corporation. Nominations by stockholders of persons for election to the board of directors may be made at such a special meeting of stockholders if the stockholder's notice as required by paragraph (A)(2) of this Section 2.11 shall be delivered to the secretary at the principal executive offices of the corporation not earlier than the 90th day prior to such special meeting and not later than the close of business on the later of the 70th day prior to such special meeting or the 10th day following the date on which public announcement is first made of the date of the special meeting and of the nominees proposed by the board of directors to be elected at such meeting.

(C) General.

(1) Only persons who are nominated in accordance with the procedures set forth in this Section 2.11 shall be eligible to serve as directors and only such business shall be conducted at a meeting of stockholders as shall have been brought before the meeting in accordance with the procedures set forth in this Section 2.11.

(2) Except as otherwise provided by law, the Certificate of Incorporation or this Section 2.11, the chairman of the meeting

shall have the power and duty to determine whether a nomination or any business proposed to be brought before the meeting was made in accordance with the procedures set forth in this Section 2.11 and, if any proposed nomination or business is not in compliance with this Section 2.11 to declare that such defective proposal or nomination shall be disregarded.

(3) For purposes of this Section 2.11, "public announcement" shall mean disclosure in a press release reported by the Dow Jones News Service, Associated Press or comparable national news service or in a document publicly filed by the corporation with the Securities and Exchange Commission pursuant to Section 13, 14 or 15(d) of the Exchange Act.

(4) Notwithstanding the foregoing provisions of this Section 2.11, a stockholder shall also comply with all applicable requirements of the Exchange Act and the rules and regulations thereunder with respect to the matters set forth in this Section 2.11. Nothing in this Section 2.11 shall be deemed to affect any rights of stockholders to request inclusion of proposals in the corporation's proxy statement pursuant to Rule 14a-8 under Exchange Act.

### ARTICLE III

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#### Directors

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Section 3.1 Number. The number of directors shall be eight, or such other number (one or more), as fixed from time to time by resolution of the board of directors.

Section 3.2 Elections. Except as provided in Section 3.3 of this Article, the board of directors shall be elected at the annual meeting of the stockholders or at a special meeting called for that purpose. Each director shall be elected to serve until the next annual meeting of stockholders or until his successor shall be elected and qualified.

Section 3.3 Vacancies. Any vacancy occurring on the board of directors and any directorship to be filled by reason of an increase in the board of directors may be filled only by the affirmative vote of a majority of the remaining directors, though less than a quorum of the board of directors. Such newly elected director shall hold office until the next annual meeting of stockholders or until his successor shall be elected and qualified.

Section 3.4 Meetings. The first meeting of each newly elected board of directors shall be held immediately after, and at the same place as, the annual meeting of the stockholders. No notice of such meeting shall be necessary to the newly elected directors in order to legally constitute the meeting, provided a quorum shall be present. The board of directors may, by resolution, establish a place and time for regular meetings which may thereafter be held without call or notice.

Section 3.5 Notice of Special Meetings. Special meetings may be called by the chairman or any two members of the board of directors. Such notice may be given to each member of the board of directors by mail by the secretary, the president or the members of the board calling the meeting by depositing the same in the mail at least 7 days before the meeting, addressed to the director at the last address he has furnished to the corporation for this purpose, and any notice so mailed shall be deemed to have been given at the time when mailed. Notice may also be given at least 48 hours before the meeting in person, or by telephone, overnight mail or courier service, hand delivery, electronic mail, facsimile transmission, or by any other lawful means, addressed as stated above; and such notice shall be deemed to have been given at the time when such is delivered to the last address of the director for this purpose, or when such personal or telephone conversation occurs.

Section 3.6 Quorum. At all meetings of the board, a majority of the directors then in office shall constitute a quorum for the transaction of business, and the act of a majority of the directors present at any meeting at which a quorum is present shall be the act of the board of directors, except as otherwise specifically required by statute, the certificate of incorporation, or these bylaws. If less than a quorum be present, the director or directors present may adjourn the meeting from time to time without further notice. Voting by proxy is not permitted at meetings of the board of directors.

Section 3.7 Waiver. Attendance of a director at a meeting of the board

of directors shall constitute a waiver of notice of such meeting, except where a director attends a meeting for the express purpose of objecting to the transaction of any business because the meeting is not lawfully called or convened. A written waiver of notice or manner of calling any such meeting signed by a director entitled to such notice, whether before, at, or after the time stated in such notice, shall be equivalent to the giving of such notice.

Section 3.8 Action Without Meeting. Any action required or permitted to be taken at a meeting of the board of directors may be taken without a meeting if a consent in writing setting forth the action so taken shall be signed by all of the directors and filed with the minutes of proceedings of the board of directors.

Section 3.9 Attendance by Telephone. Members of the board of directors or any committee of the corporation may participate in a meeting of such board or committee by means of conference telephone or similar communications equipment by means of which all persons participating in the meeting can hear each other, and such participation in a meeting shall constitute presence in person at such meeting.

Section 3.10 Removal. Any director may be removed from office at any time, but only for cause or upon the affirmative vote of the holders of at least two-thirds of the corporation's stock entitled to vote thereon.

#### ARTICLE IV

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#### Officers

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Section 4.1 Election. The corporation shall have such officers with such duties as the board of directors determines by resolution. The officers shall be elected or appointed at least annually by the board of directors at its first meeting after each annual meeting of stockholders.

