

05-24-2002



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Form PTO-1594
(Rev. 03/01)
OMB No. 0651-0027 (exp. 5/31/2002)
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U.S. DEPARTMENT OF COMMERCE
U.S. Patent and Trademark Office

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

1. Name of conveying party(ies): 5.20.02
Accelerated Technology, Inc.
 Individual(s) Association
 General Partnership Limited Partnership
 Corporation-State Alabama
 Other _____
Additional name(s) of conveying party(ies) attached? Yes No

2. Name and address of receiving party(ies)
Name: Mentor Graphics Corporation
Internal
Address: _____
Street Address: 8005 S.W. Boeckman Road
City: Wilsonville State: OR Zip: 97070
 Individual(s) citizenship _____
 Association _____
 General Partnership _____
 Limited Partnership _____
 Corporation-State Oregon
 Other _____
If assignee is not domiciled in the United States, a domestic representative designation is attached: Yes No
(Designations must be a separate document from assignment)
Additional name(s) & address(es) attached? Yes No

3. Nature of conveyance:
 Assignment Merger
 Security Agreement Change of Name
 Other _____
Execution Date: March 21, 2002

4. Application number(s) or registration number(s):
A. Trademark Application No.(s)
See Attached "SCHEDULE "A"
Additional number(s) attached Yes No

B. Trademark Registration No.(s)
See Attached "SCHEDULE "B"
Additional number(s) attached Yes No

5. Name and address of party to whom correspondence concerning document should be mailed:
Name: Henry B. Ward, III, Esq.
Internal Address: Bank of America Plaza

Street Address: 101 South Tryon Street,
Suite 4000
City: Charlotte State: NC Zip: 28280

6. Total number of applications and registrations involved: 6
7. Total fee (37 CFR 3.41).....\$ 165.00
 Enclosed
 Authorized to be charged to deposit account
8. Deposit account number:
16-0605
(Attach duplicate copy of this page if paying by deposit account)

DO NOT USE THIS SPACE

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.
Henry B. Ward, III Henry B. Ward III May 8, 2002
Name of Person Signing Signature Date
Total number of pages including cover sheet, attachments, and document: 20

Mail documents to be recorded with required cover sheet information to:
Commissioner of Patent & Trademarks, Box Assignments
Washington, D.C. 20231

05/23/2002 TB1A21 00000095 76192262

01 FC:481 40.00 OP
02 FC:482 125.00 OP

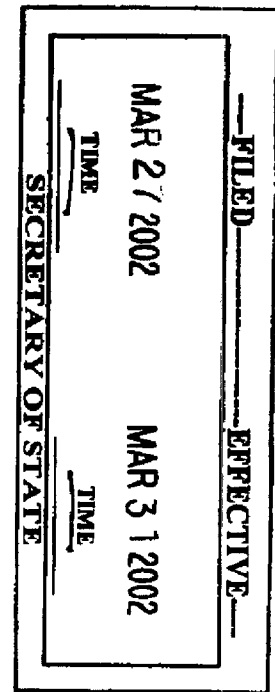
SCHEDULE "A"

<u>Mark</u>	<u>Application No.</u>	<u>Filed</u>
CODE LAB	76/192,262	1-10-2001
NUCLEUS	76/145,363	10-12-2000
NUCLEUS & Design	76/145,364	10-12-2000

SCHEDULE "B"

<u>Mark</u>	<u>Registration No.</u>	<u>Registered</u>
A & Design	2,527,278	1-8-2002
ACCELERATED TECHNOLOGY	2,527,277	1-8-2002
IT JUST MAKES SENSE SOURCE CODE NO ROYALTIES ANY CPU & Design	2,330,813	3-21-2000

CERTIFICATE OF MERGER
OF
ACCELERATED TECHNOLOGY, INC.
(an Alabama Corporation)
INTO
MENTOR GRAPHICS CORPORATION
(an Oregon Corporation)



Accelerated Technology, Inc., a corporation organized and existing under the Alabama Business Corporations Act, does hereby certify:

FIRST: That the name and state of incorporation of each of the parties to the merger are as follows:

<u>Name</u>	<u>State of Incorporation</u>
Accelerated Technology, Inc.	Alabama
Mentor Graphics Corporation	Oregon

SECOND: That a plan and agreement of merger between the parties to the merger has been approved, adopted, certified, executed and acknowledged by each of the corporations party to the merger in accordance with the requirements of Section 10-15 of the Alabama Business Corporation Act.

