

12-10-2002

Altera Docket No. 000606.0343-US-01

Form PTO-1618A

U.S. Department of Commerce

Patent and Trademark Office



102305823

To the Honorable Commissioner of Patents and Trademarks, Processed documents or copy thereof

1. Name and address of conveying party(ies): **Merging parties:**
 Quality Institute International, Inc.
 444 Cedar Street, 23rd Floor
 St. Paul, MN 55101
 Minnesota corporation
And
 Personnel Decisions Interim Corporation
 45 South 7th Street
 Minneapolis, MN 55402
 Minnesota corporation

2. Name and address of receiving party(ies): **Surviving entity:**
 QI International, Inc.
 45 South 7th Street
 Minneapolis, MN 55402

Individual General Partnership
 Limited Partnership Corporation
 Association Other

Citizenship/State of Incorporation/Organization: Minnesota

Additional names(s) of conveying party(ies) Yes No
 Additional name(s) & addresses attached? Yes No

3. Nature of conveyance:

Assignment Merger
 Security Agreement Change of Name
 License Nunc Pro Tunc Assignment
 Other

Execution Date: 23 February, 1998

4. Application number(s) or registration number(s)

A. Trademark Application Number(s) Trademark Registration Number(s)
 2,022,199
~~2,024,016~~
 2,150,061

Additional numbers attached? Yes No

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

Name: Michael B. Lasky
 Address: Altera Law Group
 6500 City West Parkway - Suite 100
 Minneapolis, Minnesota 55344-7701

6. Total number of applications and registrations involved: 3
 7. Total fee (37 C.F.R. §3.41) \$90.00
 Enclosed - Any excess or insufficiency should be credited or debited to deposit account
 Authorized to charged to deposit account

8. Deposit Account number: 50-1038

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.

Michael B. Lasky
 Name of Person Signing

Signature

27 November, 2002
 Date

Total number of pages including cover sheet, attachments, and document: 8

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CERTIFICATE UNDER 37 C.F.R. 1.8: The undersigned hereby certifies that this Transmittal Letter and the paper, as described herein, are being deposited in the United States Postal Service, as first class mail, with sufficient postage, in an envelope addressed to: Commissioner for Patents and Trademarks, Washington, D.C. 20231 on 27 November, 2002

Michael B. Lasky
 Name

Signature

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**ARTICLES OF MERGER
OF
QUALITY INSTITUTE INTERNATIONAL, INC.
INTO
PERSONNEL DECISIONS INTERIM CORPORATION**

Pursuant to Section 302A.615 of the Minnesota Statutes, the undersigned corporations execute the following Articles of Merger:

FIRST: The names of the corporations participating in the merger are Quality Institute International, Inc. and Personnel Decisions Interim Corporation, both of which are organized under the laws of Minnesota.

SECOND: The surviving corporation is Personnel Decisions Interim Corporation.

THIRD: The Plan of Merger, dated as of February 23, 1998, by and between Quality Institute International, Inc. and Personnel Decisions Interim Corporation attached hereto as Exhibit A and incorporated herein by reference (the "Plan of Merger") sets forth the terms and conditions of the merger and the manner and basis of converting the shares of the constituent corporations into money and other consideration.

FOURTH: The Plan of Merger was approved by the unanimous vote of the shareholders of Quality Institute International, Inc., and by the unanimous vote of the sole shareholder of Personnel Decisions Interim Corporation, pursuant to Section 302A.613, subdivision 2, of the Minnesota Statutes.

Dated this 23rd day of February, 1998.

QUALITY INSTITUTE INTERNATIONAL, INC.

By Dee Gaeddert
Dee Gaeddert, President

PERSONNEL DECISIONS INTERIM CORPORATION

By Peter M. Pramsted
Secretary

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EXHIBIT A

PLAN OF MERGER

ARTICLE 1.

