

08-06-2001

SHEET

7-30-01



TO THE ASSISTANT COMMISSIONER

original documents or copy thereof.

101800537

1. Name of conveying party:

HC Power, Inc.

Additional names of conveying parties attached?

( ) Yes (X) No

2. Name and address of receiving party:

Name: POWER-ONE, INC.

Street Address: 740 Calle Plano

City: Camarillo State: CA ZIP: 93012

Additional names of receiving parties attached?

( ) Yes (X) No

3. Nature of conveyance:

- ( ) Assignment
- (X) Merger
- ( ) Security Agreement
- ( ) Change of Name
- ( ) Other:

Execution Date:

February 29, 2000

4. Application numbers or Patent number:

( ) Application filed herewith

( ) Patent Application No:

Filing Date:

(X) Patent No.: D429,213

Issue Date: August 8, 2000

Additional numbers attached? ( ) Yes (X) No

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

Name: David N. Weiss  
KNOBBE, MARTENS, OLSON & BEAR, LLP  
Customer No. 20,995

Internal Address: Sixteenth Floor  
Street Address: 620 Newport Center Drive  
City: Newport Beach State: CA ZIP: 92660  
Attorney's Docket No.: HCPower.002DA

7. Total fee (37 CFR 3.41): \$40.00

(X) Enclosed

( ) Authorized to be charged to deposit account

8. Deposit account number: 11-1410

Please charge this account for any additional fees which may be required, or credit any overpayment to this account.

6. Total number of applications and patents involved: 1

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.

Michael S. Okamoto  
Name of Person Signing

*Michael Okamoto*

Signature

*July 25, 2001*

Date

47,831  
Registration No.

Total number of pages including cover sheet, attachments and document: 15

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

08/03/2001 DBYRNE 00000183 D429213

01 FC:581

40.00 OP

U.S. Patent and Trademark Office  
Attn: Assignment Division  
Crystal Gateway-4  
1213 Jefferson Davis Highway, Suite 320  
Arlington, VA 22202

# State of California



UK

## SECRETARY OF STATE

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

That the attached transcript of 12 page(s) has been compared with the record on file in this office, 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



1990 09 2000

*Bill Jones*

Secretary of State

FEB 29 2000

## AGREEMENT OF MERGER

BILL JONES, Secretary of State

This Agreement of Merger (this "**Agreement**") is executed as of February 29, 2000, by and among Power-One Acquisition Corp., a California corporation ("**Merging Corporation**"), HC Power, Inc., a California corporation ("**Survivor**"), which corporations hereinafter sometimes are referred to jointly as the "**Constituent Corporations**," and Power-One, Inc., a Delaware corporation ("**Parent**").

## RECITALS

A. Merging Corporation is a corporation duly organized and existing under the laws of the State of California. Survivor is a corporation duly organized and existing under the laws of the State of California. Parent is a corporation duly organized and existing under the laws of the State of Delaware.

B. Merging Corporation has authorized capital stock consisting of 1000 shares of common stock, of which 100 shares are outstanding. All of such outstanding shares of common stock have been duly authorized, are validly issued, fully paid and non-assessable and are owned by Parent.

C. Survivor has authorized capital stock consisting of 3,000,000 shares of common stock ("**Survivor Common Stock**"). As of the date of this Agreement, there are 53,990 shares of common stock outstanding. All outstanding shares of Survivor Common Stock have been duly authorized and are validly issued, fully paid and non-assessable.

D. Merging Corporation and Survivor desire to effect a statutory merger (the "**Merger**") of Merging Corporation with and into Survivor in the manner set forth herein, and the Boards of Directors of the Constituent Corporations have duly adopted resolutions approving this Agreement.

E. Survivor, Merging Corporation and Parent have entered into that certain Agreement and Plan of Merger, dated as of February 11, 2000 (the "**Agreement and Plan of Merger**"), pursuant to which the parties agreed, subject to the satisfaction of the conditions specified therein, to the merger of Merging Corporation with and into Survivor and the exchange in the merger of each issued and outstanding share of Survivor Common Stock into shares of common stock, \$0.001 par value per share, of Parent ("**Parent Common Stock**"), as provided herein. A copy of the Agreement and Plan of Merger is on file at the executive offices of Survivor and may be obtained upon request.

