

**BYLAWS  
OF  
MERCURIUS BIOREFINING, INC.**

**SECTION 1**

**SHAREHOLDERS AND SHAREHOLDERS' MEETINGS**

1.1 Annual Meeting. The annual meeting of the shareholders of this corporation (the "Corporation") for the election of directors and for the transaction of such other business as may properly come before the meeting shall be held each year at the principal office of the Corporation, or at some other place either within or without the State of Washington as designated by the Board of Directors, on December 1 each year at 11.00 AM, or on such other day and time as may be set by the Board of Directors. If the specified day is a Sunday or a legal holiday, then the meeting will take place on the next business day at the same time or on such other day and time as may be set by the Board of Directors.

1.2 Special Meetings. Special meetings of the shareholders for any purpose or purposes may be called at any time by the Board of Directors, the Chairman of the Board, the President, a majority of the Board of Directors, or any shareholder or shareholders holding in the aggregate ten percent (10%) of the voting power of all shareholders. The meetings shall be held at such time and place as the Board of Directors may prescribe, or, if not held upon the request of the Board of Directors, at such time and place as may be established by the President or by the Secretary in the President's absence. Only business within the purpose or purposes described in the meeting notice may be conducted.

1.3 Notice of Meetings. Written notice of the place, date and time of the annual shareholders' meeting and written notice of the place, date, time and purpose or purposes of special shareholders' meetings shall be delivered not less than 10 (or, if required by Washington law, 20) or more than 60 days before the date of the meeting, either personally, by facsimile, or by mail, or in any other manner approved by law, by or at the direction of the President or the Secretary, to each shareholder of record entitled to notice of such meeting. Mailed notices shall be deemed to be delivered when deposited in the mail, first-class postage prepaid, correctly addressed to the shareholder's address shown in the Corporation's current record of shareholders.

1.4 Waiver of Notice. Except where expressly prohibited by law or the Articles of Incorporation, notice of the place, date, time and purpose or purposes of any shareholders' meeting may be waived in a signed writing delivered to the Corporation by any shareholder at any time, either before or after the meeting. Attendance at the meeting in person or by proxy waives objection to lack of notice or defective notice of the meeting

## Exhibit A

unless the shareholder at the beginning of the meeting objects to holding the meeting or transacting business at the meeting. A shareholder waives objection to consideration of a particular matter at a meeting that is not within the purpose or purposes described in the meeting notice, unless the shareholder objects to considering the matter when it is presented.

1.5 Shareholders' Action Without a Meeting. Any action that may be taken at a meeting of the shareholders may be taken without a meeting or a vote if (i) the action is taken by written consent delivered to the Corporation of all shareholders entitled to vote on the action or (ii) the action is taken by written consent delivered to the Corporation by the shareholders of the Corporation holding of record, or otherwise entitled to vote, in the aggregate not less than the minimum number of votes that would be necessary to authorize or take such action at a meeting at which all shares entitled to vote on the action were present and voted. A notice of the taking of action by shareholders by less than unanimous written consent shall be mailed at least twenty four (24) hours, or such longer period as is required by law, prior to the date the action becomes effective to those shareholders entitled to vote on the action who have not consented in writing, and, if required by law that notice of a meeting of shareholders to consider the action be given to nonvoting shareholders, to all nonvoting shareholders of the Corporation. Any such notice shall be in such form as may be required by applicable law. Any consent delivered to the Corporation pursuant to this Article shall be inserted in the minute book as if it were the minutes of a meeting of the shareholders.

1.6 Telephone Meetings. Shareholders may participate in a meeting of shareholders by means of a conference telephone or any similar communications equipment that enables all persons participating in the meeting to hear each other during the meeting. Participation by such means shall constitute presence in person at a meeting.

1.7 List of Shareholders. At least ten days before any shareholders' meeting, the Secretary of the Corporation or the agent having charge of the stock transfer books of the Corporation shall have compiled a complete list of the shareholders entitled to notice of a shareholders' meeting, arranged in alphabetical order and by voting group, with the address of each shareholder and the number, class, and series, if any, of shares owned by each.