NAMES OF CONSTITUENT CORPORATIONS AND SURVIVING CORPORATION

1.1) Names of Constituent Corporation; Surviving Corporation. The names of the Constituent Corporations are Quality Institute International, Inc., a Minnesota corporation ("QII") and Personnel Decisions Interim Corporation, a Minnesota corporation ("Interim Corporation") and a wholly-owned subsidiary of Personnel Decisions International Corporation, a Minnesota corporation ("PDI"). The Constituent Corporations shall be combined by the merger of QII with and into Interim Corporation as the Surviving Corporation (the "Merger") pursuant to the Agreement and Plan of Merger dated February 23, 1998 by and among QII, its shareholders, PDI and Interim Corporation (the "Merger Agreement"), and pursuant to applicable provisions of the Minnesota Business Corporation Act ("MBCA").

ARTICLE 2.

MEANS OF EFFECTING REORGANIZATION AND MERGER AND CONVERTING STOCK

2.1) The Merger. The Merger shall be effective upon the filing of this Plan together with the Articles of Merger and such other documents as are required by the MBCA to be filed with the Secretary of State of the State of Minnesota (the time of such filing being the "Effective Time" and the date thereof being the "Effective Date"). At the Effective Time, QII shall be merged with and into Interim Corporation in accordance with the provisions of the MBCA, whereupon the separate corporate existence of QII shall cease, and Interim Corporation shall alone continue in existence as the Surviving Corporation. All the transactions after the Effective Time shall be deemed transactions of and for the account of Interim Corporation as the Surviving Corporation.

2.2) Conversion of QII Common Stock.

(a) Merger Consideration. At the Effective Time, each issued and outstanding share of Common Stock of QII ("QII Common Stock") shall be converted, at the election of the holder thereof, into the following (the "Merger Consideration"):

(i) for each share of QII Common Stock, the right to receive in cash an amount equal to \$92.31 (the "**Cash Consideration**").

(ii) for each such share of QII Common Stock with respect to which a Type I election has been effectively made and not revoked or lost (an "**Type I Election**"), the right to receive the following consideration (the "**Type I Consideration**"): a number of shares of Class B non-voting common stock, no par value, of PDI (the "**PDI Class B Common Stock**") equal to (A) \$329.67 divided by the PDI Class B Common Stock Value (as defined below), plus (B) a number of shares of PDI Class B Common Stock equal to the Per Share Supplemental Value, if any (as defined in the Merger Agreement), divided by the PDI Class B Common Stock Value; or

(ii) for each such share of QII Common Stock with respect to which a Type II election has been effectively made and not revoked or lost (a "**Type II Election**") and any other shares of QII Common Stock as to which a Type I Election was not made, the right to receive the following consideration (the "**Type II Consideration**"): (A) a number of shares of PDI Class B Common Stock equal to \$158.53 divided by the PDI Class B Common Stock Value, plus (B) a number of shares of PDI Class B Common Stock equal to the Per Share Supplemental Value, if any, divided by the PDI Class B Common Stock Value, plus (C) an amount equal to \$171.14 to be paid by PDI in four (4) equal annual installments of principal together with accrued interest at ten percent (10%) per year, beginning on the one year anniversary of the Effective Time, pursuant to the terms of PDI Promissory Notes substantially in the form provided for in the Merger Agreement.

(b) **Cancellation of QII Common Stock.** As a result of the Merger and without any action on the part of the holder thereof, at the Effective Time, all shares of QII Common Stock shall cease to be outstanding and shall be canceled and retired and shall cease to exist, and each holder of shares of QII Common Stock shall thereafter cease to have any rights with respect to such shares of QII Common Stock, except the right to receive the Merger Consideration. All Merger Consideration issued in accordance with the terms hereof shall be deemed to have been issued in full satisfaction of all rights pertaining to such shares of QII Common Stock. After the Effective Time, there shall be no further registration of transfers on the stock transfer books of Interim Corporation of the shares of QII Common Stock which were outstanding immediately prior to the Effective Time. If, after the Effective Time, certificates representing such shares are presented to Interim Corporation, they shall be canceled and exchanged as provided in this Article 2.

(c) **Cancellation of QII Options.** Each option, warrant or other right to purchase shares of QII Common Stock, if any, which is outstanding at the Effective Time (a "**QII Option**") shall, by virtue of the Merger and without any action on the part of the holder thereof, be canceled and forfeited with no consideration paid by either Interim Corporation or QII, in connection therewith.