Section 4.2 Removal, Resignation and Vacancies. Any officer elected or appointed by the board of directors may be removed at any time by the affirmative vote of a majority of the board of directors. Any officer may resign at any time by giving written notice of his resignation to the president or to the secretary, and acceptance of such resignation shall not be necessary to make it effective, unless the notice so provides. Any vacancy occurring in any office may be filled by the board of directors.

Section 4.3 Chairman of the Board. The board of directors may, in its sole discretion, elect a chairman of the board. If elected, the chairman of the board shall preside at all meetings of shareholders and of the board of directors. In the event a chief executive officer (CEO) of the corporation is not elected or appointed by the board of directors, the chairman of the board shall be the chief executive officer of the corporation. Subject to the direction and control of the board of directors, the chairman of the board, coextensively with the president, the CEO, and the chief operating officer (COO), shall have the general and active management of the business of the corporation and shall see that all orders and resolutions of the board of directors are carried into effect, and he/she may execute contracts, deeds and other instruments on behalf of the corporation as are necessary and appropriate. He/she shall perform such additional functions and duties as are appropriate and customary for the office of the chairman of the board and as the board of directors may prescribe from time to time.

Section 4.4 Vice Chairman of the Board. In the absence, disability or vacancy of the chairman of the board, the vice chairman of the board shall serve as chairman of the board.

Section 4.5 Chief Executive Officer. The board of directors, in its sole discretion, may elect a chief executive officer (CEO). Subject to the direction and control of the board of directors, the CEO coextensively with the chairman of the board, the president, and the COO, shall have the general and active management of the business of the corporation and shall see that all orders and resolutions of the board of directors are carried into effect; and he/she may execute contracts, deeds and other instruments on behalf of the corporation as are necessary and appropriate. He/she shall perform such additional functions and duties as are appropriate and customary for the office of COO and as the board of directors may prescribe from time to time.

Section 4.6 President. In the absence, disability or vacancy of the chairman of the board and the vice chairman of the board, the President shall preside at all meetings of the shareholders and of the board of directors. In the absence, disability or vacancy of the CEO, the president shall serve as CEO. Subject to the direction and control of the board of

directors, the president, coextensively with the chairman of the board, the CEO, and the COO, shall have the general and active management of the business of the corporation and shall see that all orders and resolutions of the board of directors are carried into effect; and he/she may execute contracts, deeds and other instruments on behalf of the corporation as are necessary and appropriate. He/she shall perform such additional functions and duties as are appropriate and customary for the office of president and as the board of directors may prescribe from time to time.

Section 4.7 Chief Operating Officer. The board of directors, in its sole discretion, may elect a chief operating officer (COO). Subject to the direction and control of the board of directors, the COO, coextensively with the chairman of the board, the CEO, and the president, shall have the general and active management of the business of the corporation and shall see that all orders and resolutions of the board of directors are carried into effect; and he/she may execute contracts, deeds and other instruments on behalf of the corporation as are necessary and appropriate. He/she shall perform such additional functions and duties as are appropriate and customary for the office of COO and as the board of directors may prescribe from time to time.

Section 4.8 Executive Vice President. The board of directors, in its sole discretion, may elect an executive vice president, who shall report to and assist the president, and who shall serve as president in the absence, disability or vacancy of the president.

Section 4.9 Senior Vice President. The board of directors, in its sole discretion, may elect one or more senior vice presidents, who shall report to and assist the president and executive vice president.

Section 4.10 Vice President. The board of directors, in its sole discretion, may elect one or more vice presidents, who shall report to and assist the president, executive vice president and senior vice presidents.

Section 4.11 Assistant Vice President. The board of directors, in its sole discretion, may elect one or more assistant vice presidents, who shall report to and assist the president, executive vice president, senior vice presidents and vice presidents.

Section 4.12 Secretary. The secretary shall give, or cause to be given, notice of all meetings of the stockholders and special meetings of the board of directors, keep the minutes of such meetings, have charge of the corporate seal and stock records, be responsible for the maintenance of all corporate files and records and the preparation and filing of reports to governmental agencies, other than tax returns, have authority to affix the corporate seal to any instrument requiring it (and, when so affixed, it may be attested by his or her signature), and perform such other duties as may from time to time be prescribed by the board of directors and the president.

Section 4.13 Assistant Secretary. The assistant secretary or, if there be more than one, the assistant secretaries in the order determined by the president shall, in the absence or disability of the secretary, or in case such duties are specifically delegated to him/her by the board of directors, the president or the secretary, perform the duties and exercise the powers of the secretary and shall, under the supervision of the secretary, perform such other duties and have such other powers as the secretary, the board of directors or the president may from time to time prescribe.

Section 4.14 Chief Financial Officer. The chief financial officer (CFO) shall have control of the funds and the care custody of all the stocks, bonds, and other securities of the corporation, and be responsible for the preparation and filing of tax returns. He/she shall receive all moneys paid to the corporation and shall have authority to give receipts and vouchers, to sign and endorse checks and warrants in its name and on its behalf, and give full discharge for the same. He/she shall also have charge of the disbursement of the funds of the corporation, and shall keep full and accurate records of the receipts and disbursements. He/she shall deposit all moneys and other valuable effects in the name and to the credit of the corporation in such depositories as shall be designated by the board of directors, and shall perform such other duties and have such other powers as the board of directors or the president may from time to time prescribe.

