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FORM PTO-1595
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101183625

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U.S. DEPARTMENT OF COMMERCE
Patent and Trademark Office

PATENTS ONLY

Serial No. 101183625

To the Assistant Commissioner for Patents. Please record the attached original documents or copy thereof.

1. Name of conveying party(ies):

ZF MICROSYSTEMS, INC.

2. Name and address of receiving party(ies):

Name: ZF EMBEDDED, INC.

Internal Address: _____

Additional name(s) of conveying party(ies) attached?

Yes No

Street Address: 1052 Elwell Court

3. Nature of Conveyance:

- Assignment Merger
- Security Agreement Change of Name
- Other _____

City: Palo Alto

State: CA

Zip: 94303

Execution Date: July 29, 1999

Additional name(s) & address(es) attached?

Yes No

4. Application number(s) or patent number(s):

If this document is being filed together with a new application, the execution date of the application is: _____

A. Patent Application No.(s)

08/757,896 09/008,553
09/182,589 29/079,005

B. Patent No.(s)

5,742,844

Additional numbers attached? Yes No

5. Name and address of party to whom correspondence concerning document should be mailed:

Name: Edward S. Wright, Esq.

Internal Address: FLEHR HOHBACH TEST

ALBRITTON & HERBERT LLP

Street Address: SUITE 3400

FOUR EMBARCADERO CENTER

City: SAN FRANCISCO

State: CA

Zip: 94111-4187

6. Total number of applications and patents involved:

5

7. Total fee (37 CFR 3.41):.....\$200.00

Enclosed

Authorized to be charged to deposit account

8. Deposit account number: 06-1300

Please debit any underpayment or credit any overpayment to the above deposit account.

Our Order No. G-67548/ESW

DO NOT USE THIS SPACE

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9. Statement and signature.

To the best of my knowledge and belief, the foregoing information is true and correct and any attached copy is a true copy of the original document.

Edward S. Wright
Name of Person Signing

Edward S. Wright
Signature

October 22, 1999
Date

Total number of pages including cover sheet, attachments and document: [11]

OMB No. 0651-0011 (exp. 4/94)

Do not detach this portion

Mail documents to be recorded with required cover sheet information to:

Assistant Commissioner for Patents
Box Assignment
Washington, D.C. 20231

Rev. 8/93

EXHIBIT A
ARTICLES OF INCORPORATION
OF
ZF Embedded, Inc.

1. NAME

The name of the corporation is:

ZF Embedded, Inc.

2. PURPOSE

The purpose of the corporation is to engage in any lawful act or activity for which a corporation may be organized under the General Corporation Law of California, other than the banking business, the trust company business, or the practice of a profession permitted to be incorporated by the California Corporations Code.

3. AUTHORIZED SHARES

3.1. Classes of Stock.

The corporation is authorized to issue two classes of shares designated "Common Stock" and "Preferred Stock," respectively. The corporation shall have the authority to issue a total of 30,959,917 shares of Common Stock and 1,025,000 shares of Preferred Stock. The Common Stock is sometimes referred to as "Common Shares" and holders of Common Shares are sometimes referred to as "Common Shareholders."

3.2. Authorized Series of Preferred Stock.

Of the total authorized shares of Preferred Stock, 1,025,000 shares are designated Series A Preferred Stock ("Series A Shares"). Holders of Series A Shares are sometimes referred to as "Series A Shareholders".

4. DIVIDENDS

4.1. Dividends on Common Shares.

The corporation may pay dividends with respect to the Common Shares and Series A Shares if and only if the dividend has been unanimously approved by the corporation's directors. The corporation may at any time declare and pay a dividend with respect to the Common Shares payable solely in Common Shares.

4.2. Participation Rights.

To the extent that the corporation declares or pays dividends on the Common Shares (other than dividends payable solely in Common Stock), the corporation shall declare and pay a participating dividend on each Series A Share based on the number of Common Share into which a Series A Share is convertible. To the extent that the corporation declares or pays dividends on Series A Shares, the corporation shall declare and pay a participating dividend on each Common Share. The amount of the participating dividend per Common Share and per Common Share into which a Series A Share is convertible shall be the same. The number of Common Shares into which the Series A Shares are convertible shall be determined as of the record date for the payment of the dividend on the Common Shares.

