

05-31-2002

HEET

U.S. DEPARTMENT OF COMMERCE
Patent and Trademark Office

To the Honorable Commissioner of Patents and Trademarks

102107269

I have enclosed original documents or copy thereof

1. Name of conveying party(ies):

WESTAIM SURFACE ENGINEERING CANADA INC.

Additional name(s) of conveying party(ies) attached? ☐ Yes ☒ No

3. Nature of conveyance:

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

Execution Date: June 29, 1998

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

Name: WESTAIM SURFACE ENGINEERED PRODUCTS
CANADA INC.

Internal Address: _____

Street Address: 10102 - 114 Street
Fort Saskatchewan, Alberta
T8L 3W4 CANADAAdditional 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)

09/577,597

B. Patent No.(s)

(Our File: T8461852US2)

Additional numbers attached? ☐ Yes ☒ No

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

Name: Arne I. Fors
Gowling Lafleur Henderson LLPStreet Address: Suite 4900
Commerce Court West
Toronto, Ontario
M5L 1J3
CANADA

6. Total number of applications and patents involved: 1

7. Total fee (37 CFR 3:41) \$ 40.00

☐ Enclosed☒ Authorized to be charged to deposit account8. Deposit account number:
07/1750

(Attach duplicate copy of this page if paying by deposit account)

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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.

Arne I. FORS, Registration No. 20,775

Name of Person Signing

Signature

May 30, 2002

Date

Total number of pages comprising cover sheet

12

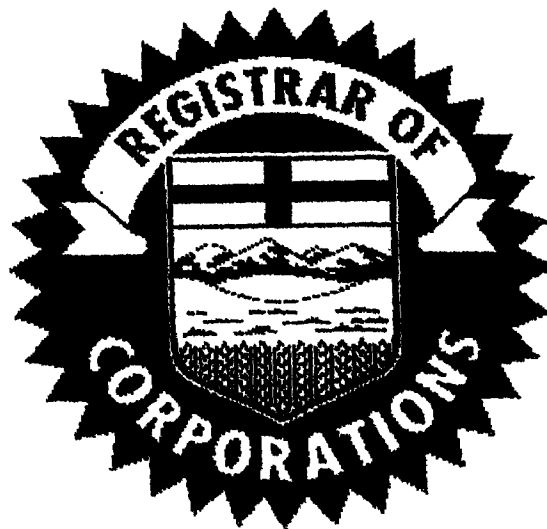


BUSINESS CORPORATIONS ACT

**CERTIFICATE
OF
AMENDMENT AND REGISTRATION
OF RESTATED ARTICLES**

**WESTAIM SURFACE ENGINEERED PRODUCTS CANADA INC.
AMENDED ITS ARTICLES ON 1998/06/29.**

THE INFORMATION IN THIS
DOCUMENT IS AN ACCURATE
REPRODUCTION OF DATA
CONTAINED WITHIN THE OFFICIAL
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ALBERTA

REGISTRIES

Corporate Registry

ARTICLES OF AMENDMENT

1. Name of Corporation WESTAIM SURFACE ENGINEERING CANADA INC.	2. Corporate Access Number: 2076867005
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3. THE ARTICLES OF THE ABOVE-NAMED CORPORATION ARE AMENDED AS FOLLOWS:

I. Pursuant to section 167(1)(a) of the *Business Corporations Act* (Alberta) the Articles of the Corporation are hereby amended by changing the name of the Corporation from WESTAIM SURFACE ENGINEERING CANADA INC. to WESTAIM SURFACE ENGINEERED PRODUCTS CANADA INC.

II. Pursuant to section 167(1)(d) of the *Business Corporations Act* (Alberta) (the "ABCA"), two new classes of shares are created, with each class being separate and distinct from the other classes. The following designations and descriptions of the classes of shares are added to Article 2 of the Articles of Incorporation:

Class "C" Preferred shares

One thousand (1,000) Class "C" Preferred shares (the "Class "C" shares") which, as a class, have and are subject to the following rights, privileges, restrictions and conditions:

1. Issuance

The Class "C" shares shall be issued pursuant to one or more agreements (the "Agreements") made between one or more persons or partnerships (the "Vendors") and the Corporation, pursuant to which certain property (the "Property"), as specified in the Agreements, is sold by the Vendors and purchased by the Corporation as of a specified time (the "Effective Time").

2. Stated Capital Account

Upon issuing the Class "C" shares, the Corporation shall add to the stated capital account for those shares such amount as may be determined pursuant to section 26(3) of the ABCA.

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3. Non-Voting Feature

Except where required under the ABCA, a holder of a Class "C" share shall not, as such, be entitled to receive notice of, to attend or to vote at meetings of shareholders of the Corporation.