THIRD: That the name of the surviving corporation is Mentor Graphics Corporation.

FOURTH: That the Certificate of Incorporation of the surviving corporation shall be the Certificate of Incorporation of Mentor Graphics Corporation as filed with the Oregon Secretary of State.

FIFTH: That the date upon which the merger is effective is March 31, 2002.

SIXTH: That the executed plan and agreement of merger is on file at the principal place of business of Mentor Graphics Corporation at 8005 SW Boeckman Road, Wilsonville, Oregon 97070.

RECEIVED

MAR 27 2002

**SECRETARY
OF STATE**

SEVENTH: That a copy of the plan and agreement of merger is attached hereto as Exhibit A and will be furnished by Mentor Graphics Corporation upon request and without cost to any equity owner of either business entity that is party to the merger.

EIGHTH: That this Certificate of Merger shall act as a termination document for Accelerated Technology, Inc.

IN WITNESS WHEREOF, Accelerated Technology, Inc. has caused this Certificate of Merger to be executed by its President this 21st day of March, 2002.

ACCELERATED TECHNOLOGY, INC.
(an Alabama Corporation)

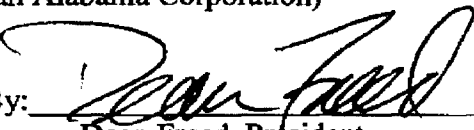
By: 
Dean Freed, President

EXHIBIT A

PLAN AND AGREEMENT OF MERGER
Between
MENTOR GRAPHICS CORPORATION
And
ACCELERATED TECHNOLOGY, INC.

This Plan and Agreement of Merger is made, and entered into, on the 21st day of March, 2002, by and between Mentor Graphics Corporation, an Oregon corporation ("Surviving Corporation") and Accelerated Technology, Inc., an Alabama corporation ("Merged Corporation"). The above named Corporations are sometimes referred to jointly as the Constituent Corporations.

In consideration of the agreements, covenants and provisions set out below, the Surviving Corporation and the Merged Corporation, agree as follows:

ARTICLE I

The Surviving Corporation and the Merged Corporation shall be merged into a single Corporation, in accordance with applicable provisions of the laws of the State of Oregon and of the State of Alabama by the Merged Corporation merging into the Surviving Corporation, which shall be the Surviving Corporation.

ARTICLE II

Upon the merger becoming effective on March 31, 2002 under the laws of the States of Oregon and Alabama (such time being referred to herein as the "EFFECTIVE DATE OF THE MERGER"):

1. The two Constituent Corporations shall be a single corporation, which shall be the Surviving Corporation, and the separate existence of the Merged Corporation shall cease, except to the extent, if any, provided by the laws of the State of Alabama.

2. The Surviving Corporation shall thereupon possess all the rights, privileges, immunities and franchises of the Constituent Corporations; and all property, real and personal, and all debts due on whatever account, and every other interest belonging to or due to each of the Constituent Corporations, shall be vested in the Surviving Corporation without further act or deed.

3. The Surviving Corporation shall be responsible and liable for all of the liabilities and obligations of each Constituent Corporation; and all existing or pending claims, actions or proceedings by or against the Constituent Corporations may be prosecuted to judgment as if the merger had not taken place, or the Surviving Corporation may be substituted in the place of the appropriate Constituent Corporation, and neither the rights of creditors nor any liens upon the property of the Constituent Corporations shall be impaired by the merger.