In consideration of the foregoing premises, and the mutual covenants and agreements herein contained, it is hereby agreed as follows:

**ARTICLE 1  
PARTIES TO THE MERGER**

- 1.1 **The Merging Corporation.** The name of the corporation proposing to merge into Survivor is Power-One Acquisition Corp.
- 1.2 **The Surviving Corporation.** The name of the corporation into which Merging Corporation proposes to merge is HC Power, Inc., which will be the corporation surviving the Merger.
- 1.3 **Parent.** Merging Corporation is a wholly owned subsidiary of Parent, and cash and shares of Parent Common Stock will be issued in the Merger to the holders of Survivor Common Stock.

**ARTICLE 2  
TERMS AND CONDITIONS OF THE MERGER**

- 2.1 **General.** Upon the Effective Time of the Merger (as defined below): (a) Merging Corporation shall merge with and into Survivor, which shall survive the Merger and continue to be a California corporation; (b) the outstanding shares of Survivor Common Stock shall be converted into the right to receive a certain number of shares of Parent Common Stock in accordance with the terms of this Agreement; (c) the separate corporate existence of Merging Corporation shall cease, as provided by the Corporations Code of the State of California (the "Code") and Survivor shall succeed, without other transfer, to all the rights and property, and shall be subject to all the debts and liabilities of, Merging Corporation, in the manner of and as more fully set forth in, Section 1107 of the Code; and (d) the name of Survivor shall remain HC Power, Inc.
- 2.2 **Effective Time.** The "Effective Time" with respect to the Merger contemplated by this Agreement shall be the date on which, in accordance with Section 1103 of the Code, this Agreement, together with the attached officers' certificates of each of the Constituent Corporations, is filed with the Secretary of State of the State of California.

**ARTICLE 3  
CONVERSION OF CAPITAL STOCK**

- 3.1 **Effect on Capital Stock.** By virtue of the Merger and without any further action on the part of Parent, Merging Corporation, Survivor or the holders of any shares of Survivor Common Stock or any shares of the capital stock of Merging Corporation:
- 3.1.1 **Conversion of Survivor Common Stock.** Each issued and outstanding share of Survivor Common Stock (other than shares held by persons exercising dissenter's rights in accordance with Section 13 of the California Code ("Dissenting Shares")) will be converted into a number of shares of Parent Common Stock at the exchange rate (the "Exchange Rate"), which is determined by the following formula:

X divided by Y

where:

X equals \$70 million decreased by the amount by which the Working Capital, as defined below, of Survivor on the Preliminary Closing Date Balance Sheet, as defined below (after (i) accruing all costs incurred by Survivor in connection with the transactions contemplated by the Agreement and Plan of Merger, and (ii) adding back all expenses accrued for the issuance of shares of Survivor Common Stock set forth on Schedule 4.4 of the Survivor's Disclosure Schedule to the Agreement and Plan of Merger and related payroll taxes) is less than \$3,864,253;

and

Y equals 1,781,670.

**"Working Capital"** means the total current assets of Survivor minus the total current liabilities of Survivor. **"Preliminary Closing Date Balance Sheet"** means a balance sheet to be prepared by Survivor and delivered to Parent at least two days before the Closing Date and will consist of Survivor's best estimate of Survivor's balance sheet on the Closing Date. **"Closing Date"** means the date on which the closing of the transactions contemplated by the Agreement and Plan of Merger takes place.

A portion of the shares of Parent Common Stock to be issued in the Merger pursuant to the exchange of Survivor Common Stock at the Exchange Rate will be deposited, on a pro rata basis, in an escrow account pursuant to Sections 1.3(i) and 8.1 of the Agreement and Plan of Merger (the "Escrow Fund"). Survivor and Parent agree that for the purpose of determining the Exchange Rate at the Closing, they will use the Preliminary Closing Date Balance Sheet, and any adjustment to the Working Capital of Survivor that is reflected on the Final Balance Sheet (as defined in, and in accordance with, Section 1.5 of the Agreement and Plan of Merger) will be taken out of, or added to, the Escrow Fund in accordance with Section 1.5 of the Escrow Agreement.

**"Final Balance Sheet"** means the balance sheet of the business of Survivor, prepared and presented to Parent by Survivor's independent auditors as of the Closing Date in accordance with Section 1.5 of the Agreement and Plan of Merger.