4. Redemption Price

The Class "C" shares shall be redeemable at the option of the Corporation at an aggregate redemption price (the "Aggregate Redemption Price") equal to the amount by which the aggregate fair market value of the Property at the Effective Time exceeds the amount of any consideration other than shares (the "Non-Share Consideration") given by the Corporation to the Vendors for the Property pursuant to the Agreements, plus any declared and unpaid non-cumulative dividends and any unpaid cumulative dividends on the Class "C" shares. The redemption price (the "Unit Redemption Price") of each Class "C" share shall be equal to one-thousandth (1/1,000) of the Aggregate Redemption Price.

5. Redemption Price Adjustment Clause

If:

- (a) an accountant appointed by the Vendors and the Corporation certifies,
- (b) the Vendors and the Corporation acknowledge in writing, or
- (c) the Minister of National Revenue, the Provincial Treasurer of Alberta, the tax or fiscal authority of any other province or a court or tribunal of competent jurisdiction determines (and the Vendors and the Corporation have not objected to or appealed from the determination),

that the actual aggregate fair market value of the Property at the Effective Time (the "Redetermined FMV") is greater than or less than the amount which was previously understood by the Vendors and the Corporation to be the aggregate fair market value of the Property at the Effective Time, these Articles shall be deemed always to have been amended as necessary:

- (d) to substitute, for the Aggregate Redemption Price, the amount by which the Redetermined FMV exceeds the amount of the Non-Share Consideration, and
- (e) to make a corresponding adjustment in the Unit Redemption Price,

and this amendment shall be deemed always to have been included in these Articles.

6. Redemption Procedure

To redeem Class "C" shares, the Corporation shall give at least thirty (30) days' notice in writing of the redemption by mailing the notice to the registered holders of the Class "C" shares to be redeemed, specifying the date and place of redemption and the number of Class "C" shares to be redeemed. The notice may be given by prepaid post addressed to each holder of Class "C" shares at that holder's address as it appears in the records of the Corporation. If the notice is given by the Corporation and if an amount sufficient to redeem the specified Class "C" shares is deposited with a chartered bank or trust company in Canada, as specified in the notice, on or before the date fixed for redemption, those Class "C" shares are redeemed as of the date fixed for redemption and thereafter a holder of Class "C" shares specified in the notice, as such, has no rights against the Corporation except, upon surrendering the certificate for those shares, to receive payment of the Unit Redemption Price of each specified Class "C" share held by that holder, plus any declared and unpaid non-cumulative dividends and any unpaid cumulative dividends on that share.

7. Retraction

Each holder of a Class "C" share has the right (the "Right of Retraction"), exercisable by depositing his share certificate with the Corporation at its registered office, to require the Corporation to redeem the Class "C" share within thirty (30) days after the date on which the share certificate is deposited, for an amount equal to the Unit Redemption Price, plus any declared and unpaid non-cumulative dividends and any unpaid cumulative dividends on that share. The Corporation is not obligated to comply with this provision if, and so long as, the redemption would be contrary to any applicable law.

8. Dividends - Before Exercise of Right of Retraction

Until a holder of a Class "C" share has exercised his Right of Retraction, he shall in each financial period, in the discretion of the directors of the Corporation, be entitled, out of any or all profits or surplus available for dividends, to receive, in respect of each Class "C" share held by him, non-cumulative dividends at an annual rate (the "Specified Rate") that shall be expressed as a percentage of the Unit Redemption Price of the Class "C" share and shall be determined by the directors of the Corporation at or before the time the first Class "C" share is issued, such dividends to be payable on such date and at such place as the directors may determine. The directors may, from time to time in a particular financial period, declare part of the dividend for that financial

period, notwithstanding that the dividend for that financial period is not declared in full. Each dividend shall be non-cumulative whether or not earned, and if in any financial period the directors in their discretion do not declare the dividend or any part thereof, then the right of the holder to that dividend or a dividend greater than the dividend actually declared for that financial period shall be forever extinguished. A holder of a Class "C" share shall not be entitled to receive dividends on that share other than or in excess of the dividends provided for in this paragraph and the succeeding paragraph.