4. The Surviving Corporation hereby agrees that it may be served with process in the State of Oregon in any proceeding for the enforcement of any obligation of either Constituent Corporation, including those arising from the merger, and hereby irrevocably appoints the Secretary of State of Alabama as its agent to accept service of process in any such suit or other proceedings, and further agrees that service of any such process may be made by providing the Secretary of State of the State of Oregon with duplicate copies of such process; and the Surviving Corporation authorizes the aforesaid Secretary of State to send such process to it by registered mail directed to its registered office at:

Mentor Graphics Corporation
Attn: General Counsel
8005 SW Boeckman Road
Wilsonville, OR 97070

5. With respect to each Constituent Corporation, the aggregate amount of net assets of each Constituent Corporation that was available to support and pay dividends before the merger, shall continue to be available for the payment of dividends by the Surviving Corporation, except to the extent that all or a portion of those net assets may be transferred to the stated capital of the Surviving Corporation.

6. The Bylaws of the Surviving Corporation as they existed immediately before the effective date of merger shall be the Bylaws of the Surviving Corporation.

7. The persons who will serve on the Board of Directors and as the officers of the Surviving Corporation shall be the same persons who served as directors and officers of the Surviving Corporation immediately before the effective date of the merger.

ARTICLE III

The Articles of Incorporation of the Surviving Corporation shall not be amended in any respect by reason of this Agreement of Merger, and said Articles of Incorporation shall constitute the Articles of Incorporation of the Surviving Corporation unless or until it is subsequently amended by the action of the Board of Directors and shareholders; the said Articles of Incorporation are set forth in Exhibit A attached hereto and are made a part of this Plan and Agreement of Merger.

ARTICLE IV

The shares of the Constituent Corporations shall be converted into shares of the Surviving Corporation in the following manner:

1. Each share of each Constituent Corporation shall be converted into one fully paid and non-assessable share(s) of capital stock of the Surviving Corporation.

ARTICLE V

The Surviving Corporation shall pay all expenses incurred for the purpose of bringing both this Agreement of Merger and the merger herein described into effect.

ARTICLE VI

If the Surviving Corporation shall have reason to request any further assignments, conveyances or other transfers that it is advised by counsel are necessary to vest in the Surviving Corporation title to any property or rights of either of the Constituent Corporations, the officers and directors of the appropriate Constituent Corporation shall execute any assignment, conveyance or transfer to vest such property or rights in the Surviving Corporation.

ARTICLE VII

This Plan and Agreement of Merger has been approved by the Surviving Corporation as the sole shareholder of the Merged Corporation. It does not require the consent of the shareholders of the Surviving Corporation.

IN WITNESS WHEREOF, each Constituent Corporation has directed this Plan and Agreement of Merger to be executed by its authorized representative.

MENTOR GRAPHICS CORPORATION
By: [Signature]
Its: Vice President

ACCELERATED TECHNOLOGY, INC.
By: [Signature]
Its: President

151845-18

ARTICLES OF AMENDMENT
OF
MENTOR GRAPHICS CORPORATION

FILED
FEB 19 1999
SECRETARY OF STATE

Pursuant to ORS 60.134, Mentor Graphics Corporation has amended its 1987 Restated Articles of Incorporation.

1. The name of the corporation is Mentor Graphics Corporation.
2. The 1987 Restated Articles of Incorporation have been amended to add a new Section D of Article III which is attached as Exhibit A.
3. The amendment to the 1987 Restated Articles of Incorporation was adopted on February 10, 1999.
4. The amendment to the 1987 Restated Articles of Incorporation was duly adopted by the Board of Directors of the corporation and did not require shareholder approval because the amendment involves the designation of a series of Incentive Stock of the corporation as authorized by Section B of Article III of the 1987 Restated Articles of Incorporation.

Dated: February 19, 1999.

MENTOR GRAPHICS CORPORATION

By: 

Dean Freed
Vice President, General Counsel

AMENDMENT
of
1987 RESTATED ARTICLES OF INCORPORATION
of
MENTOR GRAPHICS CORPORATION

The following Section D is added to Article III of the 1987 Restated Articles of Incorporation of Mentor Graphics Corporation (the "Corporation"):

D. This Article III.D sets forth the designation, preferences, limitations and relative rights of a series of Incentive Stock of the Corporation as determined by the Board of Directors of the Corporation (the "Board of Directors" or the "Board") pursuant to its authority under ORS 60.134 and Article III.B of these Articles of Incorporation.

