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Tab settings

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RECORDATION FORM CC  
PATENTS

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COMMERCE  
mark Office

To the Honorable Commissioner of Patents and Trademarks: Please record the attached original documents or copy thereof.

## 1. Name of conveying party(ies):

LMI Diffracto Limited

Laser Measurement International 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: 12/31/1999

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

Name: Laser Measurement International Inc

Internal Address: \_\_\_\_\_

Street Address: 205 - 7088 Venture Street

City: Delta State: BC Zip: V4G 1H5

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) \_\_\_\_\_

B. Patent No.(s) 6211506

Additional numbers attached? ☐ Yes ☒ No

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

Name: Paul Smith

Internal Address: \_\_\_\_\_

Paul Smith Intellectual Property Law

Street Address: \_\_\_\_\_

330 - 1508 West Broadway

City: Vancouver State: BC Zip: V6J 1W8

## 6. Total number of applications and patents involved: 1

7. Total fee (37 CFR 3.41) \$ 40

- ☒ Enclosed  
☐ Authorized to be charged to deposit account

## 8. Deposit account number: \_\_\_\_\_

DO NOT USE THIS SPACE

## 9. Signature.

Paul Smith (Reg. No. 35,777)

Name of Person Signing

  
Signature20 Mar-2003  
Date

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

03/25/2003 ECDUPER 00000222 6211506

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40.00 DP

Mail documents to be recorded with required cover sheet information to:  
Commissioner of Patents & Trademarks, Box Assignments  
Washington, D.C. 20231PATENT  
REEL: 013868 FRAME: 0276



Industry Canada Industrie Canada

Canada Business Corporations Act Loi canadienne sur  
les sociétés par actions

I HEREBY CERTIFY THAT THE  
ATTACHED IS A TRUE COPY OF THE  
DOCUMENT MAINTAINED IN THE  
RECORDS OF THE DIRECTOR.

JE CERTIFIE, PAR LES PRÉSENTES, QUE LE  
DOCUMENT CI-JOINT EST UNE COPIE  
EXACTE D'UN DOCUMENT CONTENU  
DANS LES LIVRES TENUS PAR LE  
DIRECTEUR.

Deputy Director - Directeur adjoint

Date



Canada



Industry Canada

Industrie Canada

**Certificate  
of Amalgamation**

**Canada Business  
Corporations Act**

**Certificat  
de fusion**

**Loi canadienne sur  
les sociétés par actions**

**LASER MEASUREMENT INTERNATIONAL INC.**

**369452-6**

**Name of corporation-Dénomination de la société**

**Corporation number-Numéro de la société**

I hereby certify that the above-named corporation resulted from an amalgamation, under section 185 of the *Canada Business Corporations Act*, of the corporations set out in the attached articles of amalgamation.

Je certifie que la société susmentionnée est issue d'une fusion, en vertu de l'article 185 de la *Loi canadienne sur les sociétés par actions*, des sociétés dont les dénominations apparaissent dans les statuts de fusion ci-joints.

**Director - Directeur**

**December 31, 1999 / le 31 décembre 1999**

**Date of Amalgamation - Date de fusion**

**Canada**

1 — Name of amalgamated corporation Dénomination de la société issue de la fusion  
**LASER MEASUREMENT INTERNATIONAL INC.**

2 — The place in Canada where the registered office is to be situated Lieu au Canada où doit être situé le siège social  
**GREATER VANCOUVER, BRITISH COLUMBIA**

3 — The classes and any maximum number of shares that the corporation is authorized to issue Catégories et tout nombre maximal d'actions que la société est autorisée à émettre  
**See Schedule "A" annexed hereto to form an integral part hereof**

4 — Restrictions, if any, on share transfers Restrictions sur le transfert des actions, s'il y a lieu  
**None**

5 — Number (or minimum and maximum number) of directors Nombre (ou nombre minimal et maximal) d'administrateurs  
**Minimum 3, Maximum 9**

6 — Restrictions, if any, on business the corporation may carry on Limites imposées à l'activité commerciale de la société, s'il y a lieu  
**None**

7 — Other provisions, if any Autres dispositions, s'il y a lieu  
**See Schedule "B" annexed hereto to form an integral part hereof**