(d) **QII Certificates; Issuance of Merger Consideration.** After the Effective Time, the QII shareholders shall deliver to Interim Corporation certificates representing all issued and

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outstanding shares of QII Common Stock. Thereupon, PDI shall issue to such QII shareholders the Merger Consideration (subject to Section 2.3). In the event that any certificate representing any shares of QII Common Stock shall have been lost, stolen or destroyed, upon the making of an affidavit of that fact by the person claiming such certificate to be lost, stolen or destroyed, PDI will issue in exchange for such lost, stolen or destroyed certificate the applicable Merger Consideration pursuant to the Merger Agreement and the Merger.

(e) Further Actions. Each of PDI, Interim Corporation and QII shall use all reasonable efforts to take all actions that are necessary or appropriate in order to effect the Merger under the MBCA as promptly as commercially practicable. If, at any time after the Effective Time, any further action is necessary or desirable to carry out the purposes of the Merger Agreement and to vest the Surviving Corporation with full right, title and possession to all assets, property, rights, privileges, powers and franchises of either Interim Corporation or QII, the officers and directors of the Surviving Corporation are fully authorized in the name of their corporation or otherwise to take, and shall take, all such lawful and necessary action.

2.3 PDI Class B Common Stock Value.

(a) Appraised Value. "PDI Class B Common Stock Value" means the Appraised Value of PDI's common stock as of December 31, 1997 as determined for purposes of, and as defined in, the 1995 Amended and Restated Stock Purchase Agreement among certain shareholders of PDI (the "1995 Amended and Restated Stock Purchase Agreement"). Such Appraised Value shall be determined as soon as practical after Closing and in any event by June 1, 1998. In the event that the Appraised Value is not determined by such date, then solely for purposes of the Merger and the Merger Agreement and determining the PDI Class B Common Stock Value hereunder, the Appraised Value shall be, with respect to a QII shareholder at such shareholder's written election given on or after such date, the Appraised Value as of December 31, 1996 under the 1995 Amended and Restated Stock Purchase Agreement.

(b) Closing: Post-Closing Adjustment. At Closing, PDI shall issue shares of PDI Class B Common Stock as part of the Merger Consideration assuming that the PDI Class B Common Stock Value is equal to 150% of the Appraised Value as of December 31, 1996 for purposes of the 1995 Amended and Restated Stock Purchase Agreement. Within five days after determination of the Appraised Value under the 1995 Amended and Restated Stock Purchase Agreement as of December 31, 1997, PDI shall provide written notice thereof to the QII shareholders, along with a copy of any report prepared by the appraisers in connection therewith. Within ten days after providing such notice, PDI shall issue such additional number of shares of PDI Class B Common Stock, or the QII shareholders shall assign to PDI such number of shares of PDI Class B Common Stock, as may be required so that the number of shares of PDI Class B Common Stock finally issued as part of the Merger Consideration accurately reflects the Appraised Value as finally determined as of December 31, 1997 under the 1995 Amended and Restated Stock Purchase Agreement. To the extent that PDI's shares are uncertificated, at Closing and upon such post-Closing adjustment, PDI's books and records shall reflect the number of shares issued in accordance with the terms hereof, and the QII shareholders shall be

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entitled to receive, upon request, information of the type provided for under Minnesota law regarding such uncertificated shares.

2.4 **QII Common Stock Elections.** Up to the Effective Time, each holder of record of shares of QII Common Stock shall have the right to submit an Election Form (as defined below) specifying whether such person desires to receive the Type I Consideration or the Type II Consideration. PDI and QII shall prepare a form (the "Election Form"), pursuant to which each holder of QII Common Stock may make the Type I Election or the Type II Election (individually or collectively, an "Election"). The Election Form shall be provided to the QII shareholders prior to the Effective Time. To be effective, an Election Form must be properly completed, signed and submitted to PDI prior to the Effective Time.

ARTICLE 3.