**3.1.2 Capital Stock of Merging Corporation.** At the Effective Time, each share of Common Stock of Merging Corporation (**"Merging Corporation Common Stock"**) issued and outstanding immediately before the Effective Time will be converted into and exchanged for one validly issued, fully paid and non-assessable share of Survivor Common Stock.

**3.1.3 Fractional Shares.** No fraction of a share of Parent Common Stock will be issued, but in lieu thereof each holder of shares of Survivor Common Stock who would otherwise be entitled to a fraction of a share of Parent Common Stock (after aggregating all fractional shares of Parent Common Stock to be received by such holder) will receive from Parent an amount of cash (rounded to the nearest whole cent) equal to the product of (i) such fraction, multiplied by (ii) \$33.00. The fractional share interests of each shareholder of Survivor will be aggregated, so that no shareholder of Survivor will receive cash in respect of fractional share interests in an amount greater than \$33.00.

**3.1.4 Dissenters' Rights.** Dissenting Shares, if any, will not be converted into Parent Common Stock but will instead be converted into the right to receive such consideration as may be determined to be due with respect to such Dissenting Shares pursuant to the Code. Survivor will give Parent prompt notice of any demand received by Survivor to require Survivor to purchase shares of Survivor Common Stock, and Parent will have the right to direct and participate in all negotiations and proceedings with respect to such demand. Except with the prior written consent of Parent, or as required under the Code, Survivor will not voluntarily make any payment with respect to, or settle or offer to settle, any such purchase demand. Each holder of Dissenting Shares ("**Dissenting Shareholder**") who, pursuant to the provisions of the Code, becomes entitled to payment of the fair value for shares of Survivor Common Stock will receive payment therefor (but only after the value therefor has been agreed upon or finally determined pursuant to such provisions). If, after the Effective Time, any Dissenting Shares lose their status as Dissenting Shares, Parent will issue and deliver, upon surrender by such shareholder of certificate or certificates representing shares of Survivor Common Stock, the number of shares of Parent Common Stock to which such shareholder would otherwise be entitled under this Agreement less the number of shares allocable to such shareholder that have been deposited in the Escrow Fund in respect of such shares of Parent Common Stock pursuant to Section 1.3(i) and Section 8.1 of the Agreement and Plan of Merger.

**3.1.5 Certificate Legends.** The shares of Parent Common Stock to be issued pursuant to the Merger will not be registered and will be characterized as "restricted securities" under the federal securities laws, and under such laws such shares may be resold without registration under the Securities Act of 1933, as amended, only in certain limited circumstances. Each certificate evidencing shares of Parent Common Stock to be issued pursuant to the Merger will bear the following legend:

"THE SHARES REPRESENTED BY THIS CERTIFICATE HAVE BEEN ACQUIRED FOR INVESTMENT AND HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933. SUCH SHARES MAY NOT BE SOLD OR OTHERWISE TRANSFERRED IN THE ABSENCE OF SUCH REGISTRATION WITHOUT AN EXEMPTION UNDER THE SECURITIES ACT OR AN OPINION OF LEGAL COUNSEL REASONABLY ACCEPTABLE TO THE COMPANY THAT SUCH REGISTRATION IS NOT REQUIRED."

**ARTICLE 4  
ARTICLES OF INCORPORATION**

From and after the Effective Time, the Articles of Incorporation of Surviving Corporation shall be amended and restated as set forth in Attachment A hereto.

**ARTICLE 5  
CORPORATE APPROVALS AND TERMINATION**

**5.1 Corporate Approvals.** Pursuant to relevant sections of the Code, this Agreement and related matters have been approved in accordance with such provisions.

**5.2 Termination.** At any time prior to the Effective Time, this Agreement may be terminated as set forth in Article VII of the Agreement and Plan of Merger and in accordance with applicable law.

**ARTICLE 6  
GENERAL PROVISIONS**

**6.1 Authority.** The Board of Directors and the officers of Merging Corporation, Survivor and Parent, respectively, are hereby authorized, empowered and directed to do any and all acts and things, and to make, execute, deliver, file and/or record any and all instruments, certificates, notices, papers and documents which shall be or become necessary, proper or convenient to carry out or put into effect any of the provisions of this Agreement or of the Merger herein provided for.