1.8 Quorum and Voting. Except with respect to any greater requirement contained in the Articles of Incorporation or the Washington Business Corporation Act, one-third of the votes entitled to be cast on a matter by the holders of shares that, pursuant to the Articles of Incorporation or the Washington Business Corporation Act, are entitled to vote and be counted collectively upon such matter, represented in person or by proxy, shall constitute a quorum of such shares at a meeting of shareholders. If a quorum exists, action on a matter shall be approved by a voting group if the votes cast within a voting group favoring the action exceed the votes cast within the voting group opposing the action,

## Exhibit A

unless a greater number of affirmative votes is required by the Articles of Incorporation or by law. If the Articles of Incorporation or Washington law provide for voting by two or more voting groups on a matter, action on a matter is taken only when voted upon by each of those voting groups counted separately.

1.9 Adjourned Meetings. If a shareholders' meeting is adjourned to a different place, date or time, whether for failure to achieve a quorum or otherwise, notice need not be given of the new place, date or time if the new place, date or time is announced at the meeting before adjournment. When a determination of shareholders entitled to vote at any meeting of shareholders has been made as provided in these Bylaws, that determination shall apply to any adjournment thereof, unless Washington law requires fixing a new record date. If Washington law requires that a new record date be set for the adjourned meeting, notice of the adjourned meeting must be given to shareholders as of the new record date. Any business may be transacted at an adjourned meeting that could have been transacted at the meeting as originally called.

1.10 Proxies. A shareholder may appoint a proxy to vote or otherwise act for the shareholder by signing an appointment form, either personally or by an agent. No appointment shall be valid after 11 months from the date of its execution unless the appointment form expressly so provides. An appointment of a proxy is revocable unless the appointment is coupled with an interest. No revocation shall be effective until written notice thereof has actually been received by the Secretary of the Corporation or any other person authorized to tabulate votes.

## SECTION 2

### **BOARD OF DIRECTORS**

2.1 Number and Qualification. The business affairs and property of the Corporation shall be managed under the direction of a Board of Directors. The Board of Directors shall consist of at least one (1) director. The number of members of the Board of Directors may be increased from time to time by the affirmative vote of a majority of the shareholders or a majority of the directors in office. If a greater number of directors than is specified in this section are elected, then election of that number shall automatically amend these Bylaws to increase the number of directors to the number elected. Each director will serve until the next annual meeting or until his successor is elected and qualified unless he resigns or is removed. A decrease in the number of members of the Board of Directors (but not below the minimum number) does not shorten the term of an incumbent director and his position is eliminated as of the next annual meeting. Directors must be at least eighteen (18) years old, but need not be shareholders of the Corporation.

2.2 Election and Term of Office. The directors shall be elected by the shareholders at each annual shareholders' meeting or at a special shareholders' meeting

## Exhibit A

called for such purpose. Despite the expiration of a director's term, the director continues to serve until his or her successor is elected and qualified or until there is a decrease in the authorized number of directors (but not below the minimum number).

2.3 Vacancies. Except as otherwise provided by law, vacancies in the Board of Directors, whether caused by resignation, death, retirement, disqualification, removal, increase in the number of directors, or otherwise, may be filled for the remainder of the term by the Board of Directors, by the shareholders, or, if the directors in office constitute less than a quorum of the Board of Directors, by an affirmative vote of a majority of the remaining directors. The term of a director elected to fill a vacancy expires at the next shareholders' meeting at which directors are elected. A vacancy that will occur at a specific later date may be filled before the vacancy occurs, but the new director may not take office until the vacancy occurs.