1. Designation and Amount. The shares of such series shall be designated as "Series A Junior Participating Incentive Stock" (the "Series A Incentive Stock") and the number of shares constituting the Series A Incentive Stock shall be 1,000,000.

2. Dividends and Distributions.

(A) Subject to the prior and superior rights of the holders of any shares of any class or series of stock of this Corporation ranking prior and superior to the Series A Incentive Stock with respect to dividends, the holders of shares of Series A Incentive Stock, in preference to the holders of Common Stock, no par value (the "Common Stock"), of the Corporation, and of any other stock ranking junior to the Series A Incentive Stock, shall be entitled to receive, when, as and if declared by the Board of Directors out of funds legally available for the purpose, quarterly dividends payable in cash on the first day of March, June, September and December in each year (each such date being referred to herein as a "Quarterly Dividend Payment Date"), commencing on the first Quarterly Dividend Payment Date after the first issuance of a share or fraction of a share of Series A Incentive Stock, in an amount per share (rounded to the nearest cent) equal to the greater of (a) \$1.00 or (b) subject to the provision for adjustment hereinafter set forth, 100 times the aggregate per share amount of all cash dividends, and 100 times the aggregate per share amount (payable in kind) of all non-cash dividends or other distributions, other than a dividend payable in shares of Common Stock or a subdivision of the outstanding shares of Common Stock (by reclassification or otherwise), declared on the Common Stock since the immediately preceding Quarterly Dividend Payment Date or, with respect to the first Quarterly Dividend Payment Date, since the first issuance of any share or fraction of a share of Series A Incentive Stock. In the event the Corporation shall at any time declare or pay any dividend on the Common Stock payable in shares of Common Stock, or effect a subdivision, combination or consolidation of the outstanding shares of Common Stock (by reclassification

or otherwise than by payment of a dividend in shares of Common Stock) into a greater or lesser number of shares of Common Stock, then in each such case the amount to which holders of shares of Series A Incentive Stock were entitled immediately prior to such event under clause (b) of the preceding sentence shall be adjusted by multiplying such amount by a fraction, the numerator of which is the number of shares of Common Stock outstanding immediately after such event and the denominator of which is the number of shares of Common Stock that were outstanding immediately prior to such event.

(B) The Corporation shall declare a dividend or distribution on the Series A Incentive Stock as provided in paragraph (A) of this Section 2 immediately after it declares a dividend or distribution on the Common Stock (other than a dividend payable in shares of Common Stock); provided that, in the event no dividend or distribution shall have been declared on the Common Stock during the period between any Quarterly Dividend Payment Date and the next subsequent Quarterly Dividend Payment Date, a dividend of \$1.00 per share on the Series A Incentive Stock shall nevertheless be payable on such subsequent Quarterly Dividend Payment Date.

(C) Dividends shall begin to accrue and be cumulative on outstanding shares of Series A Incentive Stock from the Quarterly Dividend Payment Date next preceding the date of issue of such shares, unless the date of issue of such shares is prior to the record date for the first Quarterly Dividend Payment Date, in which case dividends on such shares shall begin to accrue from the date of issue of such shares, or unless the date of issue is a Quarterly Dividend Payment Date or is a date after the record date for the determination of holders of shares of Series A Incentive Stock entitled to receive a quarterly dividend and before such Quarterly Dividend Payment Date, in either of which events such dividends shall begin to accrue and be cumulative from such Quarterly Dividend Payment Date. Accrued but unpaid dividends shall not bear interest. Dividends paid on the shares of Series A Incentive Stock in an amount less than the total amount of such dividends at the time accrued and payable on such shares shall be allocated pro rata on a share-by-share basis among all such shares at the time outstanding. The Board of Directors may fix a record date for the determination of holders of shares of Series A Incentive Stock entitled to receive payment of a dividend or distribution declared thereon, which record date shall be not more than 60 days prior to the date fixed for the payment thereof.

3. Voting Rights. Except as otherwise provided by law, the holders of shares of Series A Incentive Stock shall not be entitled to vote on any matter submitted to the vote of stockholders.