Section 4.15 Treasurer. The treasurer shall report to and assist the CFO, and the board of directors, chairman of the board, CEO, president and COO.

Section 4.16 Assistant Treasurer. The assistant treasurer or, if there be more than one, the assistant treasurers in the order determined by the president shall, in the absence or disability of the treasurer, or in case such duties are specifically delegated to him/her by the board of directors, president or treasurer, perform the duties and exercise the powers of the treasurer and shall, under the supervision of the treasurer, perform such

other duties and have such other powers as the treasurer, the board of directors or the president may from time to time prescribe.

Section 4.17 Compensation. Officers shall receive such compensation for their services as may be authorized or ratified by the board of directors. Election or appointment of an officer shall not of itself create a contract right to compensation for services performed as such officer.

#### ARTICLE V

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#### Committees

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The board of directors may establish committees for the performance of delegated or designated functions to the extent permitted by law. The board of directors may provide, by resolution or amendment to the bylaws, such powers, limitations, and procedures for committees as the board of directors deems advisable.

#### ARTICLE VI

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#### Contracts

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Section 6.1 Financial Interest. No contract or transaction between the corporation and one or more of its directors and officers, or between the corporation and any other corporation, partnership, association, or other organization in which one or more of the directors or officers are directors or officers, or have a financial interest, shall be void or voidable solely for this reason, or solely because the director or officer is present at or participates in the meeting of the board or committee thereof which authorizes the contract or transaction, or solely because his or their votes are counted for such purpose, if:

- (a) The material facts as to his relationship or interest and as to the contract or transaction are disclosed or are known to the board of directors or the committee, and the board or committee in good faith authorizes the contract or transaction by the affirmative votes of a majority of the disinterested directors, even though the disinterested directors be less than a quorum; or
- (b) The material facts as to his relationship or interest and as to the contract or transaction are disclosed or are known to the stockholders entitled to vote thereon, and the contract or transaction is specifically approved in good faith by vote of the stockholders; or
- (c) The contract or transaction is fair as to the corporation as of the time it is authorized, approved or ratified by the board of directors, or a committee thereof, or the stockholders.

Section 6.2 Quorum. Common or interested directors may be counted in determining the presence of a quorum at a meeting of the board or of a committee which authorizes the contract or transaction.

#### ARTICLE VII

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#### Stock

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Section 7.1 Certificated or Uncertificated Shares. The shares of stock of the corporation may be evidenced by certificates for shares of stock or may be issued in uncertificated form, or a combination of both. The issuance of shares in uncertificated form shall not affect shares already represented by a certificate. To the extent that shares are represented by certificates, such certificates whenever authorized by the board of directors, shall be in such form as shall be approved by the board. Every holder of stock in the corporation shall be entitled to have a certificate, signed by or in the name of the corporation by the president or a vice president and the secretary or an assistant secretary of the corporation, certifying the number of shares owned by such holder in the corporation. Any or all such signatures may be facsimiles if countersigned by a transfer agent or registrar. Although any officer, transfer agent or registrar whose manual or facsimile signature is affixed to such a certificate ceases to be such officer, transfer agent or registrar before such certificate has been

issued, it may nevertheless be issued by the corporation with the same effect as if such officer, transfer agent or registrar were still such at the date of its issue.

Section 7.2 Lost Certificates. The board of directors may direct a new certificate or certificates or uncertificated shares to be issued in place of any certificate or certificates issued by the corporation alleged to have been lost or destroyed, upon the making of an affidavit of that fact by the person claiming the certificate of stock to be lost or destroyed. When authorizing such issue of a new certificate or certificates or uncertificated shares, the board of directors may, in its discretion and as a condition precedent to the issuance of a new certificate or certificates or uncertificated shares, require the owner of such lost or destroyed certificate or certificates, or his legal representative, to advertise the same in such manner as it shall require and to give the corporation a bond in such sum as it may direct as indemnity against any claim that may be made against the corporation with respect to the certificate alleged to have been lost or destroyed.

Section 7.3 Transfer of Stock. Transfers of shares of capital stock of the corporation shall be made on the books of the corporation upon authorization by the registered holder thereof, or by such holder's attorney thereunto authorized by a power of attorney duly executed and filed with the secretary or a transfer agent for such stock, if any, and if such shares of stock are represented by a certificate, only upon presentation of the certificate or certificates representing such shares properly endorsed or accompanied by a proper instrument of assignment, except as may otherwise be expressly provided by the laws of the State of Delaware or by order by a court of competent jurisdiction. The officers or transfer agents of the corporation may, in their discretion, require a signature guaranty before making any transfer. The corporation shall be entitled to recognize and enforce any lawful restriction on transfer.

Section 7.4 Registered Stockholders. The corporation shall be entitled to treat the person in whose name any shares of stock are registered on its books as the owner of such shares for all purposes, and shall not be bound to recognize any equitable or other claim or interest in such shares on the part of any other person, whether or not the corporation shall have notice of such claim or interest, except as expressly provided by the laws of Delaware.

ARTICLE VIII

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Seal

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The board of directors may adopt and provide a seal which shall be circular in form and shall bear the name of the corporation and the words "SEAL" and "DELAWARE," and which, when adopted, shall constitute the corporate seal of the corporation. The seal may be used by causing it or a facsimile thereof to be impressed or affixed or manually reproduced.