ORGANIZATION OF THE SURVIVING CORPORATION

3.1) **Articles of Incorporation of the Surviving Corporation.** The Articles of Incorporation of Interim Corporation, as in effect immediately prior to the Effective Time, shall be the Articles of Incorporation of the Surviving Corporation until thereafter amended in accordance with applicable law.

3.2) **Bylaws of the Surviving Corporation.** The Bylaws of Interim Corporation, as in effect immediately prior to the Effective Time, shall be the Bylaws of the Surviving Corporation until thereafter amended in accordance with applicable law.

3.3) **Directors of the Surviving Corporation.** From and after the Closing until the first annual meeting of Interim Corporation's shareholders after the Closing, the Board of Directors of the Surviving Corporation shall consist of : Lowell Hellervik, Ph.D., Kenneth Hedberg and Peter M. Ramstad.

3.4) **Officers of the Surviving Corporation.** From and after the Closing until their successors shall have duly elected and qualified, or until their earlier death, resignation or removal, the officers of the Surviving Corporation shall be:

Lowell Hellervik	Chief Executive Officer
Dee Gaeddert	President
Kenneth Hedberg	Chief Operating Officer and Vice President
Peter M. Ramstad	Chief Financial Officer and Vice President

3.5) **Name of the Surviving Corporation.** The name of the Surviving Corporation shall be "QI International, Inc."

ARTICLE 4.**GENERAL PROVISIONS**

4.1) At the Effective Time, Interim Corporation shall succeed to and possess all the rights, privileges, powers, franchises and immunities of a public as well as of a private nature, and be subject to all liabilities, restrictions, disabilities, and duties of QII; and all and singular, the rights, privileges, powers, franchises and immunities of both of such Constituent Corporations and all property, assets, rights, privileges, powers, franchises, immunities and all and every other interest shall be thereafter as effectively the property of Interim Corporation as they were or would be of the Constituent Corporations or either of them; and title to any real property or any interest therein vested by deed or otherwise in either of such Constituent Corporations shall not revert or be in any way impaired by any reason of the Merger; provided, however, that all rights of creditors and all liens upon any property of either of such Constituent Corporations shall be preserved unimpaired, limited in lien to the property affected by such liens at the Effective Time, and all debts, liabilities and duties of either of such Constituent Corporations shall thenceforth become those of Interim Corporation and may be enforced against it to the same extent as if such debts, liabilities and duties had been incurred or contracted by it.

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STATE OF MINNESOTA
DEPARTMENT OF STATE
FILED

FEB 23 1998

Joan Anderson Thorne
Secretary of State *M*

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State of Minnesota

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SECRETARY OF STATE*Certificate of Merger*

I, Joan Anderson Grove, Secretary of State of Minnesota, certify that: the documents required to effectuate a merger between the entities listed below and designating the surviving entity have been filed in this office on the date noted on this certificate; and the qualification of any non-surviving entity to do business in Minnesota is terminated on the effective date of this merger.

Merger Filed Pursuant to Minnesota Statutes, Chapter: 302A

State of Formation and Names of Merging Entities:

MN: QUALITY INSTITUTE INTERNATIONAL, INC.

MN: PERSONNEL DECISIONS INTERIM CORPORATION

State of Formation and Name of Surviving Entity:

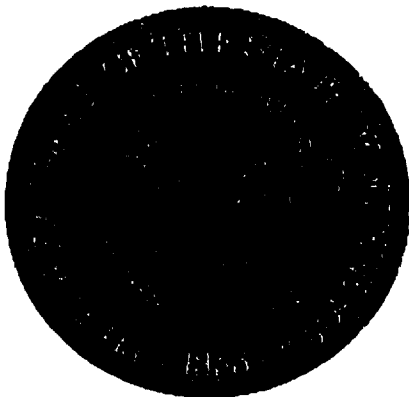
MN: PERSONNEL DECISIONS INTERIM CORPORATION

Effective Date of Merger: February 23, 1998, 4:05 pm

Name of Surviving Entity After Effective Date of Merger:

QI INTERNATIONAL, INC.

This certificate has been issued on: February 23, 1998



Joan Anderson Grove
Secretary of State.