9. Dividends - After Exercise of Right of Retraction

If, after a holder of a Class "C" share has exercised his Right of Retraction, the Corporation has not redeemed that share (the "Unredeemed Share") within thirty (30) days after the date on which the share certificate was deposited, the holder of the Unredeemed Share shall thereafter in each financial period until the share is redeemed, be entitled, out of any or all profits or surplus available for dividends, to receive, as and when declared by the directors of the Corporation, fixed cumulative preferential dividends at the Specified Rate on the Unit Redemption Price of each Unredeemed Share held by him, payable annually on the last day of each financial period. If on any cumulative dividend payment date the cumulative dividend payable on that date is not paid in full on all Unredeemed Shares, the cumulative dividend, or the unpaid part thereof, shall be paid at a subsequent date, as and when declared by the directors. No dividend shall at any time be declared or paid on any other shares of the Corporation (except the shares of any other class whose entitlement to dividends ranks in priority to or on a parity with that of the Class "C" shares) unless all accrued cumulative dividends on the Unredeemed Shares shall have been declared and paid before that time.

10. Dividends - Exclusion of Other Classes

Subject to the rights of the shares of any other class whose entitlement to dividends ranks in priority to that of the Class "C" shares, dividends may be declared and paid on the Class "C" shares to the complete exclusion of the other classes of shares of the Corporation.

11. Dividends on Other Classes

No dividend shall at any time be declared or paid on any other shares of the Corporation (except the shares of any other class whose entitlement to dividends ranks in priority to that of the Class "C" shares) if there are reasonable grounds for believing that the Corporation is, or after the payment of that dividend would be, unable to pay the total of the Unit Redemption Prices of all Class "C" shares then issued and outstanding, plus any declared and unpaid non-cumulative dividends and any unpaid cumulative dividends on those Class "C" shares.

12. Minimum Purchase Price

The Corporation shall not purchase, redeem or cancel a Class "C" share for a price less than the lesser of:

- (a) the Unit Redemption Price of the Class "C" share so purchased, redeemed or cancelled, and
- (b) the quotient obtained when:
 - (i) the amount by which the realizable value of the Corporation's property exceeds the aggregate of its liabilities immediately before the purchase, redemption or cancellation and the amount payable on the purchase, redemption or cancellation of the shares of any class whose entitlement on a purchase, redemption or cancellation ranks in priority to that of the Class "C" shares

is divided by the aggregate of:

- (ii) the number of issued and outstanding shares of any class, including the Class "C" shares, whose entitlement on a purchase, redemption or cancellation ranks on a parity with that of the Class "C" shares.

13. Liquidation, Dissolution or Winding-Up

In the event of the liquidation, dissolution or winding-up of the Corporation, whether voluntary or involuntary, each holder of a Class "C" share shall be entitled to receive, before any distribution of any property of the Corporation among the holders of any other shares of the Corporation (except the shares of any other class whose entitlement on a liquidation, dissolution or winding-up ranks in priority to or on a parity with that of the Class "C" shares), an amount equal to, but not greater than, the total of the Unit Redemption Prices of the Class "C" shares held by him, plus any declared and unpaid non-cumulative dividends and any unpaid cumulative dividends on those Class "C" shares.

14. Ranking

The rights, privileges and entitlements of a Class "C" share rank ratably and on a parity with those of all other Class "C" shares. Except where otherwise specifically stated, the rights, privileges and entitlements of the Class "C" shares rank:

- (a) in priority to the rights, privileges and entitlements of the common shares of any class,

- (b) in priority to the rights, privileges and entitlements of the preferred shares of any other class the first share of which is issued after the day on which the first Class "C" share is issued,
- (c) ratably and on a parity with the rights, privileges and entitlements of the preferred shares of any other class the first share of which is issued on the same day as the first Class "C" share is issued, and
- (d) in subordination to the rights, privileges and entitlements of the preferred shares of any other class the first share of which is issued before the day on which the first Class "C" share is issued.

15. **Amendment**

Any amendment to the Articles of the Corporation to delete or vary any right, privilege, restriction or condition attaching to the Class "C" shares or to create a class of shares ranking in priority to or on a parity with the Class "C" shares, in addition to being authorized by special resolution, shall be authorized by at least two-thirds ($\frac{2}{3}$) of the votes cast at a meeting, duly called for that purpose, of the holders of each class of shares of the Corporation, voting separately as a class.

Class "D" Preferred shares

An unlimited number of Class "D" Preferred shares (the "Class "D" shares") which, as a class, have and are subject to the following rights, privileges, restrictions and conditions:

1. **Issuance**

The Class "D" shares shall be issued in exchange for a subscription price to be paid in cash, the amount of which shall be determined by the directors of the Corporation at or before the time the first Class "D" share is issued. The subscription price of all the Class "D" shares shall be the same.

2. **Stated Capital Account**

Upon issuing a Class "D" share, the Corporation shall add to the stated capital account for those shares an amount equal to the subscription price for which the share was issued.