ARTICLE IX

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Fiscal Year

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The board of directors, by resolution, may adopt a fiscal year for the corporation.

ARTICLE X

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Amendment

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These bylaws may at any time and from time to time be amended, altered or repealed by the board of directors. These bylaws may also be amended, altered or repealed at any special meeting of the stockholders if duly called for that purpose or at any annual meeting, by the affirmative vote of the holders of at least two-thirds of the corporation's stock entitled to vote thereon.

JACK HENRY & ASSOCIATES, INC.  
2006 EMPLOYEE STOCK PURCHASE PLAN

The following constitutes the provisions of the Jack Henry & Associates, Inc. 2006 Employee Stock Purchase Plan.

1. Purpose. The purpose of the Plan is to provide employees of the Company and Designated Subsidiaries with an opportunity to purchase Common Stock through accumulated payroll deductions. It is the intention of the Company that the Plan qualify as an "Employee Stock Purchase Plan" under Section 423 of the Code. The provisions of the Plan, accordingly, shall be construed so as to extend and limit participation in a manner consistent with the requirements of that section of the Code.

2. Definitions.

(a) "Board" shall mean the Board of Directors of the Company or any committee thereof designated by the Board of Directors of the Company in accordance with Section 14.

(b) "Code" shall mean the Internal Revenue Code of 1986, as amended.

(c) "Common Stock" shall mean the common stock of the Company, \$0.01 par value.

(d) "Company" shall mean Jack Henry & Associates, Inc.

(e) "Compensation," unless otherwise determined by the Board, shall mean all cash compensation reportable on Form W-2, including without limitation base straight time gross earnings, commissions, payments for overtime, shift premium, incentive compensation, and bonuses, plus any amounts contributed by the Participant pursuant to a salary reduction agreement to a qualified deferred compensation plan described in Section 401(k) of the Code or a cafeteria plan described in Section 125 of the Code maintained by the Employer, but excluding expense reimbursements, equity-based compensation, gains realized in connection with the exercise of stock options or participation in stock option or purchase programs and contributions by the Employer to a qualified deferred compensation plan.

(f) "Designated Subsidiary" shall mean any wholly-owned Subsidiary or any other Subsidiary that has been designated by the Board from time to time in its sole discretion as eligible to participate in the Plan.

(g) "Effective Date" shall mean the date the Plan becomes effective as described in Section 23.

(h) "Employee" shall mean any person (i) who is an employee of an Employer within the meaning of Section 3401(c) of the Code, (ii) whose customary employment with the Employer is at least 20 hours per week and more than 5 months in any calendar year, and (iii) who, as of the Enrollment Date, has been employed by the Employer for at least one year. For purposes of the Plan, the employment relationship shall be treated as continuing intact while the individual is on sick leave or other leave of absence approved by the Employer and meeting the requirements of Treasury Regulation Section 1.421-7(h)(2). Where the period of leave exceeds 90 days and the individual's right to reemployment is not guaranteed either by statute or by contract, the employment relationship shall be deemed to have terminated on the 91st day of such leave.

(i) "Employer" shall mean the Company or a Designated Subsidiary, as applicable.

(j) "Enrollment Date" shall mean the first Trading Day of each Offering Period.

(k) "Exercise Date" shall mean the last Trading Day of each Offering Period.

(l) "Fair Market Value" shall mean, as of any date, the value of Common Stock determined as follows:

(i) If the Common Stock is listed on any established stock exchange or a national market system, including without limitation the Nasdaq National Market or The Nasdaq Small Cap Market of

The Nasdaq Stock Market, its Fair Market Value shall be the closing sales price for such stock (or the closing bid, if no sales were reported) as quoted on such exchange or system for the last market trading day prior to the date of determination, as reported in The Wall Street Journal or such other source as the Board deems reliable;

(ii) If the Common Stock is regularly quoted by a recognized securities dealer but selling prices are not reported, its Fair Market Value shall be the mean of the closing bid and asked prices for the Common Stock prior to the date of determination, as reported in The Wall Street Journal or such other source as the Board deems reliable; or

(iii) In the absence of an established market for the Common Stock, the Fair Market Value thereof shall be determined in good faith by the Board.

(m) "Offering Periods" shall mean the periods of approximately one month beginning on or after the Effective Date during which an option granted pursuant to the Plan may be exercised as described more fully in Section 4.

(n) "Participant" shall mean an Employee who participates in the Plan.

(o) "Plan" shall mean this Jack Henry & Associates, Inc. 2006 Employee Stock Purchase Plan.

(p) "Purchase Price" shall mean 95% of the Fair Market Value of a share of Common Stock on the Exercise Date, provided, however, that in no event shall the Purchase Price be less than \$0.01 per share, and provided further that the Purchase Price may be adjusted by the Board pursuant to Section 20.

(q) "Subsidiary" shall mean any corporation other than the Company, in an unbroken chain of corporations beginning with the Company if, at the time of granting an option under the Plan, each of the corporations other than the last corporation in the unbroken chain owns stock possessing 50% or more of the total combined voting power of all classes of stock in one of the other corporations in such chain.

(r) "Trading Day" shall mean a day on which national stock exchanges and the Nasdaq System are open for trading.

### 3. Eligibility.

(a) Any Employee who shall be employed by an Employer on a given Enrollment Date for an Offering Period shall be eligible to participate in the Plan during such Offering Period, subject to the limitations imposed by Section 423(b) of the Code.