2.4 Quorum and Voting. At any meeting of the Board of Directors, the presence in person (including presence by electronic means such as a telephone conference call) of a majority of the number of directors presently in office shall constitute a quorum for the transaction of business. If a quorum is present at the time of a vote, the affirmative vote of a majority of the directors present at the time of the vote shall be the act of the Board of Directors and of the Corporation except as may be otherwise specifically provided by the Articles of Incorporation, by these Bylaws, or by law. A director who is present at a meeting of the Board of Directors when action is taken is deemed to have assented to the action taken unless: (a) the director objects at the beginning of the meeting, or promptly upon his or her arrival, to holding it or to transacting business at the meeting; (b) the director's dissent or abstention from the action taken is entered in the minutes of the meeting; or (c) the director delivers written notice of his or her dissent or abstention to the presiding officer of the meeting before its adjournment or to the Corporation within a reasonable time after adjournment of the meeting. The right of dissent or abstention is not available to a director who votes in favor of the action taken.

2.5 Regular Meetings. Regular meetings of the Board of Directors shall be held at such place, date and time as shall from time to time be fixed by resolution of the Board.

2.6 Special Meetings. Special meetings of the Board of Directors may be held at any place and at any time and may be called by the Chairman of the Board, the President, Vice President, Secretary or Treasurer, or any director.

2.7 Notice of Meetings. Unless the Articles of Incorporation provide otherwise, any regular meeting of the Board of Directors may be held without notice of the date, time, place, or purpose of the meeting. Any special meeting of the Board of Directors must be preceded by at least two days' notice of the date, time, place and purpose of the meeting, but not of its purpose, unless the Articles of Incorporation or these Bylaws require otherwise. Notice may be given personally, by facsimile, by mail, or in any other manner

## Exhibit A

allowed by law. Oral notice shall be sufficient only if a written record of such notice is included in the Corporation's minute book. Notice shall be deemed effective at the earliest of: (a) receipt; (b) delivery to the proper address or telephone number of the director as shown in the Corporation's records; or (c) five days after its deposit in the United States mail, as evidenced by the postmark, if correctly addressed and mailed with first-class postage prepaid. Notice of any meeting of the Board of Directors may be waived by any director at any time, by a signed writing, delivered to the Corporation for inclusion in the minutes, either before or after the meeting. Attendance or participation by a director at a meeting shall constitute a waiver of any required notice of the meeting unless the director promptly objects to holding the meeting or to the transaction of any business on the grounds that the meeting was not lawfully convened and the director does not thereafter vote for or assent to action taken at the meeting.

2.8 Directors' Action Without A Meeting. The Board of Directors or a committee thereof may take any action without a meeting that it could properly take at a meeting if one or more written consents setting forth the action are signed by all of the directors, or all of the members of the committee, as the case may be, either before or after the action is taken, and if the consents are delivered to the Corporation for inclusion in the minutes or filing with the corporate records. Such action shall be effective upon the signing of a consent by the last director to sign, unless the consent specifies a later effective date.

2.9 Committees of the Board of Directors. The Board of Directors, by resolutions adopted by a majority of the members of the Board of Directors in office, may create from among its members one or more committees and shall appoint the members thereof. Each such committee must have two or more members, who shall be directors and who shall serve at the pleasure of the Board of Directors. Each committee of the Board of Directors may exercise the authority of the Board of Directors to the extent provided in its enabling resolution and any pertinent subsequent resolutions adopted in like manner, provided that the authority of each such committee shall be subject to applicable law. Each committee of the Board of Directors shall keep regular minutes of its proceedings and shall report to the Board of Directors when requested to do so.

2.10 Telephone Meetings. Members of the Board of Directors or of any committee appointed by the Board of Directors may participate in a meeting of the Board of Directors or committee by means of a conference telephone or similar communications equipment that enables all persons participating in the meeting to hear each other during the meeting. Participation by such means shall constitute presence in person at a meeting.

2.11 Compensation of Directors. The Board of Directors may fix the compensation of directors as such and may authorize the reimbursement of their expenses.

