

# C CORP CORPORATE BYLAWS

## A [STATE] Corporation

### Effective Date:

These Bylaws (these "Bylaws") govern the internal affairs of [CORPORATION NAME] (the "Corporation"), a corporation organized and existing under the laws of the State of [STATE]. These Bylaws are adopted by the Corporation's board of directors and shareholders as of the Effective Date, consistent with the Corporation's Articles of Incorporation as filed with the [STATE] Secretary of State.

## Article I — Offices and Agent

**Section 1.1 Principal Office.** The principal office of the Corporation is located at [PRINCIPAL OFFICE]. The Board of Directors (the "Board") may change the principal office by resolution without a bylaw amendment.

**Section 1.2 Registered Agent.** The Corporation's registered agent in the State of [STATE] is [REGISTERED AGENT NAME], located at [REGISTERED AGENT ADDRESS IN STATE OF]. The Corporation shall continuously maintain a registered agent in the State of [STATE] as required by law. Any change in registered agent or registered office shall be effected by filing the appropriate statement with the [STATE] Secretary of State and shall not require an amendment to these Bylaws.

**Section 1.3 Other Offices.** The Corporation may also have offices at such other places, within or outside the State of [STATE], as the Board may from time to time designate.

## Article II — Shareholders

**Section 2.1 Annual Meeting.** The annual meeting of the shareholders shall be held at such time and place as determined by the Board, for the purpose of electing directors and transacting such other business as may properly come before the meeting. If the annual meeting is not held within the time required by law, any shareholder may petition a court of competent jurisdiction to order a meeting consistent with applicable law.

**Section 2.2 Special Meetings.** Special meetings of the shareholders may be called at any time by (a) the Board; (b) the President; or (c) shareholders holding not less than 10% of the shares entitled to vote at the proposed meeting. The notice of a special meeting shall state the purpose(s) for which the meeting is called; only business within the stated purposes may be transacted at a special meeting.

**Section 2.3 Place of Meetings.** Shareholder meetings shall be held at the principal office of the Corporation or at such other place as the Board may designate, including by means of remote communication as provided in Section 2.10.

**Section 2.4 Notice of Meetings.** Written notice stating the date, time, and place (or means of remote communication) of any shareholder meeting, and for special meetings the purpose(s) thereof, shall be delivered to each shareholder entitled to vote not fewer than **10** nor more than sixty (60) days before the meeting date. A shareholder who attends a meeting waives any defect in notice, except where the shareholder specifically objects at the outset to the transaction of business because the meeting was not lawfully called or convened.

**Section 2.5 Quorum.** The holders of **50%** of the shares entitled to vote, present in person or by proxy, shall constitute a quorum at any shareholder meeting. Once a quorum is established, the shareholders present may continue to do business even if enough shareholders leave to reduce the voting shares below a quorum.

**Section 2.6 Voting; Vote Required.** Except as otherwise provided by the Articles of Incorporation, these Bylaws, or applicable law:

1. Directors shall be elected by a plurality of the votes cast by the shares entitled to vote in the election, at a meeting at which a quorum is present.
2. All other matters shall be decided by a majority of the votes cast by the shares entitled to vote on the matter.
3. Extraordinary matters (merger, sale of substantially all assets, amendment of the Articles of Incorporation, dissolution) require such greater vote as is required by the Articles or the corporate statute of the State of [STATE].

**Section 2.7 Proxies.** A shareholder may vote in person or by proxy executed in writing or transmitted electronically. A proxy is valid for eleven (11) months from its date unless a longer period is expressly provided. Proxies are revocable unless designated irrevocable and coupled with an interest.

**Section 2.8 Action by Written Consent.** Any action required or permitted to be taken at a shareholder meeting may be taken without a meeting by written consent signed by **all** shareholders entitled to vote on the action.

**Section 2.9 Record Date.** The Board may fix a record date, not more than seventy (70) days before the meeting or action date, to determine shareholders entitled to notice, to vote, or to receive any distribution.