(b) Any provisions of the Plan to the contrary notwithstanding, no Participant shall be granted an option under the Plan (i) to the extent that, immediately after the grant, such Participant (or any other person whose stock would be attributed to such Participant pursuant to Section 424(d) of the Code) would own stock of the Company or any Subsidiary and/or hold outstanding options to purchase such stock possessing 5% or more of the total combined voting power or value of all classes of stock of the Company or any Subsidiary, or (ii) to the extent that his or her rights to purchase stock under all employee stock purchase plans of the Company and its Subsidiaries accrue at a rate which exceeds \$25,000 of fair market value of such stock (determined at the time such option is granted) for each calendar year in which such option is outstanding at any time.

4. Offering Periods. The Plan shall be implemented by consecutive Offering Periods with a new Offering Period commencing on the first Trading Day which is on or after the 16th day of each calendar month and ending on the last Trading Day which is on or before the 15th day of the following calendar month and continuing thereafter until terminated in accordance with Section 20. The Board shall have the power to change the duration of Offering Periods (including the commencement dates thereof) with respect to future offerings without stockholder approval if such change is announced at least 15 days prior to the scheduled beginning of the first Offering Period to be affected thereafter.

### 5. Participation.

(a) An eligible Employee may become a Participant in the Plan by completing a Subscription Agreement authorizing payroll deductions in the form required by the Company and filing it with the Human Resources Department of the Company at least 10 calendar days prior to the applicable

Enrollment Date or by such other date as the Board may prescribe. Participation in the Plan shall be voluntary.

(b) An Employee's Subscription Agreement and participation in the Plan shall become effective on the first Enrollment Date following the timely filing of his or her Subscription Agreement and, provided the Participant continues to be an eligible Employee, shall remain effective until changed or revoked by the Participant by filing a Payroll Deduction Authorization Change or Withdrawal in the form required by the Company pursuant to Section 6(d) or 10(a). An Employee who becomes eligible to participate in the Plan after the commencement of an Offering Period or who is eligible but declines to participate prior to the commencement of such Offering Period may not become a participant in the Plan until the commencement of the next Offering Period.

#### 6. Payroll Deductions.

(a) Payroll deductions for a Participant shall commence on the first payday following the Enrollment Date and shall continue on each payday during the Offering Period as to which the Participant's Subscription Agreement is applicable.

(b) At the time a Participant files his or her Subscription Agreement, he or she shall elect to have payroll deductions, determined as a whole dollar amount or a whole percentage of Compensation, made on each payday during the Offering Period in an amount (i) not less than \$10.00 per pay period, and (ii) not greater than 10% of the Compensation which he or she receives on each payday during the Offering Period, or such other minimum or maximum rate as may be determined from time to time by the Board subject to the provisions of Section 20. Except for the foregoing sentence, all eligible Employees shall have the same rights and privileges under the Plan.

(c) All payroll deductions made for a Participant shall be credited to an individual account established under the Plan for such Participant. A Participant may not make any additional payments into such account.

(d) A Participant may increase or decrease the rate of his or her payroll deductions with respect to a subsequent Offering Period by filing a Payroll Deduction Authorization Change or Withdrawal Form with the Human Resources Department of the Company, provided that such form is received at least 10 business days prior to such Offering Period and the Participant is an eligible Employee as of the Enrollment Date of such Offering Period. A Participant may suspend or discontinue his or her participation in the Plan as provided in Section 10, effective at the time described in Section 10. A Participant may only file one Payroll Deduction Authorization Change or Withdrawal Form with respect to any Offering Period.

(e) Notwithstanding the foregoing, to the extent necessary to comply with Section 423(b)(8) of the Code and Section 3(b) of the Plan, a Participant's payroll deductions may be terminated at any time during an Offering Period. Payroll deductions shall recommence at the rate provided in such Participant's Subscription Agreement or Payroll Deduction Authorization Change or Withdrawal Form, as applicable, at the beginning of the first Offering Period which ends in the following calendar year, unless terminated by the Participant as provided in Section 10.

7. Grant of Option. On the Enrollment Date of each Offering Period, each Participant participating in the Plan for such Offering Period shall be granted an option to purchase on the Exercise Date of such Offering Period (at the applicable Purchase Price) the number of shares of Common Stock determined by dividing such Participant's payroll deductions accumulated in the Participant's account as of the Exercise Date by the applicable Purchase Price; provided that in no event shall a Participant be permitted to purchase for the calendar year in which the option is outstanding, more than the number of shares obtained by dividing the "applicable dollar amount" by the Fair Market Value on the Enrollment Date of a share of Common Stock (subject to any adjustment pursuant to Section 19), and provided further that such purchase shall be subject to the limitations set forth in Sections 3(b) and 13. For this purpose, the "applicable dollar amount" is \$25,000, reduced by the Fair Market Value on the applicable Enrollment Date of Common Stock previously purchased by the Participant under this Plan during the calendar year. Exercise of the option shall occur as provided in Section 8. The option shall expire on the last day of the Offering Period.

#### 8. Exercise of Option.

(a) A Participant's option for the purchase of shares shall be exercised automatically on the Exercise Date, and the maximum number of full and fractional (to the fourth decimal place) shares of Common Stock subject

to the option shall be purchased for such Participant at the applicable Purchase Price with the accumulated payroll deductions in his or her account. Any other monies left over in a Participant's account after the Exercise Date shall be retained in the Participant's account for the subsequent Offering Period. During a Participant's lifetime, a Participant's options are exercisable only by him or her.