## SECTION 3

### OFFICERS

3.1 Officers Enumerated and Election. The officers of the Corporation shall consist of such officers and assistant officers as may be designated by resolution of the Board of Directors. The officers may include a Chairman of the Board, a President, one or more Vice Presidents, a Secretary, a Treasurer, and any assistant officers. The officers shall hold office at the pleasure of the Board of Directors. Unless otherwise restricted by the Board of Directors, the President may appoint any assistant officer, the Secretary may appoint one or more Assistant Secretaries, and the Treasurer may appoint one or more Assistant Treasurers.

3.2 Qualifications. None of the officers of the Corporation need be a director. The same person may hold any two or more corporate offices.

3.3 Duties of the Officers. Unless otherwise prescribed by the Board of Directors, the duties of the officers shall be as follows:

Chairman of the Board. The Chairman of the Board, if one is elected, shall preside at meetings of the Board of Directors and of the shareholders, shall be responsible for carrying out the plans and directives of the Board of Directors, shall report to and consult with the Board of Directors and, if the Board so resolves, shall be the Chief Executive Officer. The Chairman of the Board shall have such other powers and duties as the Board of Directors may from time to time prescribe.

President. The President shall exercise the usual executive powers pertaining to the office of President. In the absence of a Chairman of the Board, the President shall preside at meetings of the Board of Directors and of the shareholders, perform the other duties of the Chairman of the Board prescribed in this Section, and perform such other duties as the Board of Directors may from time to time designate. In addition, if there is no Secretary in office, the President shall perform the duties of the Secretary.

Vice President. Each Vice President shall perform such duties as the Board of Directors may from time to time designate. In addition, the Vice President, or if there is more than one, the most senior Vice President available, shall act as President in the absence or disability of the President.

Secretary. The Secretary shall be responsible for and shall keep, personally or with the assistance of others, records of the proceedings of the directors and shareholders; authenticate records of the Corporation; attest all certificates of stock in the name of the Corporation; keep the corporate seal, if any, and affix the same to certificates of stock and other proper documents; keep a record of the issuance of certificates of stock and

## Exhibit A

the transfers of the same; and perform such other duties as the Board of Directors may from time to time designate.

Treasurer. The Treasurer shall have the care and custody of, and be responsible for, all funds and securities of the Corporation and shall cause to be kept regular books of account. The Treasurer shall cause to be deposited all funds and other valuable effects in the name of the Corporation in such depositories as may be designated by the Board of Directors. In general, the Treasurer shall perform all of the duties incident to the office of Treasurer, and such other duties as from time to time may be assigned by the Board of Directors.

Assistant Officers. Assistant officers may consist of one or more Assistant Vice Presidents, one or more Assistant Secretaries, and one or more Assistant Treasurers. Each assistant officer shall perform those duties assigned to him or her from time to time by the Board of Directors, the President, or the officer who appointed him or her.

3.4 Vacancies. Vacancies in any office arising from any cause may be filled by the Board of Directors at any regular or special meeting.

3.5 Removal. Any officer or agent may be removed by action of the Board of Directors with or without cause, but any removal shall be without prejudice to the contract rights, if any, of the person removed. Election or appointment of an officer or agent shall not of itself create any contract rights.

3.6 Compensation. The compensation of all officers of the Corporation shall be fixed by the Board of Directors.

## SECTION 4

### SHARES AND CERTIFICATES OF SHARES

4.1 Share Certificates. Share certificates shall be issued in numerical order, and each shareholder shall be entitled to a certificate signed by the President or a Vice President, and attested by the Secretary or an Assistant Secretary. Share certificates may be sealed with the corporate seal, if any. Facsimiles of the signatures and seal may be used as permitted by law. Every share certificate shall state:

- (a) the name of the Corporation;
- (b) that the Corporation is organized under the laws of the State of Washington;
- (c) the name of the person to whom the share certificate is issued;

## Exhibit A

- (d) the number, class and series (if any) of shares that the certificate represents; and
- (e) if the Corporation is authorized to issue shares of more than one class or series, that upon written request and without charge, the Corporation will furnish any shareholder with a full statement of the designations, preferences, limitations and relative rights of the shares of each class or series, and the authority of the Board of Directors to determine variations for future series.

