

PATENT ASSIGNMENT

Electronic Version v1.1
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SUBMISSION TYPE:	NEW ASSIGNMENT
NATURE OF CONVEYANCE:	MERGER
EFFECTIVE DATE:	06/16/2005

CONVEYING PARTY DATA

Name	Execution Date
Inlet Technologies, Inc. (a North Carolina Corporation)	06/16/2005

RECEIVING PARTY DATA

Name:	Inlet Technologies, Inc. (a Delaware corporation)
Street Address:	1121 Situs Court
Internal Address:	Suite 330
City:	Raleigh
State/Country:	NORTH CAROLINA
Postal Code:	27606

PROPERTY NUMBERS Total: 2

Property Type	Number
Application Number:	10935991
Application Number:	11106906

CORRESPONDENCE DATA

Fax Number: (919)854-1401
Correspondence will be sent via US Mail when the fax attempt is unsuccessful.
 Phone: 919-854-1400
 Email: cgregory@myersbigel.com
 Correspondent Name: Myers Bigel Sibley & Sajovec / C Gregory
 Address Line 1: 4140 Parklake Ave
 Address Line 2: Suite 600
 Address Line 4: Raleigh, NORTH CAROLINA 27612

ATTORNEY DOCKET NUMBER:	9689-1
NAME OF SUBMITTER:	Carey Gregory

CH \$80.00 10935991

Total Attachments: 6

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ARTICLES OF MERGER

OF

INLET TECHNOLOGIES, INC.
(a North Carolina corporation),

WITH AND INTO

INLET TECHNOLOGIES, INC.
(a Delaware corporation)

Pursuant to Sections 55-11-05 and 55-11-07 of the General Statutes of North Carolina, the undersigned corporation does hereby submit the following Articles of Merger as the surviving corporation in a merger between a domestic business corporation and a foreign corporation.

FIRST: The name of the surviving corporation is Inlet Technologies, Inc., a corporation organized under the laws of Delaware; the name of the merged corporation is Inlet Technologies, Inc., a corporation organized under the laws of North Carolina.

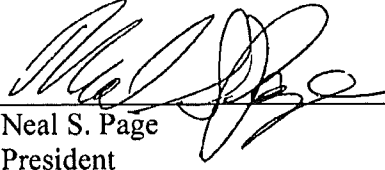
SECOND: The Agreement and Plan of Merger attached hereto sets forth the terms and conditions of the merger and was duly approved in the manner prescribed by law by the shareholders/stockholders of each of the corporations participating in the merger.

THIRD: The merger is permitted by the laws of the State of Delaware and the surviving corporation has complied with such laws in effecting the merger.

FOURTH: The merger shall become effective as of June 16, 2005.

IN WITNESS WHEREOF, the undersigned corporation has caused these Articles of Merger to be signed by a duly authorized officer as of June 16, 2005.

INLET TECHNOLOGIES, INC.

By: 
Neal S. Page
President

AGREEMENT AND PLAN OF MERGER

THIS AGREEMENT AND PLAN OF MERGER (this "Agreement") is made and entered into as of June 19, 2005, by and between Inlet Technologies, Inc., a North Carolina corporation (the "NC Company"), and Inlet Technologies, Inc., a Delaware corporation (the "DE Company").

WHEREAS, the DE Company is a wholly-owned subsidiary of the NC Company and the NC Company will merge with and into the DE Company so that, as a result of the merger, the DE Company will be the surviving corporation;

WHEREAS, the Board of Directors and shareholders of the NC Company have determined that this Agreement and the merger of the NC Company with and into the DE Company (the "Merger") in accordance with the provisions of the North Carolina Business Corporation Act (the "NCBCA") and the Delaware General Corporation Law (the "DGCL"), is advisable and in the best interests of the NC Company and its shareholders;

WHEREAS, the Board of Directors and sole stockholder of the DE Company have approved this Agreement and the Merger; and

WHEREAS, for federal income tax purposes, the issuance of shares of the DE Company pursuant to this Agreement and the Merger is intended to qualify for tax-free treatment under Section 368(a) of the United States Internal Revenue Code of 1986, as amended.