4. Certain Restrictions.

(A) Whenever quarterly dividends or other dividends or distributions payable on the Series A Incentive Stock as provided in Section 2 are in arrears, thereafter and until all accrued and unpaid dividends and distributions, whether or not declared, on

shares of Series A Incentive Stock outstanding shall have been paid in full, the Corporation shall not:

(i) declare or pay dividends, or make any other distributions, on any shares of stock ranking junior (either as to dividends or upon liquidation, dissolution or winding up) to the Series A Incentive Stock;

(ii) declare or pay dividends, or make any other distributions, on any shares of stock ranking on a parity (either as to dividends or upon liquidation, dissolution or winding up) with the Series A Incentive Stock, except dividends paid ratably on the Series A Incentive Stock and all such parity stock on which dividends are payable or in arrears in proportion to the total amounts to which the holders of all such shares are then entitled;

(iii) redeem or purchase or otherwise acquire for consideration shares of any stock ranking junior (either as to dividends or upon liquidation, dissolution or winding up) to the Series A Incentive Stock, provided that the Corporation may at any time redeem, purchase or otherwise acquire shares of any such junior stock in exchange for shares of any stock of the Corporation ranking junior (both as to dividends and upon dissolution, liquidation or winding up) to the Series A Incentive Stock; or

(iv) redeem or purchase or otherwise acquire for consideration any shares of Series A Incentive Stock, or any shares of stock ranking on a parity with the Series A Incentive Stock, except in accordance with a purchase offer made in writing or by publication (as determined by the Board of Directors) to all holders of such shares upon such terms as the Board of Directors, after consideration of the respective annual dividend rates and other relative rights and preferences of the respective series and classes, shall determine in good faith will result in fair and equitable treatment among the respective series or classes.

(B) The Corporation shall not permit any subsidiary of the Corporation to purchase or otherwise acquire for consideration any shares of stock of the Corporation unless the Corporation could, under paragraph (A) of this Section 4, purchase or otherwise acquire such shares at such time and in such manner.

5. **Reacquired Shares.** Any shares of Series A Incentive Stock purchased or otherwise acquired by the Corporation in any manner whatsoever shall be restored to the status of authorized but unissued shares after the acquisition thereof. All such shares shall upon any such restoration become authorized but unissued shares of Incentive Stock and may be reissued as part of a new series of Incentive Stock subject to the conditions and restrictions on issuance set forth herein, in the Restated Articles of Incorporation, or in any amendment thereto creating a series of Incentive Stock or any similar stock or as otherwise required by law.

6. Liquidation, Dissolution or Winding Up.

(A) Upon any liquidation, dissolution or winding up of the Corporation, voluntary or otherwise no distribution shall be made (1) to the holders of shares of stock ranking junior (either as to dividends or upon liquidation, dissolution or winding up) to the Series A Incentive Stock unless, prior thereto, the holders of shares of Series A Incentive Stock shall have received an amount per share (the "Series A Liquidation Preference") equal to \$100 per share, plus an amount equal to accrued and unpaid dividends and distributions thereon, whether or not declared, to the date of such payment, provided that the holders of shares of Series A Incentive Stock shall be entitled to receive an aggregate amount per share, subject to the provision for adjustment hereinafter set forth, equal to 100 times the aggregate amount to be distributed per share to holders of shares of Common Stock, or (2) to the holders of shares of stock ranking on a parity (either as to dividends or upon liquidation, dissolution or winding up) with the Series A Incentive Stock, except distributions made ratably on the Series A Incentive Stock and all such parity stock in proportion to the total amounts to which the holders of all such shares are entitled upon such liquidation, dissolution or winding up. In the event the Corporation shall at any time declare or pay any dividend on the Common Stock payable in shares of Common Stock, or effect a subdivision, combination or consolidation of the outstanding shares of Common Stock (by reclassification or otherwise than by payment of a dividend in shares of Common Stock) into a greater or lesser number of shares of Common Stock, then in each such case the aggregate amount to which holders of shares of Series A Incentive Stock were entitled immediately prior to such event under the proviso in clause (1) of the preceding sentence shall be adjusted by multiplying such amount by a fraction the numerator of which is the number of shares of Common Stock outstanding immediately after such event and the denominator of which is the number of shares of Common Stock that are outstanding immediately prior to such event.