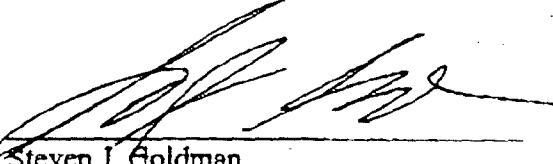
**6.2 Construction.** Merging Corporation, Survivor and Parent are also parties to the Agreement and Plan of Merger. This Agreement and the Agreement and Plan of Merger are intended to be construed together in order to effectuate their purposes.

**6.3 Counterparts.** This Agreement may be signed in several counterparts. Each of them will be deemed an original, and all of them will constitute one agreement.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date first written above.

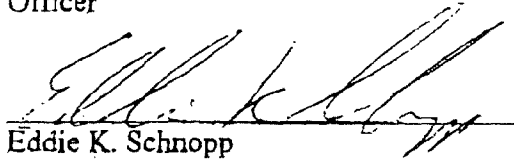
POWER-ONE, INC., a Delaware corporation

By:



Steven J. Goldman  
Chairman of the Board and Chief Executive  
Officer

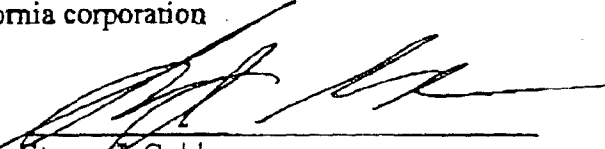
By:



Eddie K. Schnopp  
Secretary

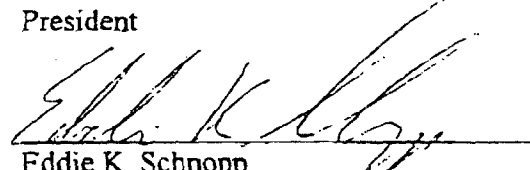
POWER-ONE ACQUISITION CORP., a  
California corporation

By:



Steven J. Goldman  
President

By:



Eddie K. Schnopp  
Secretary

HC POWER, INC., a California corporation

By:

Wallace N. Hersom  
President, Chief Executive Officer

By:

Raul G. Valerio  
Secretary



IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date first written above.

**POWER-ONE, INC.**, a Delaware corporation

By: \_\_\_\_\_  
Steven J. Goldman  
Chairman of the Board and Chief Executive Officer

By: \_\_\_\_\_  
Eddie K. Schnopp  
Secretary

**POWER-ONE ACQUISITION CORP.**, a California corporation

By: \_\_\_\_\_  
Steven J. Goldman  
President

By: \_\_\_\_\_  
Eddie K. Schnopp  
Secretary

**HC POWER, INC.**, a California corporation

By: \_\_\_\_\_  
Wallace N. Hersom  
President, Chief Executive Officer

By: \_\_\_\_\_  
Raul G. Valerio  
Secretary

ATTACHMENT A

AMENDED AND RESTATED ARTICLES OF INCORPORATION  
OF  
HC POWER, INC.  
(A California Corporation)

Name

One: The name of the corporation is: **HC Power, Inc.**

Purpose

Two: 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.

Authorized Shares

Three: The total number of shares which the corporation is authorized to issue is one thousand (1,000) shares of Common Stock, par value \$0.01 per share.

Director Liability

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

Indemnification of Agents

Five: The corporation is authorized to provide indemnification of agents (as defined in Section 317 of the California 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.

**OFFICERS' CERTIFICATE**

**OF**

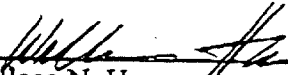
**HC POWER, INC.**  
**(A California Corporation)**


Pursuant to the provisions of Section 1103 of the California General Corporation Law, as amended, the undersigned officers, on behalf of HC Power, Inc., a corporation duly organized and existing under the laws of the State of California (the "Corporation"), do hereby certify to the following information relating to the merger of Power-One Acquisition Corp., a California corporation, with and into the Corporation (the "Merger"):

1. They are the President and Secretary, respectively, of the Corporation.
2. The total number of outstanding shares of common stock of the Corporation entitled to vote on the Merger is, and was at the time of that approval, 47,093 shares of common stock. Subsequent to shareholder approval of the Merger, an additional 6,897 shares of common stock were issued, bringing the total number of shares outstanding immediately prior to the Merger to 53,990.
3. Under the Corporation's Articles of Incorporation and applicable law, the percentage vote required for the approval of the Merger by the outstanding shares (as defined in Section 152 of the California General Corporation Law) is a majority of the shares of common stock.
4. The principal terms of the Agreement of Merger in the form attached hereto were approved by the Board of Directors of the Corporation and by the shareholders of the Corporation by a vote of a number of shares of common stock which equaled or exceeded the vote required to approve said Agreement of Merger.

