

**Unanimous Written Consent
of Board of Directors
Series A Preferred Stock
Financing Approval**

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Series A Preferred Stock Financing Approval

General Information

Unanimous Written Consent of Board of Directors Series A Preferred Stock Financing Approval

The Unanimous Written Consent of the Board of Directors is a document that allows the board of directors of a company to take actions without a formal meeting. The actions (also referred to as resolutions) taken by the board of directors will vary depending on the needs of the company and the extent of the board's powers as determined by the company's bylaws and articles of incorporation.

This Unanimous Written Consent includes resolutions for: (i) approval of Series X Preferred Stock financing, (ii) approval of Restated Articles, (iii) approval of Agreements, (iv) sale of Series A Shares and Warrant Shares, (v) federal and Blue Sky Securities filings and (vi) the officers of the company are authorized to act on behalf of the company to fully implement these resolutions. If there are resolutions which are inappropriate or prohibited under the company's governing documents, you should erase them.

This Unanimous Written Consent, when signed, becomes a part of the corporation's books and records. The Bylaws of the corporation should be consulted before signing any resolution regarding financing. You should consult with your attorney to ensure that this Unanimous Written Consent addresses your specific situation.

Instructions and Checklist

Unanimous Written Consent of Board of Directors Series A Preferred Stock Financing Approval

- Read the Unanimous Written Consent carefully.
- Review your company's Bylaws and Articles of Incorporation to ensure that the actions the board wants to take are allowed under those governing documents.
- This Unanimous Written Consent includes resolutions that your company may need. Carefully review the resolutions and erase any that you do not require. Additional resolutions may also be added.
- Insert all requested information in the spaces provided on the form.
- This form contains the basic terms and language that should be included in similar agreements.
- Because this is a *unanimous* consent, all members of the Board of Directors must sign the consent.
- Once signed, this Unanimous Written Consent becomes a part of the corporation's official record.
- All legal documents should be kept in a safe location such as a fireproof safe or safe deposit box.

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[COMPANY NAME]

**ACTION BY UNANIMOUS WRITTEN CONSENT
OF THE BOARD OF DIRECTORS**

In terms of Sections ____ and ____ of the _____ **[insert name of Corporation Law of State]** Law and the Bylaws of **[insert Company name]**, a _____ **[insert State's name where corporation is incorporated]** corporation (the "**Company**"), the undersigned, constituting all of the members of the Company's Board of Directors (the "**Board**"), hereby unanimously adopt the following resolutions, and do hereby consent to the taking of the actions set forth herein effective as of the date of execution set forth below:

WHEREAS, the officers of the Company have negotiated with certain investors (the "**Investors**") for the sale and issuance of up to **[insert no. of shares]** shares of Series X Preferred Stock of the Company at \$**[insert price per share]** per share (the "**Series X Shares**") and warrants to purchase up to **[insert no. of shares]** shares of Series A Preferred Stock with an exercise price of \$**[insert price per share]** per share (the "**Warrant Shares**") pursuant to the terms and conditions of a Series A preferred Stock Purchase Agreement in substantially the form attached hereto as Exhibit A (the "**Series X Preferred Stock Purchase Agreement**");

WHEREAS, the Board has reviewed the proposed form of the Amended and Restated Articles of Incorporation (the "**Restated Articles**") to be filed by the Company in connection with the proposed Series X Preferred Stock financing;

WHEREAS, the Board has reviewed the proposed form of Series A Preferred Stock Purchase Agreement, which includes as attachments thereto, among other items, a form of the Restated Articles, a form of Second Amended and Restated Investors' Rights Agreement ("**Investor Rights Agreement**") and a form of Series X Preferred Stock Warrant;

WHEREAS, the Board has determined that it is in the best interest of the Company to enter into the Series X Preferred Stock Purchase Agreement and to sell and issue the Series X Shares and Warrant Shares thereunder;

WHEREAS, in connection therewith, the Board has determined that it is in the best interest of the Company to unanimously approve the Restated Articles; therefore it is:

1. APPROVAL OF RESTATED ARTICLES

RESOLVED, the Board has determined that it is in the best interest of the Company to amend and restate its Articles of Incorporation to read in its entirety in substantially the form attached to the Series X Stock Purchase Agreement;

RESOLVED, that the Restated Articles are hereby adopted and approved, subject to the requisite approval of the holders of the Company's outstanding capital stock, with such minor

changes therein or additions as may be approved by the CEO of the Company, such approval to be evidenced by the execution thereof by the CEO of the Company;

RESOLVED, that the officers of the Company are hereby authorized and directed to solicit shareholder approval of the Restated Articles and upon receipt of such approval, to execute and file the Restated Articles and all requisite papers and instruments with the Secretary of State of the State of **[insert name of State]**, and to make any and all payments of filing, registration or other fees, costs and expenses, and to take any and all further action in connection with the foregoing which the officers may deem necessary or advisable.