**Section 2.10 Remote Participation.** Shareholders may participate in any meeting by telephone, videoconference, or other means of remote communication, provided that all participants can simultaneously hear or communicate with each other. Participation by such means constitutes presence in person at the meeting. Notices may be delivered by electronic transmission to any shareholder who has consented to such form of notice, consistent with the federal ESIGN Act (15 U.S.C. §7001 et seq.) and applicable state law.

## Article III — Board of Directors

**Section 3.1 Powers.** Except as reserved to the shareholders by the Articles of Incorporation, these Bylaws, or applicable law, the business and affairs of the Corporation shall be managed by or under the direction of the Board.

**Section 3.2 Number and Qualification.** The number of directors shall be not fewer than **1** nor more than **9**, with the exact number to be fixed from time to time by resolution of the Board or the shareholders. Each director shall serve until the director's successor is elected and qualified, or until the director's earlier resignation, removal, death, or disqualification.

**Section 3.3 Election.** Directors shall be elected at the annual meeting of the shareholders. The initial directors named in the Articles of Incorporation shall serve until the first annual meeting.

**Section 3.5 Removal.** A director may be removed, with or without cause, by the vote of the shareholders holding a majority of the shares entitled to vote on the election of directors, except that where cumulative voting applies, a director may not be removed if the votes cast against removal would have been sufficient to elect the director under cumulative voting.

**Section 3.6 Vacancies.** Any vacancy on the Board, including one resulting from an increase in the authorized number of directors, may be filled by the affirmative vote of a majority of the remaining directors (even if less than a quorum) or by the shareholders. A director elected to fill a vacancy serves for the unexpired term of the director's predecessor.

**Section 3.7 Regular Meetings.** The Board shall hold regular meetings on such schedule as the Board may establish by resolution. No additional notice is required for regular meetings held on the established schedule.

**Section 3.8 Special Meetings.** Special meetings of the Board may be called by the Chairman, the President, or any director. Notice of a special meeting shall be given at least **2** days in advance, orally or in writing (including by email), stating the date, time, and place (or means of remote participation). A director who attends a meeting without objecting to lack of notice waives notice.

**Section 3.9 Quorum; Vote.** A quorum for the transaction of business at any board meeting consists of **50%** of the total number of directors then in office. Every act or decision done or made by a majority of the directors present at a meeting at which a quorum is present is an act of the Board.

**Section 3.10 Action Without a Meeting.** Any action required or permitted to be taken at a board meeting may be taken without a meeting by written consent signed by all directors.

**Section 3.11 Remote Meetings.** Directors may participate in any meeting by telephone, videoconference, or other means of remote communication that permits all participants to simultaneously hear each other. Participation by such means constitutes presence in person at the meeting.

**Section 3.12 Compensation.** Directors shall receive such compensation for their service, and reimbursement of reasonable expenses, as the Board may determine by resolution.

#### **Article IV — Committees**

**Section 4.1 Establishment.** The Board may, by resolution, establish one or more committees composed of one or more directors. Each committee shall have and may exercise such powers of the Board as the resolution designates, except that no committee may (a) amend the Articles of Incorporation; (b) adopt a plan of merger or share exchange; (c) authorize distributions (other than within limits set by the Board); (d) fill vacancies on the Board or any committee; or (e) adopt, amend, or repeal these Bylaws.

**Section 4.2 Committee Procedure.** Unless the Board determines otherwise, committees shall conduct their affairs in the same manner as the Board (quorum, vote, notice, written consent, and remote participation).

**Section 4.3 Standing Committees.** The Board is authorized to establish, among others, an Audit Committee, a Compensation Committee, and a Nominating and Corporate Governance Committee, each operating pursuant to a written charter approved by the Board.

#### **Article V — Officers**

**Section 5.1 Officer Positions.** The officers of the Corporation shall include President, Vice President, Secretary, Treasurer, together with such other officers as the Board may appoint from time to time. One person may hold two or more offices, except as prohibited by applicable law.

**Section 5.2 Appointment and Term.** Officers shall be appointed by the Board and serve at the Board's pleasure. Officers may be removed at any time, with or without cause, by the Board, subject to any contractual rights of the officer.

**Section 5.3 President / Chief Executive Officer.** The President shall have general supervision and direction of the Corporation's business, shall preside at shareholder and board meetings (unless there is a separate Chairman), and shall execute contracts, deeds, and instruments as authorized by the Board.