(b) If, on a given Exercise Date, the number of shares of Common Stock with respect to which options are to be exercised may exceed the number of shares available for sale under the Plan on such Exercise Date, the Company shall make a pro rata allocation of the shares of Common Stock available for purchase on such Exercise Date in as uniform a manner as shall be practicable among all Participants exercising options to purchase Common Stock on such Exercise Date on the basis of their payroll deductions for such Offering Period. The balance of the amount credited to the account of each Participant which has not been applied to the purchase of shares of Common Stock shall be paid to such Participant in one lump sum in cash as soon as reasonably practicable after the Exercise Date, without any interest thereon.

(c) No option shall be exercised to purchase shares of Common Stock, and no shares shall be issued by the Company under this Plan, unless such shares are covered by an effective registration statement under the Securities Act of 1933, as amended, or by an exemption therefrom.

9. Delivery of Stock. As promptly as practicable after each Exercise Date on which a purchase of shares occurs, the Company shall arrange for the issuance and delivery to, or credit to the account of, each Participant, as appropriate, of the shares purchased upon exercise of his or her option. At the election of the Company, the issuance and delivery of the shares purchased upon exercise of a participant's option may be effected by transfer (electronic or otherwise in the discretion of the Company) of such shares to a securities account maintained in the Participant's name. Stock certificates will be issued to the Participant when he or she requests by filing a Stock Certificate Request in the form required by the Company; provided, however, that the Company shall not be obligated to issue stock certificates to Participants in an amount less than 25 shares of Common Stock, except in cases of the Participant's withdrawal from the Plan or termination of employment or termination of the Plan by the Company.

#### 10. Withdrawal.

(a) A Participant may terminate his or her participation in the Plan effective as of the first day of the next Offering Period by filing a Payroll Deduction Authorization Change or Withdrawal Form with the Human Resources Department of the Company. In such case, the Participant's payroll deductions will continue through the end of the Offering Period in which such form is filed, all amounts deducted from the Participant's Compensation during such Offering Period will be applied to the purchase of Common Stock pursuant to the Plan, and following such termination of participation no further payroll deductions for the purchase of shares of Common Stock shall be made except pursuant to a new Subscription Agreement delivered in accordance with Section 5.

(b) Upon a Participant's withdrawal from the Plan, a stock certificate for the number of whole shares of Common Stock credited to the Participant's account will be issued by the Company to the Participant, and any fractional share credited to the Participant's account shall be payable to the Participant in cash in an amount equal to the Fair Market Value thereof, as soon as administratively practicable following such withdrawal.

#### 11. Termination of Employment.

(a) Upon a Participant ceasing to be an Employee, for any reason, the payroll deductions credited to such Participant's account during the Offering Period and, unless no further payroll deductions would be made because the Participant (or, in the event of death, the beneficiary under Section 15) withdraws from the Plan, the payroll deductions to be credited to such Participant's account from his or her final paycheck but not yet used to exercise the option shall remain credited or be credited, as applicable, in the Participant's account and applied toward his or her option for the purchase of shares as provided herein, provided that the Participant is an employee of the Employer within the meaning of Section 3401(c) of the Code at all times during the period beginning with the date of the granting of the option and ending on the day three (3) months before the Exercise Date. The preceding sentence notwithstanding, a Participant who receives payment in lieu of notice of termination of employment shall be treated as continuing to be an Employee for the Participant's customary number of hours per week of employment during the period in which the Participant is subject to such payment in lieu of notice.

(b) Upon a Participant ceasing to be an Employee, for any reason, a stock certificate for the number of whole shares of Common Stock credited to the Participant's account will be issued by the Company to the Participant (or, in the case of his or her death, to the person or persons entitled thereto under Section 15), and any fractional share credited to the Participant's account shall be payable to the Participant (or, in the case of his or her death, to the person or persons entitled thereto under Section 15) in cash in an amount equal to the Fair Market Value thereof, as soon as administratively practicable following such termination of employment.

12. Interest. No interest shall accrue on the payroll deductions of a Participant in the Plan.

13. Stock.

(a) The Common Stock subject to issuance under the terms of the Plan shall be authorized but unissued shares, previously issued shares reacquired and held by the Company, or shares acquired on the public market. Subject to adjustment upon changes in capitalization of the Company as provided in Section 19, the maximum number of shares of Common Stock which shall be made available for sale under the Plan shall be 1,000,000 shares.

(b) The Participant shall have no interest or voting rights in shares covered by his or her option until such option has been exercised.

(c) Shares to be credited to a Participant's account or delivered to the Participant under the Plan shall, as specified in the Participant's Subscription Agreement, be registered in the name of the Participant or in the name of the Participant and his or her spouse.

(d) All cash dividends on shares of Common Stock credited to a Participant's account, including a fractional share, on the dividend record date will be credited on the pay date to the Participant's account. Such dividends shall be reinvested in shares of Common Stock for the Participant's account on the next Exercise Date.