3. Non-Voting Feature

Except where required under the ABCA, a holder of a Class "D" share shall not, as such, be entitled to receive notice of, to attend or to vote at meetings of shareholders of the Corporation.

4. Redemption Price

Each Class "D" share shall be redeemable at the option of the Corporation at a redemption price (the "Redemption Price") equal to the subscription price for which the share was issued.

5. Redemption Procedure

To redeem Class "D" shares, the Corporation shall give at least thirty (30) days' notice in writing of the redemption by mailing the notice to the registered holders of the Class "D" shares to be redeemed, specifying the date and place of redemption and the number of Class "D" shares to be redeemed. The notice may be given by prepaid post addressed to each holder of Class "D" shares at that holder's address as it appears in the records of the Corporation. If the notice is given by the Corporation and if an amount sufficient to redeem the specified Class "D" shares is deposited with a chartered bank or trust company in Canada, as specified in the notice, on or before the date fixed for redemption, those Class "D" shares are redeemed as of the date fixed for redemption and thereafter a holder of Class "D" shares specified in the notice, as such, has no rights against the Corporation except, upon surrendering the certificate for those shares, to receive payment of the Redemption Price of each specified Class "D" share held by that holder, plus any declared and unpaid non-cumulative dividends and any unpaid cumulative dividends on that share.

6. Dividends

A holder of a Class "D" share shall in each financial period, in the discretion of the directors of the Corporation, be entitled, out of any or all profits or surplus available for dividends, to receive, in respect of each Class "D" share held by him, non-cumulative dividends at an annual rate that shall be expressed as a percentage of the Redemption Price of the Class "D" share and shall be determined by the directors of the Corporation at or before the time the first Class "D" share is issued, such dividends to be payable on such date and at such place as the directors may determine. The directors may, from time to time in a particular financial period, declare part of the dividend for that financial period, notwithstanding that the dividend for that financial period is not declared in full. Each dividend shall be non-cumulative whether or not earned, and if in any financial period the directors in their discretion do not declare the dividend or any

part thereof, then the right of the holder to that dividend or a dividend greater than the dividend actually declared for that financial period shall be forever extinguished. A holder of a Class "D" share shall not be entitled to receive dividends on that share other than or in excess of the dividends provided for in this paragraph.

7. Dividends - Exclusion of Other Classes

Subject to the rights of the shares of any other class whose entitlement to dividends ranks in priority to that of the Class "D" shares, dividends may be declared and paid on the Class "D" shares to the complete exclusion of the other classes of shares of the Corporation.

8. Liquidation, Dissolution or Winding-Up

In the event of the liquidation, dissolution or winding-up of the Corporation, whether voluntary or involuntary, each holder of a Class "D" share shall be entitled to receive, before any distribution of any property of the Corporation among the holders of any other shares of the Corporation (except the shares of any other class whose entitlement on a liquidation, dissolution or winding-up ranks in priority to or on a parity with that of the Class "D" shares), an amount equal to, but not greater than, the total of the Redemption Prices of the Class "D" shares held by him, plus any declared and unpaid non-cumulative dividends and any unpaid cumulative dividends on those Class "D" shares.

9. Ranking

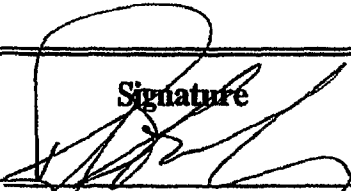
The rights, privileges and entitlements of a Class "D" share rank ratably and on a parity with those of all other Class "D" shares. Except where otherwise specifically stated, the rights, privileges and entitlements of the Class "D" shares rank:

- (a) in priority to the rights, privileges and entitlements of the common shares of any class,
- (b) in priority to the rights, privileges and entitlements of the preferred shares of any other class the first share of which is issued after the day on which the first Class "D" share is issued,
- (c) ratably and on a parity with the rights, privileges and entitlements of the preferred shares of any other class the first share of which is issued on the same day as the first Class "D" share is issued, and

- (d) in subordination to the rights, privileges and entitlements of the preferred shares of any other class the first share of which is issued before the day on which the first Class "D" share is issued.

10. Amendment

Any amendment to the Articles of the Corporation to delete or vary any right, privilege, restriction or condition attaching to the Class "D" shares or to create a class of shares ranking in priority to or on a parity with the Class "D" shares, in addition to being authorized by special resolution, shall be authorized by at least two-thirds ($\frac{2}{3}$) of the votes cast at a meeting, duly called for that purpose, of the holders of each class of shares of the Corporation, voting separately as a class.

Date	Signature	Title
June <u>26</u> , 1998	 DOUGLAS H. MURRAY	Assistant Corporate Secretary

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