**Section 5.4 Vice President.** The Vice President shall perform the duties of the President during the President's absence or disability and such other duties as the Board may assign.

**Section 5.5 Secretary.** The Secretary shall maintain the Corporation's records — minutes of shareholder and board meetings, the stock ledger, the list of shareholders, and the Corporation's books and records — shall send notices, and shall be custodian of the corporate seal (if any).

**Section 5.6 Treasurer / Chief Financial Officer.** The Treasurer shall have custody of the Corporation's funds and financial records, shall prepare financial reports as the Board requires, and shall sign checks and financial instruments as authorized.

**Section 5.7 Compensation.** Officer compensation shall be fixed by the Board. The Board shall ensure that any compensation paid to a shareholder-officer is reasonable in amount, consistent with Internal Revenue Service standards, to avoid reclassification as constructive dividends.

## **Article VI — Shares and Transfers**

**Section 6.1 Uncertificated Shares.** Shares of the Corporation shall be uncertificated (book-entry), as authorized by MBCA §6.26 and applicable state law. Within a reasonable time after issuance or transfer of uncertificated shares, the Corporation shall send the shareholder a written statement containing the information that would otherwise appear on a certificate, including any restrictions on transfer.

**Section 6.2 Lost Certificates.** Upon an affidavit of loss and, at the Board's discretion, the posting of a bond, the Board may direct the issuance of a replacement certificate.

**Section 6.3 Transfer of Shares.** Subject to any restrictions noted on the certificate, stated in these Bylaws, or contained in any shareholder agreement, shares are transferable on the books of the Corporation upon surrender of the certificate (or, for uncertificated shares, upon delivery of a written instruction) and compliance with applicable securities laws.

**Section 6.6 Record Date and Dividends.** The Board may fix a record date for distributions, and may declare and pay dividends or other distributions from legally available funds consistent with the solvency test of MBCA §6.40 and applicable state law.

## **Article VII — Indemnification**

**Section 7.1 Mandatory and Permissive Indemnification.** The Corporation shall indemnify each director, officer, employee, and agent to the fullest extent permitted by the laws of the State of [STATE], as such laws may from time to time be amended. Without limiting the foregoing, the Corporation:

1. **Shall** indemnify any director or officer who was wholly successful, on the merits or otherwise, in defense of any proceeding to which the director or officer was a party by reason of service to the Corporation, against reasonable expenses incurred;
2. **May** indemnify any director, officer, employee, or agent who acted in good faith and in a manner the person reasonably believed to be in, or not opposed to, the best interests of the Corporation, and with respect to any criminal proceeding, had no reasonable cause to believe the conduct was unlawful; and
3. Shall not indemnify any person for (a) conduct involving intentional misconduct, (b) a knowing violation of law, (c) any unlawful distribution, or (d) any transaction in which the person received an improper personal benefit.

**Section 7.2 Advancement of Expenses.** The Corporation shall advance reasonable expenses (including attorneys' fees) incurred in defending a proceeding in advance of its final disposition, upon delivery to the Corporation of (a) a written affirmation by the indemnitee of a good-faith belief that the applicable

standard of conduct has been met and (b) a written undertaking to repay any amounts advanced if it is ultimately determined that the indemnitee is not entitled to indemnification.

**Section 7.3 Directors and Officers Insurance.** The Corporation is authorized to purchase and maintain directors and officers ("D&O") liability insurance on behalf of any person who is or was a director, officer, employee, or agent of the Corporation, whether or not the Corporation would have the power to indemnify such person under these Bylaws or applicable law.

**Section 7.4 Non-Exclusivity; Survival.** The indemnification provided by this Article VII is in addition to any other rights to which a person may be entitled by contract, shareholder or board vote, or otherwise, and shall continue as to a person who has ceased to be a director, officer, employee, or agent.