4.2 Consideration for Shares. Shares of the Corporation may be issued for such consideration as shall be determined to be adequate by the Board of Directors, or, where this Corporation's Articles of Incorporation reserve the power to issue shares in the Corporation to the shareholders, by the shareholders. The consideration for the issuance of shares may be paid in whole or in part in cash, or in any tangible or intangible property or benefit to the Corporation, including but not limited to promissory notes, services performed, contracts for services to be performed, or other securities of the Corporation. Establishment by the Board of Directors or the shareholders, as the case may be, of the amount of consideration received or to be received for shares of the Corporation shall be deemed to be a determination that the consideration so established is adequate.

4.3 Transfers. Shares may be transferred by delivery of the certificate, accompanied either by an assignment in writing on the back of the certificate, or by a written power of attorney to sell, assign and transfer the same, signed by the record holder of the certificate. Except as otherwise specifically provided in these Bylaws, no shares of stock shall be transferred on the books of the Corporation until the outstanding certificate therefor has been surrendered to the Corporation.

4.4 Loss or Destruction of Certificates. In the event of the loss or destruction of any certificate, a new certificate may be issued in lieu thereof upon satisfactory proof of such loss or destruction, and upon the giving of security against loss to the Corporation by bond, indemnity or otherwise, to the extent deemed necessary by the Board of Directors, the Secretary, or the Treasurer.

4.5 Fixing Record Date. The Board of Directors may fix in advance a date as the record date for determining shareholders entitled: (i) to notice of or to vote at any shareholders' meeting or any adjournment thereof; (ii) to receive payment of any share dividend; or (iii) to receive payment of any distribution. The Board of Directors may in addition fix record dates with respect to any allotment of rights or conversion or exchange of any securities by their terms, or for any other proper purpose, as determined by the Board of Directors and by law. The record date shall be not more than 70 days and, in case of a meeting of shareholders, not less than 10 days (or such longer period as may be required by Washington law) prior to the date on which the particular action requiring



## Exhibit A

determination of shareholders is to be taken. If no record date is fixed for determining the shareholders entitled to notice of or to vote at a meeting of shareholders, the record date shall be the date before the day on which notice of the meeting is mailed. If no record date is fixed for the determination of shareholders entitled to a distribution (other than one involving a purchase, redemption, or other acquisition of the Corporation's own shares), the record date shall be the date on which the Board adopted the resolution declaring the distribution. If no record date is fixed for determining shareholders entitled to a share dividend, the record date shall be the date on which the Board of Directors authorized the dividend.

### SECTION 4A(I)

#### **STOCK TRANSFER RESTRICTIONS**

4A(I).1 Preliminary Explanation and Exemptions. (a) The provisions of this section 4A(I) and those of section 4A(II) have been included in these Bylaws specifically to restrict the transfer of any of the Corporation's shares of issued and outstanding common stock ("Common Stock") and Series A preferred stock ("Series A Preferred Stock"), and are predicated on the assumption that the only issued and outstanding shares of the Corporation will consist of Common Stock and Series A Preferred Stock. The Common Stock and Series A Preferred Stock are referred to collectively in this section 4A as "Shares", and the term "shareholder" refers to any holder of Common Stock and/or Series A Preferred Stock.

(b) The provisions of this section 4A(I) and those of section 4A(II) A shall not apply to any transfer of Shares by a shareholder at any time to any Permitted Transferee, as defined immediately below, either voluntarily or by operation of law.

(c) In the provisions of this section 4A(I) and those of section 4A(II) A, the term "Permitted Transferee" shall mean:

- (i) any trust for the sole benefit of a shareholder;
- (ii) any legal entity, all of the equity of which is owned by a shareholder or any trust for the benefit of such shareholder; and
- (iii) the Corporation.