8 — The amalgamation has been approved pursuant to that section or subsection of the Act which is indicated as follows: 8 — La fusion a été approuvée en accord avec l'article ou le paragraphe de la Loi indiqué ci-après.  
☐ 183  
☒ 184(1)  
☐ 184 (2)

9 — Name of the amalgamating corporations Dénomination des sociétés fusionnantes	Corporation No. N° de la société	Signature	Date	Title Titre
<b>LMI DIFFRACTO LIMITED</b>	<b>369022-9</b>	<i>[Signature]</i>	<b>Dec. 8 1999</b>	<b>V.P. Finance and Secretary</b>
<b>LASER MEASUREMENT INTERNATIONAL INC.</b>	<b>335350-8</b>	<i>[Signature]</i>	<b>Dec. 8 1999</b>	<b>Chief Financial Officer</b>

**Schedule "A"**  
**to the Articles of Amalgamation of**  
**LASER MEASUREMENT INTERNATIONAL INC.**

The share capital of the corporation shall consist of an unlimited number of Common Shares and an unlimited number of Preferred Shares, all without par value, having the rights, privileges, restrictions and conditions hereinafter described:

1. The Common Shares shall confer on the holders thereof and shall be subject to the following special rights and restrictions:
  - (a) the directors may at any time and from time to time declare dividends on the Common Shares as the directors may determine;
  - (b) the holders of the Common Shares shall at any annual or extraordinary general meeting of the shareholders of the corporation be entitled to one vote in respect of each Common Share held;
  - (c) no dividend shall be declared on the Common Shares which reduces the net assets of the corporation below the aggregate Redemption Price for the Preferred Shares issued and outstanding at that time;
  - (d) in the event of the liquidation, dissolution or winding-up of the corporation or other distribution of assets of the corporation among its shareholders for the purpose of winding up its affairs or upon a reduction of capital, the holders of the Common Shares shall be entitled after payment of all amounts required to be paid on the Preferred Shares to share among themselves equally on a per share basis in any further distribution of the property or assets of the corporation.

2. The Preferred Shares shall confer on the holders thereof and shall be subject to the following special rights and restrictions:

- (a) **Non-Voting** - The holders of Preferred Shares shall not as such have any voting rights for the election of directors or any other purpose and shall not be entitled to receive notice of or to attend any annual or extraordinary general meeting of the shareholders of the corporation.
- (b) **Liquidation, Dissolution or Winding-Up** - In the event of the liquidation, dissolution or winding-up of the corporation or other distribution of assets of the corporation among its shareholders for the purpose of winding up its affairs or upon a reduction of capital, the holders of the Preferred Shares shall be entitled to receive, in respect of each Preferred Share held, the Preferred Redemption Price (as hereinafter defined) together with all declared but unpaid dividends thereon and no more, before any amount shall be paid or any property or assets of the corporation shall be distributed to the holders of any class of Common Shares of the corporation. On payment of the amount so payable to them, the holders of the Preferred Shares shall not be entitled to share in any further distribution of the property or assets of the corporation.
- (c) **Redeemable at Corporation's Option** - The corporation may, at any time, upon giving notice as hereinafter provided, redeem the whole or from time to time any part of the then outstanding Preferred Shares by payment of the redemption price for the Preferred Shares redeemed, and it shall not be necessary for any redemption of Preferred Shares to be made on a pro rata basis, but the Preferred Shares to be redeemed may be selected by the directors in their absolute discretion.
- (d) **Redemption Procedure by Corporation** - In the case of any redemption of Preferred Shares pursuant to paragraph 2(c), the corporation shall, at least 30 days before the date specified for redemption, mail to each person who at the date of

mailing is a registered holder of Preferred Shares to be redeemed, a notice in writing of the intention of the corporation to redeem Preferred Shares.

The notice shall be mailed in a prepaid letter addressed to each shareholder at the shareholder's address as it appears on the register of shareholders of the corporation or, if the register of shareholders does not have an address for the shareholder, then to the last known address of the shareholder, provided that the accidental failure to give any notice to one or more shareholders shall not affect the validity of the redemption. The notice shall set out the redemption price (which shall be the Preferred Redemption Price and which shall be referred to herein as the "Redemption Price") and the date on which the redemption is to take place and, if only part of the Preferred Shares held by a shareholder is to be redeemed, the number thereof to be redeemed.