## **Article VIII — Conflicts of Interest and Corporate Governance**

**Section 8.1 Interested-Director Transactions.** A contract or transaction between the Corporation and one or more of its directors, or between the Corporation and any other entity in which a director has a material financial interest, is not void or voidable solely because of such interest, provided that one of the following is true:

1. The material facts of the transaction and the director's interest are disclosed to the Board, and a majority of disinterested directors authorize the transaction in good faith;
2. The material facts are disclosed to the shareholders entitled to vote, and they authorize the transaction in good faith by a vote of disinterested shares; or
3. The transaction is fair and reasonable to the Corporation as of the time it is authorized, approved, or ratified.

An interested director shall disclose all material facts, shall not be counted in determining the presence of a quorum for purposes of the approval, and shall not vote on the matter.

**Section 8.3 Emergency Bylaws.** During any emergency (as defined in MBCA §3.03 or analogous state law), (a) any officer or director may call a meeting on such notice as is reasonable under the circumstances; (b) the director or directors in attendance constitute a quorum; (c) the Board may, by majority of those present, fill any vacancy in the Board or officer ranks on a temporary basis; and (d) actions taken in good faith in reliance on these emergency provisions bind the Corporation.

## **Article IX — Books, Records, and Fiscal Year**

**Section 9.1 Records.** The Corporation shall keep, at its principal office or such other place as the Board designates, (a) the Articles of Incorporation and these Bylaws; (b) minutes of shareholder and board meetings and written consents; (c) the stock ledger; (d) the names and addresses of current directors and officers; and (e) the most recent annual report filed with the State of [STATE].

**Section 9.2 Inspection.** Shareholders may inspect and copy records upon written demand stating a proper purpose, consistent with applicable state law.

**Section 9.3 Fiscal Year.** The fiscal year of the Corporation shall end on December 31 of each year. The Board may change the fiscal year by resolution.

## **Article X — Notices**

**Section 10.1 Form of Notice.** Any notice required by these Bylaws or applicable law may be given (a) in writing by mail; (b) by overnight courier; (c) by personal delivery; or (d) by electronic transmission to any person who has consented to receive notices electronically, consistent with the federal ESIGN Act (15 U.S.C. §7001 et seq.) and applicable state law. Oral notice is sufficient for any director meeting.

**Section 10.2 Waiver of Notice.** Any person entitled to notice may waive it in writing (including by electronic transmission), before or after the meeting. Attendance at a meeting constitutes waiver except where the person specifically objects at the outset to the transaction of business because the meeting was not lawfully called or convened.

## **Article XI — Amendment**

**Section 11.1 Amendment by Shareholders.** These Bylaws may be amended, repealed, or replaced, and new Bylaws may be adopted, by the vote of the shareholders holding a majority of the shares entitled to vote on the matter (or such greater vote as is required by the Articles of Incorporation or applicable state law for the specific amendment).

**Section 11.2 Amendment by Board.** To the extent authorized by the Articles of Incorporation, the Board may also amend, repeal, or adopt these Bylaws by a majority vote of the directors then in office, except that the Board may not (a) adopt, amend, or repeal a Bylaw provision that the shareholders have expressly reserved to themselves, or (b) amend any provision the corporate statute of the State of [STATE] requires to be approved by the shareholders.

## **Article XII — General Provisions**

**Section 12.1 Governing Law.** These Bylaws shall be governed by and construed in accordance with the laws of the State of [STATE], without regard to its conflict-of-laws rules.

**Section 12.7 Severability.** If any provision of these Bylaws is held invalid or unenforceable by a court of competent jurisdiction, the remaining provisions shall continue in full force.

**Section 12.8 Headings.** Article and section headings are for convenience only and do not affect interpretation.

**Section 12.9 Counterparts; Electronic Signatures.** These Bylaws may be adopted by written instrument or resolution, which may be executed in counterparts. Electronic signatures and records are valid and binding under the federal ESIGN Act (15 U.S.C. §7001 et seq.).

### **Certification**

The undersigned, being the duly appointed Secretary of **[CORPORATION NAME]**, certifies that these Bylaws were adopted by the Corporation's Board of Directors (and, where required, by its shareholders) effective as of .

### **Secretary**

\_\_\_\_\_ PRINTED NAME

\_\_\_\_\_ SIGNATURE

\_\_\_\_\_ DATE

### **President**

\_\_\_\_\_ PRINTED NAME

\_\_\_\_\_ SIGNATURE

\_\_\_\_\_ DATE