NOW, THEREFORE, in consideration of the representations, warranties and covenants contained herein, the parties hereto agree as follows:

ARTICLE I

1.1 Merger of NC Company with and into DE Company.

(a) Agreement to Acquire NC Company. Subject and pursuant to the terms of this Agreement, the NC Company shall be merged with and into the DE Company.

(b) Effective Time of the Merger. The Merger shall become effective upon the filing of (a) a Certificate of Merger with the Delaware Secretary of State, and (b) Articles of Merger with the North Carolina Secretary of State. The time of such filings is referred to as the "Effective Time."

(c) Surviving Corporation. At the Effective Time, the NC Company shall be merged into the DE Company and the separate corporate existence of the NC Company shall thereupon cease. The DE Company shall be the surviving corporation in the Merger (the "Surviving Corporation") and shall succeed, without other transfer, to all the rights and property of the NC Company and shall be subject to all the debts and liabilities of the NC Company in the same manner as if the Surviving Corporation had itself incurred them.

1.2 Effects of the Merger; Additional Actions. The Merger shall have the effects set forth in §55-11-06 of the NCBCA and §259 of the DGCL.

ARTICLE II

2.1 Certificate of Incorporation of Surviving Corporation. At the Effective Time, the Certificate of Incorporation of the Surviving Corporation shall be amended and restated as set forth in Exhibit A attached hereto (the "**Certificate of Incorporation**"), until thereafter amended in accordance with the DGCL.

2.2 Bylaws of Surviving Corporation. At the Effective Time, the Bylaws of the Surviving Corporation shall be the Bylaws of the DE Company as in effect immediately prior to the Effective Time, until thereafter duly altered, amended or repealed as provided by the DGCL, the Certificate of Incorporation and/or the Bylaws of the Surviving Corporation.

2.3 Officers and Directors of Surviving Corporation. At the Effective Time, the officers and directors of the Surviving Corporation shall be the same as the officers and directors of the NC Company immediately prior to the Effective Time, until their successors shall have been elected or appointed and qualified.

ARTICLE III

3.1 Effect on the Capital Stock.

(a) NC Company. At the Effective Time, by virtue of the Merger and without any action on the part of any party hereto or any holder thereof:

(i) Common Stock. Each share of the Common Stock, no par value per share, of the NC Company, issued and outstanding immediately prior to the Effective Time shall be exchanged for and converted into one (1) share of the Common Stock of the Surviving Corporation, par value \$0.001 per share, with equivalent rights and preferences;

(ii) Series A Preferred Stock. Each share of the Series A Preferred Stock, no par value per share, of the NC Company, issued and outstanding immediately prior to the Effective Time shall be exchanged for and converted into one (1) share of the Series A Preferred Stock of the Surviving Corporation, par value \$0.001 per share, with equivalent rights and preferences; and

(iii) Stock Certificates. Following the Effective Time, each stock certificate of the NC Company evidencing ownership of any such shares shall represent the right to receive such shares of capital stock of the Surviving Corporation as they are to receive in the Merger. Each stockholder shall promptly deliver to the Corporation

certificates evidencing shares of NC Company whereupon the Corporation shall deliver to them certificates evidencing such shares in the Surviving Corporation.

(b) The Surviving Corporation. The outstanding shares of the Surviving Corporation prior to the Merger shall be cancelled or terminated as of the Effective Time without consideration received in exchange therefor.

(c) Dissenters' Rights, if applicable. Notwithstanding any provision herein to the contrary, if for any reason any holder of shares of the capital stock of NC Company shall become entitled to payment of the value of such shares pursuant to the provisions of §55-13-01 et. seq. of the NCBCA by reason of the transactions contemplated by this Agreement, then such holder shall be entitled to receive such payment only and shall not be entitled to receive the consideration described in this Article.