14. Administration. The Plan shall be administered by the Board or a committee of members of the Board appointed by the Board. The Board or its committee shall have full and exclusive discretionary authority to construe, interpret and apply the terms of the Plan, to determine eligibility and to adjudicate all disputed claims filed under the Plan. Every finding, decision and determination made by the Board or its committee shall, to the full extent permitted by law, be final and binding upon all parties. All costs and expenses incurred in connection with the administration of the Plan shall be paid by the Company. No member of the Board shall be personally liable for any action, determination or interpretation made in good faith with respect to the Plan or the options, and all members of the Board shall be fully protected by the Company with respect to any such action, determination or interpretation.

15. Designation of Beneficiary.

(a) A Participant may file a written designation of a beneficiary who is to receive any shares of Common Stock and cash, if any, from the Participant's account under the Plan in the event of such Participant's death. If a Participant is married and the designated beneficiary is not the spouse, spousal consent shall be required for such designation to be effective.

(b) Such designation of beneficiary may be changed by the Participant at any time by written notice. In the event of the death of a Participant and in the absence of a beneficiary validly designated under the Plan who is living at the time of such Participant's death, the Company shall deliver such shares and/or cash to the executor or administrator of the estate of the Participant, or if no such executor or administrator has been appointed (to the knowledge of the Company), the Company, in its discretion and in full satisfaction of its obligations with respect to such Participant, may deliver such shares and/or cash to the spouse or to any one or more dependents or relatives of the Participant, or if no spouse, dependent or relative is known to the Company, then to such other person as the Company may designate.

16. Transferability. Neither payroll deductions credited to a Participant's account nor any option or rights with regard to the exercise of an option may be assigned, transferred, pledged or otherwise disposed of in any way (other than by will, the laws of descent and distribution or as provided in Section 15) by the Participant. Any such attempt at assignment, transfer, pledge or other disposition shall be without effect, except that the Company may treat such act as an election to withdraw from the Plan in accordance with Section 10.

17. Use of Funds. All payroll deductions received or held by the

Company under the Plan may be used by the Company for any corporate purpose, and the Company shall not be obligated to segregate such payroll deductions.

18. Reports. Individual accounts shall be maintained for each Participant in the Plan. Statements of account shall be given to Participants at least annually, which statements shall set forth the amounts of payroll deductions, the Purchase Price, the number of shares purchased and the remaining cash balance, if any, in the Participant's account.

19. Adjustments upon Changes in Capitalization, Dissolution, Liquidation, Merger or Asset Sale.

(a) Changes in Capitalization. Subject to any required action by the stockholders of the Company, the number of shares of Common Stock covered by each option under the Plan which has not yet been exercised and the number of shares of Common Stock which has been authorized for issuance under the Plan but has not yet been placed under option or which has been returned to the Plan upon the cancellation of an option, as well as the price per share of Common Stock covered by each option under the Plan which has not yet been exercised, shall be proportionately adjusted for any increase or decrease in the number of issued shares of Common Stock resulting from a stock split, reverse stock split, stock dividend, combination or reclassification of the Common Stock, or any other increase or decrease in the number of shares of Common Stock effected without receipt of consideration by the Company; provided, however, that conversion of any convertible securities of the Company shall not be deemed to have been "effected without receipt of consideration." Such adjustment shall be made by the Board, whose determination in that respect shall be final, binding and conclusive. Except as expressly provided herein, no issuance by the Company of shares of stock of any class, or securities convertible into shares of stock of any class, shall affect, and no adjustment by reason thereof shall be made with respect to, the number or price of shares of Common Stock subject to an option.

(b) Dissolution or Liquidation. In the event of the proposed dissolution or liquidation of the Company, the Offering Period then in progress shall be shortened by setting a new Exercise Date (the "New Exercise Date"), and shall terminate immediately prior to the consummation of such proposed dissolution or liquidation, unless provided otherwise by the Board (or a committee of the Board). The New Exercise Date shall be before the date of the Company's proposed dissolution or liquidation. The Board (or a committee of the Board) shall notify each Participant in writing, at least 10 business days prior to the New Exercise Date, that the Exercise Date for the Participant's option has been changed to the New Exercise Date and that the Participant's option shall be exercised automatically on the New Exercise Date.

(c) Merger or Asset Sale. In the event of a proposed sale of all or substantially all of the assets of the Company, or the merger of the Company with or into another corporation, each outstanding option shall be assumed or an equivalent option substituted by the successor corporation or a parent or subsidiary of the successor corporation. In the event that the successor corporation refuses to assume or substitute for the option, any Offering Period then in progress shall be shortened by setting a new Exercise Date (the "New Exercise Date") and any Offering Period then in progress shall end on the New Exercise Date. The New Exercise Date shall be before the date of the Company's proposed sale or merger. The Board shall notify each Participant in writing, at least 10 business days prior to the New Exercise Date, that the Exercise Date for the Participant's option has been changed to the New Exercise Date and that the Participant's option shall be exercised automatically on the New Exercise Date.

20. Amendment or Termination.

(a) The Board may at any time and for any reason terminate or amend the Plan. Except as provided in Section 19, no such termination can affect options previously granted, provided that an Offering Period may be terminated by the Board on any Exercise Date if the Board determines that the termination of the Offering Period or the Plan is in the best interests of the Company and its stockholders. Except as provided in Section 19 and this Section 20, no amendment may make any change in any option theretofore granted which adversely affects the rights of any Participant without the prior written consent of such Participant. To the extent necessary to comply with Section 423 of the Code (or any successor rule or provision or any other applicable law, regulation or stock exchange rule), the Company shall obtain stockholder approval in such a manner and to such a degree as required.