4.3. Conditions to All Dividends.

Dividends may be payable quarterly or otherwise as the Board of Directors may unanimously determine from time to time. Dividends are payable only at the times and to the extent unanimously declared by the Board of Directors. No right to a dividend shall accrue unless the dividend is unanimously declared by the Board of Directors. The corporation shall simultaneously distribute any declared dividend to each shareholder entitled to receive the dividend. The Board of Directors may rescind by unanimous vote the declaration of a dividend to the extent that the dividend has not been paid if each shareholder is treated ratably in accordance with the shareholder's preferences with respect to the dividend. Dividends are payable only out of assets legally available for that purpose. Dividends shall not cumulate.

4.4. Exclusion of Corporations Code Sections 502 and 503.

"Service Shares" are Common Shares (a) held by an employee, director, or other person who is providing services to the corporation and (b) issued pursuant to an agreement that gives the corporation the right to repurchase the shares upon the occurrence of certain events (such as termination of employment). Sections 502 and 503 of the California Corporations Code do not apply to any repurchase of Service Shares by the corporation.

5. LIQUIDATION

Following dissolution of the corporation, the assets of the corporation shall be distributed to the Common Shareholders and the Series A Shareholders as one class, as if the Series A Shares had been converted to Common Shares on the record date for the distribution.

6. CONVERSION

6.1. Right to Convert.

Each Series A Share shall be convertible, at the option of the holder thereof, at any time after the date the share is issued, into a number of fully paid and nonassessable Common Shares as specified in this Article 6.

6.2. Automatic Conversion on Public Offering .

Each Series A Share shall automatically convert into Common Shares at the then effective Conversion Rate (i) upon the closing of a firm commitment underwritten public offering

pursuant to an effective registration statement under the Securities Act of 1933 covering the offer and sale of Common Stock for the account of the corporation to the public (other than a registration in a Rule 145 transaction or with respect to an employee benefit plan) for an aggregate offering price, net of underwriting discounts and commissions, of more than \$10,000,000, and with an offering price to the public of at least \$5.00 per share, or (ii) immediately before any transfer of record ownership to a person other than David L. Feldman or an entity other than a trust of which David L. Feldman has majority voting power.

6.3. Conversion Rate.

The number of Common Shares into which a Series A Share may be converted is referred to herein as the "Conversion Rate". The Conversion Rate for the Series A Shares is three until adjusted as provided in these Articles of Incorporation.

6.4. No Fractional Shares.

No fractional Common Shares shall be issued upon conversion of Series A Shares. In lieu of any fractional shares to which the holder would otherwise be entitled, the corporation shall pay cash equal to such fraction multiplied by the fair market value of the Common Shares.

6.5. Effective Date of Voluntary Conversion.

A voluntary conversion of Series A Shares shall be effective immediately before the close of business on the date the shareholder delivers to the corporation or any transfer agent for the Series A Shares (a) the certificate or certificates for the Series A Shares, duly endorsed with signatures guaranteed by a person acceptable to the transfer agent for the Series A Shares, at the office of the corporation or of any transfer agent for the Series A Shares, and (b) written notice that the Series A Shareholder elects to convert the Series A Shares into Common Shares.

6.6. Effective Date of Automatic Conversion.

An automatic conversion of the Series A Shares upon the closing of a public offering as provided above shall be effective immediately before the closing. An automatic conversion of the Series A Shares by shareholder vote as provided above shall be effective immediately before the close of business on the date on which the vote is effective. An automatic conversion of the Series A Shares upon transfer to specified persons as provided above shall be effective immediately before the transfer.

6.7. Surrender of Shares Upon Automatic Conversion.

The holder of a certificate representing automatically converted Series A Shares shall be treated for all purposes as the record holder of the number of whole Common Shares issuable with respect thereto, regardless of whether the certificate has been surrendered. To be entitled to receive a certificate representing the Common Shares, the holder shall deliver to the corporation or any transfer agent for the Series A Shares the certificate or certificates for the converted Series A Shares, duly endorsed with signatures guaranteed by a person acceptable to the transfer agent for the Series A Shares, at the office of the corporation or of any transfer agent for the Series A Shares.

6.8. Issuance of New Share Certificates.

The corporation shall issue certificates for Common Shares promptly after delivery of the certificates for the converted Series A Shares as provided above. If applicable, the corporation shall also deliver a check for (a) any cash payable with respect to any fractional Common Shares to which the converting shareholder would otherwise be entitled plus (b) any declared but unpaid dividends on the converted Series A Shares.

6.9. Certificate as to Adjustments.

The corporation shall promptly deliver to each Series A Shareholder a certificate setting forth each adjustment to the Conversion Rate or other conversion rights of any of the Series A Shares and showing in detail the facts upon which the adjustment is based. The corporation shall, upon written request, furnish a Series A Shareholder with a like certificate setting forth (a) all such adjustments, (b) the Conversion Rate for the Series A Shares at the time in effect, and (c) the number of Common Shares and the amount, if any, of other property which at the time would be received upon the conversion of the Series A Shareholder's shares.