On the date specified for redemption, the corporation shall pay or cause to be paid to or to the order of the registered holders of the Preferred Shares to be redeemed the Redemption Price for each Preferred Share to be redeemed on presentation and surrender, at the registered office of the corporation or at any other place designated in the notice, of the certificate or certificates for the Preferred Shares called for redemption. Those Preferred Shares shall thereupon be deemed to be redeemed and shall be cancelled. If a part only of the Preferred Shares represented by any certificate is redeemed, a new certificate for the balance shall be issued at the expense of the corporation. From and after the date specified in the notice, the Preferred Shares called for redemption shall cease to be entitled to dividends and the holders thereof shall not be entitled to exercise any of the rights of shareholders in respect thereof unless payment of the Redemption Price for each Preferred Share to be redeemed is not made upon presentation of the share certificates in accordance with the foregoing provisions, in which case the rights of the holders thereof shall remain unaffected until payment of the Redemption Price for each Preferred Share to be redeemed is made.

If the holders of any Preferred Shares called for redemption fail to present, on the date specified for redemption, the certificate or certificates representing any Preferred Shares called for redemption, the corporation shall have the right to deposit the Redemption Price for each of those Preferred Shares to a special account in any chartered bank or trust company in Canada to be paid without interest to or to the order of the respective holders of the Preferred Shares called for redemption upon presentation and surrender to the bank or trust company of the certificate or certificates representing the Preferred Shares called for redemption. Upon that deposit being made, the Preferred Shares in respect of which the deposit was made shall be deemed to be redeemed, shall be cancelled and the rights of the holders thereof after the deposit shall be limited to receiving without interest their proportionate part of the aggregate Redemption Price deposited less any charges of the bank or trust company against presentation and surrender of the certificate or certificates representing the Preferred Shares called for redemption held by them respectively.

Notwithstanding the foregoing, the holders of the Preferred Shares may waive notice of any redemption by instrument or instruments in writing.

- (e) **Redeemable at Holder's Option** - Any holder of Preferred Shares may, by giving notice as hereinafter provided, require the corporation to redeem at any time the whole or from time to time any part of the Preferred Shares held by that holder for the Redemption Price for the Preferred Shares to be redeemed.
- (f) **Redemption Procedure by Holder** - If any holder of Preferred Shares desires the corporation to redeem all or any part of the Preferred Shares registered in the name of that holder, that holder shall, at least 60 days before the date specified for redemption, give written notice thereof to the corporation at its registered office. The notice shall set out the date on which the redemption is to take place and, if only part of the Preferred Shares held by that holder is to be redeemed, the number thereof to be redeemed.

On the date specified for redemption the corporation shall pay or cause to be paid to or to the order of that holder the Redemption Price for each Preferred Share to be redeemed on presentation and surrender at the registered office of the corporation of the certificate or certificates for the Preferred Shares called for redemption. Those Preferred Shares shall thereupon be deemed to be redeemed and shall be cancelled. If a part only of the Preferred Shares represented by a certificate is redeemed, a new certificate for the balance shall be issued at the expense of the corporation.

If any holder of Preferred Shares who has required the Corporation to redeem fails to present, on the date specified for redemption, the certificate or certificates for the Preferred Shares to be redeemed, the corporation shall have the right to deposit the Redemption Price for each of those Preferred Shares to a special account in any chartered bank or trust company in Canada, to be paid without interest to or to the order of that holder upon presentation and surrender to the bank or trust company of the certificate or certificates representing the Preferred Shares to be redeemed. Upon that deposit being made, the Preferred Shares in respect of which the deposit was made shall be deemed to be redeemed, shall be cancelled and the rights of the holder after the deposit shall be limited to receiving without interest the holder's proportionate share of the aggregate Redemption Price deposited less any charges of the bank or trust company against presentation and surrender of the certificate or certificates for the Preferred Shares to be redeemed.

Notwithstanding the foregoing, the corporation may waive notice of any redemption by instrument or instruments in writing.