3.2 Effect on Stock Options and Stock Option Plan.

(a) At the Effective Time, by virtue of the Merger and without any action on the part of any party hereto or of any holder thereof, each option to purchase shares of capital stock of the NC Company outstanding immediately prior to the Effective Time shall be converted to an equivalent option to purchase shares of the same class of shares of the capital stock of the Surviving Corporation pursuant to the same terms as such option to purchase shares of capital stock of the NC Company. Each stock option agreement of the NC Company evidencing the right to purchase shares of capital stock of the NC Company shall continue to evidence the right to purchase such shares of capital stock of the Surviving Corporation.

(b) At the Effective Time, by virtue of the Merger and without any action on the part of any party hereto, the Stock Option Plan of the NC Company shall be assumed by the Surviving Corporation.

3.3 Warrants; Convertible Notes. At the Effective Time, by virtue of the Merger and without any action on the part of any party hereto, issued and outstanding warrants, convertible notes and other securities of the NC Company other than the options discussed in Section 3.2 above (the "convertible securities") representing the right to convert, exchange or exercise such convertible securities into or for shares of the capital stock of the NC Company (the "underlying securities") shall continue to evidence the right to convert, exchange or exercise such securities for or into the class and type of shares of the capital stock of the Surviving Corporation for which such underlying securities were exchanged for and converted into pursuant to Section 3.1 hereof. Each such instrument representing convertible securities shall continue to evidence the right to exercise, exchange or exercise such convertible securities into shares of the capital stock of the Surviving Corporation on the same terms and conditions as set forth in such instruments.

ARTICLE IV

4.1 Further Assurances. From time to time, as and when required by the Surviving Corporation or by its successors or assigns, there shall be executed and delivered on behalf of the

NC Company such deeds and other instruments, and there shall be taken or caused to be taken by it such further and other actions as shall be appropriate or necessary in order to vest or perfect in or conform of record or otherwise by the Surviving Corporation the title to and possession of all the property, interests, assets, rights, privileges, immunities, powers, franchises and authority of the NC Company and otherwise to carry out the purposes of this Agreement, and the officers and directors of the Surviving Corporation are fully authorized in the name and on behalf of the NC Company or otherwise to take any and all such action and to execute and deliver any and all such deeds and other instruments

4.2 Abandonment. At any time before the Effective Date of the Merger, this Agreement may be terminated and the Merger may be abandoned for any reason whatsoever by the Board of Directors of the NC Company or the Board of Directors of the DE Company, or of both, notwithstanding the approval of this Agreement by the shareholders of the NC Company.

4.3 Termination. Notwithstanding the approval of this Agreement by the shareholders of the NC Company and the sole stockholder of the DE Company, to the extent permitted by law, this Agreement may be terminated and abandoned at any time prior to the Effective Time by mutual consent of the Board of Directors of the NC Company and the Board of Directors of the DE Company.

4.4 Amendment. To the extent permitted by law, this Agreement may only be amended by an instrument in writing signed on behalf of each of the parties hereto which is approved by the Board of Directors of the NC Company and the Board of Directors of the DE Company at any time before or after approval hereof by the shareholders of the NC Company and the sole stockholder of the DE Company but, after such approvals, no amendment shall be made which pursuant to either the NCBCA or the DGCL requires the further approval of such shareholders and sole stockholder without obtaining such approval.


4.5 Governing Law. This Agreement shall in all respects be construed, interpreted and enforced in accordance with and governed by the laws of the State of Delaware.

4.6 Counterparts. This Agreement may be executed in one or more counterparts, each of which shall be deemed to be an original, but all of which together shall constitute one agreement.

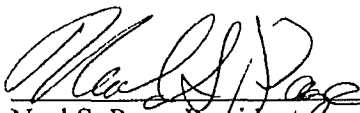
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IN WITNESS WHEREOF, the parties hereto have executed this Agreement and Plan of Merger as of the date first above written.

**INLET TECHNOLOGIES, INC., a North
Carolina corporation**

By: 
Neal S. Page, President

**INLET TECHNOLOGIES, INC., a Delaware
corporation**

By: 
Neal S. Page, President