(b) Without stockholder consent and without regard to whether any Participant rights may be considered to have been "adversely affected," the Board shall, in its absolute discretion, be entitled to change the Offering

Periods, limit the frequency and/or number of changes in the amount withheld during an Offering Period, establish the exchange ratio applicable to amounts withheld in a currency other than U.S. dollars, permit payroll withholding in excess of the amount designated by a Participant in order to adjust for delays or mistakes in the Company's processing of properly completed withholding elections, establish reasonable waiting and adjustment periods and/or accounting and crediting procedures to ensure that amounts applied toward the purchase of Common Stock for each Participant properly correspond with amounts withheld from the Participant's Compensation, increase or decrease the maximum number of shares of Common Stock a Participant may purchase, subject to the limits of Section 7, during each Offering Period, establish and/or modify time frames, forms and procedures with respect to administration of the Plan, and establish such other limitations or procedures as the Board (or a committee of the Board) determines in its sole discretion advisable which are consistent with the Plan.

(c) In the event the Board determines that the ongoing operation of the Plan may result in unfavorable financial accounting consequences, the Board may, in its discretion and, to the extent necessary or desirable, modify or amend the Plan to reduce or eliminate such accounting consequence including, but not limited to:

(i) altering the Purchase Price for any Offering Period including an Offering Period underway at the time of the change in Purchase Price;

(ii) shortening any Offering Period so that Offering Period ends on a new Exercise Date, including an Offering Period underway at the time of the action of the Board (or a committee of the Board); and

(iii) allocating shares.

Such modifications or amendments shall not require stockholder approval or the consent of any Plan Participants.

21. Notices. All notices or other communications by a Participant to the Company or any Employer under or in connection with the Plan shall be deemed to have been duly given when received in the form specified by the Company at the location, or by the person, designated by the Company for the receipt thereof.

22. Conditions Upon Issuance of Shares. Shares shall not be issued with respect to an option unless the exercise of such option and the issuance and delivery of such shares pursuant thereto shall comply with this Plan and all applicable provisions of law, domestic or foreign, including, without limitation, the Securities Act of 1933, as amended, the Securities Exchange Act of 1934, as amended, the rules and regulations promulgated thereunder, and the requirements of any stock exchange upon which the shares may then be listed, and shall be further subject to the approval of counsel for the Company with respect to such compliance.

As a condition to the exercise of an option, the Company may require the person exercising such option to represent and warrant at the time of any such exercise that the shares are being purchased only for investment and without any present intention to sell or distribute such shares if, in the opinion of counsel for the Company, such a representation is required by any of the aforementioned applicable provisions of law.

23. Term of Plan. The Plan shall become effective upon the first day of the month following the last to occur of its adoption by the Board and its approval by the stockholders of the Company. The Plan shall continue in effect for a term of 10 years unless sooner terminated under Section 20.

24. Shareholder Approval. Notwithstanding anything to the contrary herein, the effectiveness of the Plan shall be expressly subject to approval by the Company's stockholders within 12 months before or after the date the Plan is adopted by the Board by the affirmative vote of the holders of a majority of the outstanding shares of stock of the Company present or represented and entitled to vote thereon at a shareholder meeting duly held or by written consent in accordance with applicable law

25. Equal Rights and Privileges. All Employees will have equal rights and privileges under the Plan so that the Plan qualifies as an "employee stock purchase plan" within the meaning of Section 423 of the Code or applicable Treasury regulations thereunder. Any provision of the Plan that is inconsistent with Section 423 of the Code or applicable Treasury regulations will, without further act or amendment by the Company or the Board, be reformed to comply with the equal rights and privileges requirement of Section 423 of the Code or applicable Treasury regulations.

26. No Employment Rights. Nothing in the Plan shall be construed to give any person (including any Employee or Participant) the right to remain in the employ of the Company, or a Subsidiary or to affect the right of the Company, or any Subsidiary to terminate the employment of any person (including any Employee or Participant) at any time, with or without cause.

27. Notice of Disposition of Shares. Each Participant shall give prompt notice to the Company of any disposition or other transfer of any shares of Common Stock purchased upon exercise of an option if such disposition or transfer is made (i) within two years from the Enrollment Date of the Offering Period in which the shares were purchased or (ii) within one year after the Exercise Date on which such shares were purchased. Such notice shall specify the date of such disposition or other transfer and the amount realized, in cash, other property, assumption of indebtedness or other consideration, by the Participant in such disposition or other transfer.

28. Governing Law. To the extent that Federal laws do not otherwise control, the Plan and all determinations made or actions taken pursuant hereto shall be governed by the laws of the state of Delaware, without regard to the conflicts of laws rules thereof.

29. Tax Withholding. If at any time the Company or any Subsidiary is required, under applicable laws and regulations, to withhold, or to make any deduction of, any taxes or take any other action in connection with any exercise of an option granted hereunder or any disposition of shares of Common Stock issued hereunder, the Participant must make adequate provision for the Company's or such Subsidiary's federal, state or other tax withholding obligations which arise from such exercise or disposition. The Company or such Subsidiary shall have the right to deduct or withhold from the Participant's compensation the amount necessary for the Company or such Subsidiary to meet applicable withholding obligations.

The foregoing Plan was approved and adopted by the Board of Directors on August 25, 2006.