CCI-448412.8

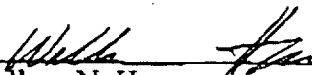
IN WITNESS WHEREOF, the undersigned officers have executed this Officers' Certificate on this 29th day of February, 2000.

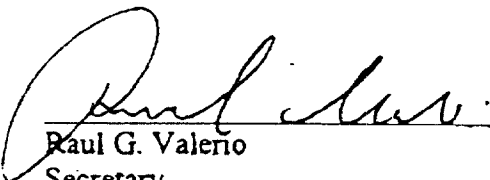
  
\_\_\_\_\_  
Wallace N. Hersom  
President

  
\_\_\_\_\_  
Raul G. Valerio  
Secretary

The undersigned, Wallace N. Hersom and Raul G. Valerio, the President and the Secretary, respectively, of HC Power, Inc., each declares under penalty of perjury that the matters set forth in the foregoing Officers' Certificate are true of his own knowledge.

Executed at Irvine, California on this 29<sup>th</sup> day of February, 2000.

  
\_\_\_\_\_  
Wallace N. Hersom  
President

  
\_\_\_\_\_  
Raul G. Valerio  
Secretary

**OFFICERS' CERTIFICATE**

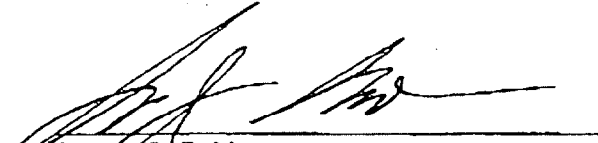
**OF**

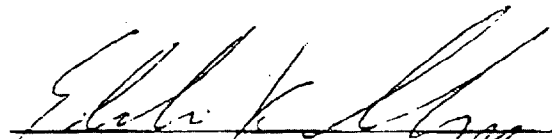
**POWER-ONE ACQUISITION CORP.  
(A California Corporation)**

Pursuant to the provisions of Section 1103 of the California General Corporation Law, as amended, the undersigned officers, on behalf of Power-One Acquisition Corp., a corporation duly organized and existing under the laws of the State of California (the "**Corporation**"), does hereby certify to the following information relating to the merger of the Corporation with and into HC Power, Inc., a California corporation (the "**Merger**").

1. They are the President and Secretary, respectively, of the Corporation.
2. The total number of outstanding shares of each class of the Corporation entitled to vote on the Agreement of Merger is as follows: 100 common shares.
3. The principal terms of the Agreement of Merger in the form attached hereto were approved on behalf of the Corporation by its Board of Directors. The Agreement of Merger was entitled to be approved by the Board of Directors alone under the provisions of Section 1201 of the California Corporations Code.
4. Power-One, Inc., a Delaware corporation ("**Parent**"), is the parent corporation of the Corporation. Equity securities of Parent are to be issued in the Merger and no vote of the shareholders of Parent is required.


IN WITNESS WHEREOF, the undersigned officer has executed this Officers' Certificate on this 29th day of February, 2000.

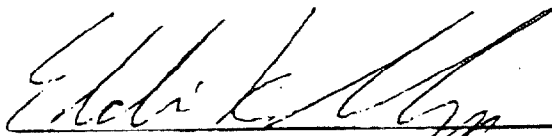
  
Steven J. Goldman  
President

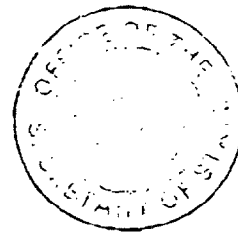
  
Eddie K. Schnopp  
Secretary

The undersigned, Steven J. Goldman and Eddie K. Schnopp, the President and the Secretary, respectively, of Power-One Acquisition Corp., each declare under penalty of perjury that the matters set forth in the foregoing Officers' Certificate are true of his own knowledge.

Executed at Camarillo, California on this 29<sup>th</sup> day of February, 2000.

  
Steven J. Goldman  
President

  
Eddie K. Schnopp  
Secretary



CC1-448412.8

RECORDED: 07/30/2001

PATENT  
REEL: 012025 FRAME: 0426