(B) In the event, however, that there are not sufficient assets available to permit payment in full of the Series A Liquidation Preference and the liquidation preferences of all other classes and series of stock of the Corporation, if any, that rank on a parity with the Series A Incentive Stock in respect thereof, then the assets available for such distribution shall be distributed ratably to the holders of the Series A Incentive Stock and the holders of such parity shares in proportion to their respective liquidation preferences.

(C) Neither the merger or consolidation of the Corporation into or with another corporation nor the merger or consolidation of any other corporation into or with the Corporation shall be deemed to be a liquidation, dissolution or winding up of the Corporation within the meaning of this Section 6.

7. Consolidation, Merger, etc. In case the Corporation shall enter into any consolidation, merger, combination or other transaction in which the shares of Common Stock are exchanged for or changed into other stock or securities, cash and/or any other property, then in any such case each share of Series A Incentive Stock shall at the same time be similarly exchanged or changed into an amount per share, subject to the provision for

adjustment hereinafter set forth, equal to 100 times the aggregate amount of stock, securities, cash and/or any other property (payable in kind), as the case may be, into which or for which each share of Common Stock is changed or exchanged. In the event the Corporation shall at any time declare or pay any dividend on the Common Stock payable in shares of Common Stock, or effect a subdivision, combination or consolidation of the outstanding shares of Common Stock (by reclassification or otherwise than by payment of a dividend in shares of Common Stock) into a greater or lesser number of shares of Common Stock, then in each such case the amount set forth in the preceding sentence with respect to the exchange or change of shares of Series A Incentive Stock shall be adjusted by multiplying such amount by a fraction, the numerator of which is the number of shares of Common Stock outstanding immediately after such event and the denominator of which is the number of shares of Common Stock that were outstanding immediately prior to such event.

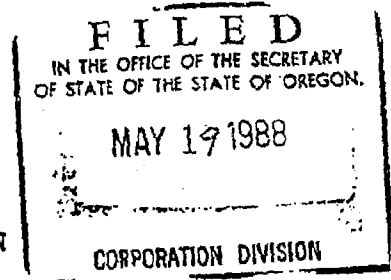
8. No Redemption. The shares of Series A Incentive Stock shall not be redeemable by the Company.

9. Rank. The Series A Incentive Stock shall rank, with respect to the payment of dividends and the distribution of assets upon liquidation, dissolution or winding up, junior to all series of any other class of the Corporation's Incentive Stock, except to the extent that any such other series specifically provides that it shall rank on a parity with or junior to the Series A Incentive Stock.

10. Amendment. The Articles of Incorporation of the Corporation shall not be amended in any manner which would materially alter or change the powers, preferences or special rights of the Series A Incentive Stock so as to affect them adversely without the affirmative vote of the holders of at least two-thirds of the outstanding shares of Series A Incentive Stock, voting separately as a single class.

11. Fractional Shares. Series A Incentive Stock may be issued in fractions of a share that shall entitle the holder, in proportion to such holder's fractional shares, to receive dividends, participate in distributions and to have the benefit of all other rights of holders of Series A Incentive Stock.

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ARTICLES OF AMENDMENT
OF
1987 RESTATED ARTICLES OF INCORPORATION
OF
MENTOR GRAPHICS CORPORATION

Pursuant to the Oregon Business Corporation Act, the shareholders of Mentor Graphics Corporation have adopted amendments to the 1987 Restated Articles of Incorporation.

1. The name of the corporation is Mentor Graphics Corporation.
2. Section A of Article III of the 1987 Restated Articles of Incorporation is amended to read as follows:
 - A. The Corporation shall have authority to issue 101,200,000 shares of capital stock without par value. The shares shall be divided into two classes, designated as follows:

<u>Designation of Class</u>	<u>Number of Shares</u>
Common Stock	100,000,000
Incentive Stock	<u>1,200,000</u>
TOTAL	<u>101,200,000</u>

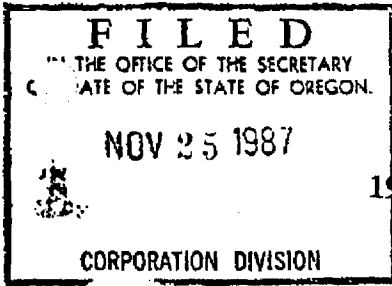
3. The amendment recited above was adopted by the shareholders of the corporation on April 14, 1988.
4. A total of 16,489,356 shares of Common Stock were outstanding on the record date for the meeting at which the amendment was approved and thus were entitled to be voted on the amendment. No shares of Incentive Stock were outstanding.
5. Of the shares of Common Stock voted on the proposal to amend Article III, 11,636,238 shares were voted for, and 888,990 were voted against, the proposal.