- (g) **Failure to Redeem** - If the corporation fails to redeem any Preferred Shares when required to do so by the holder thereof, the holder of those Preferred Shares, in addition to any other rights the holder may have against the corporation at law or

in equity for failing to redeem the holder's Preferred Shares, shall be entitled out of any or all profits or surplus available for dividends, in preference or priority to any payment of on any class of the Common Shares of the corporation to cumulative dividends accruing at the rate of 2-1/2% per quarter on the Preferred Redemption Price from the date specified for redemption until payment of the Preferred Redemption Price for the Preferred Shares to be redeemed.

- (h) **Restriction on Redemption Rights** - Nothing herein shall be deemed to permit or oblige the corporation to redeem or repurchase the Preferred Shares of the corporation if the redemption or repurchase would contravene any applicable statute, regulation or rule of law or equity.
- (i) **Dividends** - In each 6 month period, commencing on the sixth monthly anniversary after the issuance thereof, in the absolute discretion of the directors the holders of Preferred Shares shall be entitled to receive, in preference and priority to any payment of dividends on the Common Shares out of any or all profits or surplus available for dividends, non-cumulative dividends at the rate of 4% semi-annually on the aggregate Preferred Redemption Price of the Preferred Shares.

Except as provided in paragraph 2 hereof, the holders of the Preferred Shares shall not be entitled to any dividend in any quarter other than, or in excess of, the non-cumulative dividends at the rate hereinbefore provided for if, as and when declared.

- (j) **Redemption Price** - For the purposes hereof and subject to all the provisions of paragraph 2 the "Preferred Redemption Price" in respect of each Preferred Share shall be, if it was issued for cash, the amount paid-up thereon or, if it was issued in exchange for property acquired by the corporation or in exchange for the surrender of any other shares of the corporation (the "Property"), the amount designated by the directors of the corporation as the value of the Property for the

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purposes of the exchange less an amount equal to the aggregate of any cash paid, promissory note issued and indebtedness assumed by the corporation in partial payment for the Property (the "Deducted Amount") all divided by the number of Preferred Shares issued in exchange for the Property;

(k) **Price Adjustment** - If any federal or provincial taxing authority assesses or proposes to reassess the corporation or a holder or former holder of Preferred Shares on the basis of a determination that the aggregate fair market value of the Property less the Deducted Amount is other than the aggregate Preferred Redemption Price, as determined and designated by the directors of the corporation, and the assessment or reassessment is not disputed by the corporation or holder or former holder of Preferred Shares or, if the assessment or reassessment is disputed, a final settlement is reached with the applicable taxing authority that, or a Court of competent jurisdiction makes a final determination that the value of the Property less the Deducted Amount at the effective time of the exchange is other than the aggregate Preferred Redemption Price, (any one of which events is herein called the "Final Determination"), then:

(i) If none of the Preferred Shares affected by the Final Determination has been redeemed, the Preferred Redemption Price, of each of the Preferred Shares shall be increased or decreased nunc pro tunc, as the case may be, to the fair market value of the Property as determined by the Final Determination (herein referred to as the "New Value") less the Deducted Amount divided by the number of the Preferred Shares issued in exchange therefor.

(ii) If at the time of the Final Determination some, but not all, of the Preferred Shares have been redeemed prior to the Final Determination, the Preferred Redemption Price for each of the unredeemed Preferred Shares shall be the New Value less the Deducted Amount minus the aggregate Preferred Redemption Price paid for the Preferred Shares

previously redeemed, divided by the number of the Preferred Shares outstanding at the time of the Final Determination. If the aggregate Redemption Price for the remaining Preferred Shares affected by the Final Determination as a result of this adjustment is a negative number, the Redemption Price for each of the unredeemed Preferred Shares shall be nil and the holder or holders (including former holders) of the Preferred Shares previously redeemed shall pay on demand to the corporation in cash an amount equal to the amount by which the aggregate Redemption Price previously paid, plus the Deducted Amount, exceeds the New Value. The amount payable by each of the holders and former holders of the Preferred Shares shall be proportionate to the amount of the aggregate Redemption Price previously received by each holder and former holder of Preferred Shares, as the case may be.