2. APPROVAL OF AGREEMENTS

RESOLVED, that the Series A Preferred Stock Purchase Agreement, Investor Rights Agreement and Series X Preferred Stock Warrant are hereby adopted and approved;

RESOLVED, that the officers of the Company are hereby authorized, empowered and directed in the name of and on behalf of the Company, to execute and deliver, in the name of the Company and perform all its obligations under Series X Preferred Stock Purchase Agreement, the Investor Rights Agreement and Series X Preferred Stock Warrant, and any other document, instrument or agreement entered into in connection with the foregoing, together with such amendments thereto or changes therein, and to the schedules and exhibits thereto, as any officer may in his discretion approve.

3. SALE OF SERIES A SHARES AND WARRANT SHARES

RESOLVED, that the Company shall sell and issue to Investors, subject to the terms and conditions provided in the Series A Preferred Stock Purchase Agreement up to **[insert no. of shares]** shares of Series X Shares at **[\$[insert price per share]** per share, payable by check, wire transfer and such other consideration as set forth in the Series X Preferred Stock Purchase Agreement, and the proper officers are hereby authorized and directed to execute and deliver share certificates representing the Series X Shares upon receipt of consideration thereof in accordance with the Series X Stock Purchase Agreement;

RESOLVED, that the Company shall sell and issue to Investors, subject to the terms and conditions provided in the Series X Preferred Stock Purchase Agreement and Series X Preferred Stock Warrant warrants to purchase up to **[insert no. of shares]** shares of Series X Preferred Stock with an exercise price of **[\$[insert price per share]** per share, and the proper officers are hereby authorized and directed to execute and deliver the Series X Preferred Stock Warrant. Upon receipt of consideration thereof in accordance with the Series X Stock Purchase Warrant, the proper officers are hereby authorized and directed to execute and deliver share certificates representing the Warrant Shares;

RESOLVED, that the Board, after consideration of all relevant factors, hereby determines that the fair market value of the Series X Shares is **[\$[insert market value per share]** per share, and that such amount constitutes full and adequate consideration for the Series A Shares;

RESOLVED, that when the purchase price set forth in the Series X Preferred Stock Purchase Agreement has been received by the Company for the Series A Shares, such shares shall be duly and validly issued, fully paid and non-assessable;

RESOLVED, that when the purchase price set forth in the Series X Preferred Stock Warrant has been received by the Company for the Warrant Shares, such shares shall be duly and validly issued, fully paid and non-assessable;

RESOLVED, that the Company hereby reserves **[insert no. of shares]** shares of the Company's authorized but unissued Series X Preferred Stock, or such number as shall be necessary from time to time for issuance upon the exercise in full of the Warrant Shares in accordance with the Series A Preferred Stock Warrant;

RESOLVED, that the Company hereby reserves **[insert no. of shares]** shares of the Company's authorized but unissued Common Stock, or such number as shall be necessary from time to time for issuance upon the conversion in full of the Series X Shares in accordance with the Restated Articles (the "**Conversion Shares**");

RESOLVED, that the Conversion Shares when issued in accordance with the Restated Articles shall be duly and validly issued, fully paid and non-assessable;

RESOLVED, that the officers of the Company, or any of them, is hereby authorized and directed to take all such further actions as he or they may deem necessary or desirable in connection with the foregoing resolutions.

4. FEDERAL AND BLUE SKY SECURITIES FILINGS

RESOLVED, that the officers of the Company are hereby authorized and directed to cause to be prepared, executed and filed on the Company's behalf any federal or blue sky securities filings required under applicable securities laws or other investment laws with respect to the offer, sale and issuance of the Series X Shares, Warrant Shares and Conversion Shares;

5. OMNIBUS

RESOLVED, that the proper officers of the Company are hereby authorized and directed, in the name of and on behalf of the Company, and as its corporate act, to make all such arrangements, to do and perform all such acts and things and to execute and deliver all such certificates and other instruments and documents as they may deem necessary or appropriate in order to implement fully each and all of the foregoing resolutions, and all actions taken by them in this regard are hereby ratified and approved.

RESOLVED, that this consent may be executed in multiple counterparts, which taken together shall constitute one instrument.

IN WITNESS WHEREOF, the undersigned have executed this Action by Unanimous Written Consent of the Board of Directors as of the date set forth below opposite his name, which may be executed in one or more counterparts, each of which shall be deemed an original, and all of which shall constitute one and the same instrument. This action shall be filed with the minutes of the proceedings of this Board of Directors and shall be effective as of the last date of execution below. Any copy, facsimile or other reliable reproduction of this action may be substituted or used in lieu of the original writing for any and all purposes for which the original writing could be used, provided that such copy, facsimile or other reproduction be a complete reproduction of the entire original writing.

[Name of director]

Date:

[Name of director]

Date:

EXHIBIT A

SERIES X PREFERRED STOCK PURCHASE AGREEMENT

(Attached following this page)