Dated: May 11, 1988.

Mentor Graphics Corporation

By Frank S. Delia
 Frank S. Delia
 Vice President, General Counsel
 and Secretary

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**ARTICLES OF RESTATEMENT
 OF
 MENTOR GRAPHICS CORPORATION
 1987 RESTATED ARTICLES OF INCORPORATION**

Pursuant to the provisions of Section 109 of the Oregon Business Corporation Act, Mentor Graphics Corporation adopts the following 1987 Restated Articles of Incorporation which shall supersede its 1985 Restated Articles of Incorporation.

ARTICLE I

The name of this Corporation shall be MENTOR GRAPHICS CORPORATION and its duration shall be perpetual.

ARTICLE II

The Corporation shall have the power to engage in any lawful activity for which corporations may be organized under the Oregon Business Corporation Act.

ARTICLE III

A. The Corporation shall have authority to issue 51,200,000 shares of capital stock without par value. The shares shall be divided into two classes, designated as follows:

<u>Designation of Class</u>	<u>Number of Shares</u>
Common Stock	50,000,000
Incentive Stock	<u>1,200,000</u>
TOTAL	<u>51,200,000</u>

B. The Board of Directors of the Corporation shall have authority to divide the Incentive Stock into as many series as the Board of Directors shall from time to time determine and to issue the Incentive Stock in such series. The Board of Directors shall determine the number of shares comprising each series of Incentive Stock, which number may, unless otherwise provided by the Board of Directors in creating such series, be increased or decreased from time to time by action of the Board of Directors. Each series of Incentive Stock shall be so designated as to distinguish the shares thereof from the shares of all other series. All shares of each series of Incentive Stock shall be identical. All series of Incentive Stock shall be of equal rank and have the same powers, preferences and rights, and shall be subject to the same qualifications, limitations and restrictions, without distinction between shares of different series thereof; provided, however, that there may be variations among different series of Incentive Stock as to dividend rates; prices, terms and conditions of redemption, if any; liquidation rights; and terms and conditions of conversion, if any, which variations may be fixed and determined by the Board of Directors of the Corporation in accordance with the provisions of this Article III.

C. The relative rights, preferences, privileges and restrictions granted to or imposed upon the respective classes of the shares of capital stock or the holders thereof are as follows:

1. Dividends. No dividend other than a stock dividend shall be paid on any share of Common Stock (the "Common Dividend") unless at the same time there shall be paid a dividend on each share of Incentive Stock (the "Incentive Dividend") in an amount to be fixed and determined by the Board of Directors of the Corporation at the time of the establishment of the series in which such shares of Incentive Stock were issued. The Board of Directors when fixing and determining the amount of the Incentive Dividend required hereunder may express such amount in dollars, in a formula based upon the Common Dividend, or both.

2. Liquidation Preference. In the event of any liquidation or dissolution of the Corporation, either voluntary or involuntary, distributions to the shareholders of the Corporation shall be made in the following manner:

(a) The holders of the Incentive Stock shall be entitled to receive, prior and in preference to any distribution of any of the assets or surplus funds of the Corporation to the holders of the Common Stock by reason of their ownership of such stock, an amount per share for each share of Incentive Stock then held by them, adjusted for any combinations, consolidations, or stock distributions or dividends with respect to such shares, as fixed and determined by the Board of Directors of the Corporation at the time of the establishment of the series in which such shares of Incentive Stock were issued. The Board of Directors when fixing and determining the amount which the Incentive Stock is entitled to receive hereunder may express such amount in dollars, in a formula based upon the amount to be distributed among the holders of the Common Stock as set forth in subparagraph 2(b), or both.