- (iii) If at the time of the Final Determination, there are no Preferred Shares affected by the Final Determination outstanding and if the New Value less the Deducted Amount exceeds the aggregate Redemption Price previously paid on the Preferred Shares, the excess shall be a debt payable by the corporation in cash on demand to the former shareholders whose Preferred Shares were redeemed and the amount payable by the corporation to each of the former shareholders shall be proportionate to the number of Preferred Shares redeemed from each former shareholder.
- (iv) If at the time of the Final Determination, there are no Preferred Shares affected by the Final Determination outstanding and if the New Value less the Deducted Amount is less than the aggregate Redemption Price previously paid on redemption of the Preferred Shares, the difference between the New Value less the Deducted Amount and the aggregate Redemption Price previously paid shall be a debt payable on demand to

the corporation in cash by each former shareholder whose Preferred Shares were redeemed, and the amount payable by each former shareholder shall be proportionate to the part of the aggregate Redemption Price received by each former shareholder in respect of the Preferred Shares previously redeemed from that shareholder.

- (l) **Adjustment of Contributed Surplus** - If a Final Determination is made, the amount of contributed surplus, in the aggregate, recorded on the books of the corporation at the time of the issuance of the Preferred Shares affected by the Final Determination in consideration of the Property shall be increased or decreased, as the case may be, so that the aggregate amount of the contributed surplus, after adjustment, is increased or decreased by the positive or negative difference, respectively, as the case may be, between the New Value less the Deducted Amount and the Redemption Price of the Preferred Shares affected by the Final Determination multiplied by the number of Preferred Shares originally issued and the directors of the corporation shall be authorized to make all adjustments, retroactively to the date of issue of the Preferred Shares as may be necessary to give effect to this paragraph 2(l).
- (m) **Acknowledgement by Holder** - Before redeeming any Preferred Shares the directors of the corporation shall be entitled to receive from the holder of the Preferred Shares to be redeemed a document containing an acknowledgment of the terms of paragraph 2(k) and a commitment under seal that the holder will be bound by those terms, which commitment shall be binding on the holder and the holder's heirs, representatives, successors and assigns.
- (n) **Right to Subscribe** - The holders of Preferred Shares shall not be entitled as of right to subscribe for or purchase or receive any part of any issue of shares or of bonds, debentures or other securities of the corporation, now or hereafter authorized.

- (o) **Restrictions on Modifications** - The special rights and restrictions attached to any class of the Preferred Shares of the corporation shall not be modified, abrogated, dealt with or affected unless the holders of the relevant class or classes of Preferred Shares consent thereto by separate resolution pursuant to paragraph 2(p). No class of shares may be created which, as to capital or dividends, ranks prior to or on a parity with the Preferred Shares, nor shall the authorized amount of any class of Preferred Shares be increased without the consent in writing of the shareholders pursuant to paragraph 2(p).
- (p) **Consent to Modifications** - The consent of the holders of any class of Preferred Shares required pursuant to paragraph 2(o) may be obtained in writing signed by the holders of all the issued shares of the relevant class of Preferred Shares or by a resolution passed by a majority of three-fourths of the votes cast at a class meeting of the holders of the shares of the relevant class of Preferred Shares who are present in person or represented by proxy. At any class meeting, all the provisions of the articles of the corporation relating in any manner to general meetings or to the proceedings thereat, or to the rights of shareholders at or in connection therewith, shall mutatis mutandis apply, except that the necessary quorum shall be a person or persons collectively holding or representing by proxy a majority of the issued shares of the relevant class of Preferred Shares.

**Schedule "B"**  
to the Articles of Amalgamation of  
**LASER MEASUREMENT INTERNATIONAL INC.**

**OTHER PROVISIONS**

The directors of the corporation may, when they deem it expedient:

- (a) borrow money upon the credit of the corporation;
- (b) issue debentures or other securities of the corporation, and pledge or sell the same for such sums and at such price as may be deemed expedient;
- (c) hypothecate or mortgage the moveable or immoveable property, present or future, of the corporation, or pledge or otherwise affect the moveable or immoveable property, present or future, of the corporation, or give all such guarantees, to secure the payment of loans made by the issue of debentures, as well as the payment or performance of any other loan, debt, contract or obligation of the corporation.