6.10. Notice of Distributions and Votes.

The corporation shall give the Series A Shareholders at least twenty (20) days' prior written notice of the date for determining the shareholders entitled to receive any distribution of any kind or vote on (a) any reclassification or recapitalization of its outstanding Common Shares, (b) any proposal to merge or consolidate with or into any other corporation, (c) any proposal to sell, lease, or convey all or substantially all of the corporation's property or business, or (d) any proposal to liquidate, dissolve, or wind up. If applicable, each such notice shall specify the date on which any distribution will be made or any vote will be taken. Each such notice shall be delivered personally, by facsimile transmission, or by first class mail, postage prepaid, addressed to the Series A Shareholder at the address for the holder shown on the books of the corporation.

6.11. Issue Taxes.

The corporation shall pay all issue and other taxes on the issue or delivery of Common Shares upon conversion of Series A Shares. The corporation shall not be liable for any property or income taxes imposed on the Series A Shareholders that are attributable to the conversion of Series A Shares.

6.12. Reservation of Stock Issuable Upon Conversion.

The corporation shall at all times reserve and keep available sufficient authorized but unissued Common Shares solely for the purpose of converting Series A Shares into the number of Common Shares provided in these Articles of Incorporation. If at any time the number of authorized but unissued Common Shares is not sufficient to convert all then outstanding Series A Shares into Common Shares, the corporation will take such corporate action as is necessary to increase its authorized but unissued Common Shares to a number that is sufficient for that purpose.

7. ANTI-DILUTION

7.1. Adjustments for Subdivisions, Combinations, Stock Dividends, or Consolidations of Common Shares.

If the outstanding Common Shares are subdivided (by stock split or otherwise) into a greater number of Common Shares, or a distribution or dividend payable in Common Shares is declared or paid on Common Shares, the Conversion Rate for the Series A Shares shall automatically increase proportionately with the increase in the number of Common Shares. If the outstanding Common Shares are decreased (by reverse stock split or otherwise) into a lesser number of Common Shares, the Conversion Rate for the Series A Shares shall automatically decrease proportionately with the decrease in the number of Common Shares.

7.2. Adjustments for Other Distributions.

If the corporation distributes securities of the Company to the shareholders other than Common Shares, the Series A Shares shall upon conversion receive, in addition the Common Shares to which they would otherwise be entitled, the amount of securities the holders thereof would have received if the holders had converted their Series A Shares into Common Shares immediately before the distribution and continued to hold the shares until the date of conversion, subject to such other adjustment to the Conversion Rate as are set forth in these Articles of Incorporation.

7.3. Adjustments for Reclassifications, Exchanges, and Substitutions.

If the Common Shares are changed into any other security, whether by reorganization, reclassification, or otherwise (other than a method provided for above), the Series A Shares shall thereafter be convertible into the number of such other securities that would have been issuable with respect to the Common Shares that would have been issuable upon conversion of the Series A Shares immediately before the change, in lieu of the Common Shares that otherwise would have been issued upon conversion.

8. VOTING RIGHTS

8.1. Generally.

Except as otherwise required by law or these Articles of Incorporation, the Common Shares and the Series A Shares shall vote as one class. Common Shareholders shall be entitled to one vote for each Common Share the shareholder holds. Series A Shareholders shall be entitled to a number of votes equal to the number of Common Shares into which the Series A Shares the shareholder holds could then be converted on the record date for determining the shareholders entitled to vote. If no such record date is established, votes shall be determined as of the date the vote is taken or a written consent of a shareholder is first given.

8.2. Right to Notice.

All shareholders shall be entitled to notice of any shareholders' meeting in accordance with the bylaws of the corporation.

8.3. No Fractional Votes.

Fractional votes shall not be permitted. Any fractional voting rights that would otherwise arise in calculating the number of votes to which a shareholder is entitled shall be rounded down to the nearest whole number.

8.4. Class Vote For Director.

The Series A Shareholders shall be entitled, voting as a separate class, to elect a majority of the authorized Directors. The Common Shareholders and the Series A Shareholders voting as a separate class, shall be entitled to elect the remaining authorized directors.

8.5. Removal of a Director.

A director who has been elected by shareholders voting as a class may be removed during the director's term of office, either for or without cause, by, and only by, a court order pursuant to Corporations Code Section 304 or the affirmative vote of the holders of a majority of the shares of the class at a special meeting of such shareholders duly called for that purpose. A resulting vacancy may be filled by, and only by, the holders of the shares represented at that meeting or at a subsequent meeting of such shareholders or by court order if the shareholders fail to act.