(b) After payment to the holders of Incentive Stock of the full preferential amounts set forth in subparagraph 2(a), the remaining assets and funds of the Corporation legally available for distribution, if any, shall be distributed among the holders of the Common Stock in proportion to the shares of Common Stock then held by them.

(c) A consolidation or merger of the Corporation with or into any other corporation or corporations, or a sale of all or substantially all of the assets of the Corporation, shall not be deemed to be a liquidation or dissolution, within the meaning of this paragraph.

3. Redemption. The Board of Directors of the Corporation may when establishing any series of Incentive Stock determine whether shares of such series may be redeemed and, if so, the redemption prices and the terms and conditions of redemption.

4. Voting Rights. Except as otherwise provided by law, the Incentive Stock shall not be entitled to vote on any matter submitted to the shareholders.

5. Conversion. The Board of Directors of the Corporation may when establishing any series of Incentive Stock fix and determine terms and conditions, if any, on which shares of such series may be converted into shares of any other series or class of stock.

ARTICLE IV

No holder of shares or securities of the Corporation now or hereafter authorized shall have any preemptive right or be entitled as of right to subscribe for, purchase or receive any unissued or treasury shares of any class, whether now or hereafter authorized, or any notes, bonds, debentures, or other securities convertible into, or carrying options or warrants to

purchase, shares of any class. All such unissued or treasury shares of any class, or notes, bonds, debentures or other securities convertible into, or carrying options or warrant to purchase, shares of any class may be issued or disposed of by the Board of Directors to such persons and on such terms as it, in its absolute discretion, may deem advisable.

ARTICLE V

The Corporation may indemnify to the fullest extent permitted by law any person who is made, or threatened to be made, a party to an action, suit or proceeding, whether civil, criminal, administrative, investigative, or otherwise (including an action, suit or proceeding by or in the right of the Corporation) by reason of the fact that the person is or was a director or officer of the Corporation or a fiduciary within the meaning of the Employee Retirement Income Security Act of 1974 with respect to any employee benefit plan of the Corporation, or serves or served at the request of the Corporation as a director or officer, or as a fiduciary of an employee benefit plan, of another corporation, partnership, joint venture, trust or other enterprise. This Article shall not be deemed exclusive of any other provisions for indemnification of directors, officers and fiduciaries that may be included in any statute, bylaw, agreement, resolution of shareholders or directors or otherwise, both as to action in any official capacity and action in another capacity while holding office.

ARTICLE VI

Any vacancy occurring in the Board of Directors may be filled by the affirmative vote of a majority of the remaining directors, though less than a quorum of the Board of Directors, or by a sole remaining director. Any directorship to be filled by reason of an increase in the number of directors of the Corporation fixed by the bylaws may be filled by the affirmative vote of a majority of the number of directors fixed by the bylaws prior to such increase, provided that not more than two such directorships may be filled by the directors during any one period between annual meetings of the shareholders of the Corporation. Any such directorship not so filled by the directors shall be filled by election at the next annual meeting of shareholders or at a special meeting of shareholders called for that purpose.

ARTICLE VII

No director of the Corporation shall be personally liable to the Corporation or its shareholders for monetary damages for conduct as a director; provided that this Article VII shall not eliminate the liability of a director for any act or omission for which such elimination of liability is not permitted under the Oregon Business Corporation Act. No amendment to the Oregon Business Corporation Act that further limits the acts or omissions for which elimination of liability is permitted shall affect the liability of a director for any act or omission which occurs prior to the effective date of such amendment.


MENTOR GRAPHICS CORPORATION

By 
Frank S. Delia
Vice President

**CERTIFICATE ACCOMPANYING
1987 RESTATED ARTICLES OF INCORPORATION
OF MENTOR GRAPHICS CORPORATION**

The attached 1987 Restated Articles of Incorporation do not contain an amendment to the articles of incorporation requiring shareholder approval. Accordingly, the Board of Directors of the corporation adopted the 1987 Restated Articles of Incorporation at a meeting held on October 21, 1987.

MENTOR GRAPHICS CORPORATION

By: 
Frank S. Delia
Vice President