8.6. Other Vacancies.

In the case of a vacancy (other than by removal) in the office of a director elected by shareholders voting as a class, the remaining director(s) elected by that class may elect a successor for the unexpired term. If there is more than one such remaining director, they may act by majority vote. If there is no such remaining director or the remaining directors fail to act, then at the request of any shareholder of that class, the corporation shall call a special meeting for the purpose of electing a successor for the unexpired term.

9. LIABILITY OF DIRECTORS

9.1. Limitation of Directors' Liability.

The liability of the directors of the corporation for monetary damages shall be eliminated to the fullest extent permissible under California law.

9.2. Indemnification of Corporate Agents.

The corporation is authorized to provide indemnification of agents (as defined in Section 317 of the Corporations Code) through bylaw provisions, agreements with agents, vote of shareholders or disinterested directors or otherwise, in excess of the indemnification otherwise permitted by Section 317 of the California Corporations Code, subject only to the applicable limits set forth in Section 204 of the California Corporations Code with respect to actions for breach of duty to the corporation and its shareholders.

9.3. Repeal or Modification.

No repeal or modification of Sections 9.1 or 9.2 shall adversely affect any right of indemnification or limitation of liability of an agent of the corporation relating to acts or omissions that occur before such repeal or modification.

END OF ARTICLES OF INCORPORATION



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RESTATED ARTICLES OF INCORPORATION

OF

ZF MicroSystems, Inc.

FILED *M. File*
 the office of the Secretary of State
 of the State of California

AUG 2 1999

Bill Jones
 JONES, Secretary

David L. Feldman and Wayland M. Brill hereby certify that:

1. They are the President and Secretary of ZF MicroSystems, Inc., a California corporation.
2. The Articles of Incorporation of the corporation are amended and restated to read in full as set forth in Exhibit A to this certificate.
3. The amended and restated Articles of Incorporation attached as Exhibit A have been duly approved by the Board of Directors of the corporation.
4. The foregoing amendments and restatement of the Articles of Incorporation has been duly approved by the required vote of shareholders in accordance with Sections 902 and 903 of the Corporation Code. The total number of outstanding shares of the corporation at the time of such approval was 15,461,381 shares of Common Stock and 1,025,000 shares of Series A Preferred Stock. The number of shares voting in favor of the amendments equaled or exceeded the vote required. The percentage vote required to increase the authorized shares was more than fifty percent (50%) of the outstanding Common Stock and of the outstanding shares of Preferred Stock voting separately. The percentage vote required to change the name of the corporation was more than fifty percent (50%) of the outstanding Common Stock and of the outstanding shares of Preferred Stock voting together as a single class.

We further declare under penalty of perjury under the laws of the State of California that the matters set forth in this Certificate are true and correct of our own knowledge.

Dated: July 29, 1999

David L. Feldman

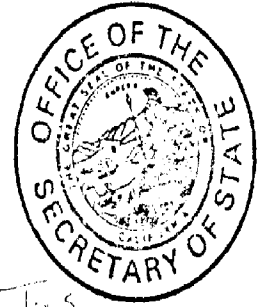
David L. Feldman, President

Wayland M. Brill

Wayland M. Brill, Secretary

State of California

SECRETARY OF STATE



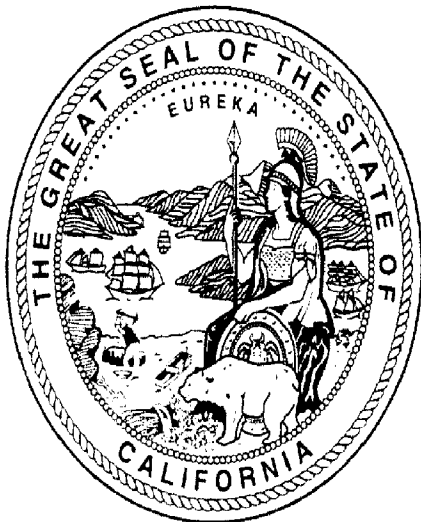
TJS

I, *BILL JONES*, Secretary of State of the State of California, hereby certify:

That the attached transcript of 8 page(s) was prepared by and in this office from the record on file, of which it purports to be a copy, and that it is full, true and correct.

IN WITNESS WHEREOF, I execute this certificate and affix the Great Seal of the State of California this day of

UC



Bill Jones

Secretary of State