4A(I).2 Notification of Desire to Sell Shares. If a shareholder wishes to sell, assign or transfer any Shares held by him in the corporation (the "Offered Shares"), he shall first send the Corporation and the remaining shareholders written notice of his desire to sell, assign or transfer the Offered Shares (the "Offer Notice") describing the price at which, and the terms and conditions according to which he wishes to sell, assign or transfer the Offered Shares. If the selling shareholder proposes in the Offer Notice to transfer any Offered Shares by gift, the purchase price for the Offered Shares shall be determined in accordance with section 4A(II).6, and the terms and conditions that shall govern any sale of the Offered

## Exhibit A

Shares shall be as provided in section 4A(II).7.

4A(I).3 Corporation's Purchase Right. The Corporation shall have a right to purchase all or any portion of the Offered Shares for the same price and upon the same terms and conditions contained in the Offer Notice. If the Corporation wishes to exercise its purchase right, it shall give written notice of its decision to the selling shareholder, with a copy to the remaining shareholders, within 30 days after it has received the Offer Notice or, in the case of a proposed gift, within 30 days of the date on which the purchase price of the Offered Shares is agreed or determined pursuant to section 4A(II).6 (in either case, the "Notice Date"). The Corporation's decision as to whether to purchase the Offered Shares shall be taken by the Board of Directors. If the selling shareholder is also a Director or, by contract or otherwise has the right to appoint any Director, neither the selling shareholder's vote as a Director nor the vote of the selling shareholder's nominee as a Director shall be counted in the Corporation's decision as to whether to purchase the Offered Shares.

4A(I).4 Shareholders' Purchase Right. (a) If the Corporation does not timely elect to purchase all or any portion of the Offered Shares, and the Offered Shares are Series A Preferred Stock, the holders of Series A Preferred Stock and those holders of Common Stock who then qualify as "Accredited Investors" pursuant to Rule 501(a)(5) of Regulation D under the Securities Act of 1933 (together, the "Qualifying Shareholders"), shall have a right to purchase the available Offered Shares in proportion to the number of shares of Common Stock they hold calculated, in the case of the holders of Series A Preferred Stock, based on the number of whole shares of Common Stock into which the shares of Series A Preferred Stock held by such holders are convertible. These remaining Qualifying Shareholders who elect to exercise their purchase right must give written notice of their decision to the selling shareholder, with a copy to the Corporation and the other non-selling Qualifying Shareholders, within 40 days after the Notice Date. If any of these remaining Qualifying Shareholders declines to purchase his pro rata portion of the available Offered Shares (the "Declined Shares"), then each of the other remaining Qualifying Shareholders will be entitled to purchase that proportion of the Declined Shares as the number of shares of Common Stock he holds (calculated on an as converted basis as described above), bears to the shares of Common Stock held by those remaining Qualifying Shareholders (calculated on an as converted basis as described above) who wish to purchase a pro-rata portion of the Declined Shares. The remaining Qualifying Shareholders who elect to exercise this further purchase right must give written notice of their decision to the selling shareholder, with a copy to the Corporation and the other non-selling Qualifying Shareholders, within 45 days after the Notice Date.

(b) If the Corporation does not timely elect to purchase all or any portion of the Offered Shares, and the Offered Shares are Common Stock, the holders of Series A Preferred Stock and Common Stock shall have a right to purchase the available Offered Shares in proportion to the number of shares of Common Stock they hold calculated, in the case of the holders of Series A Preferred Stock, based on the number of whole shares of

## Exhibit A

Common Stock into which the shares of Series A Preferred Stock held by such holders are convertible. These remaining shareholders who elect to exercise their purchase right must give written notice of their decision to the selling shareholder, with a copy to the Corporation and the other non-selling shareholders, within 40 days after the Notice Date. If any of these remaining shareholders declines to purchase his pro rata portion of the available Offered Shares (the “Declined Shares”), then each of the other remaining shareholders will be entitled to purchase that proportion of the Declined Shares as the number of shares of Common Stock he holds (calculated on an as converted basis as described above), bears to the shares of Common Stock held by those remaining shareholders (calculated on an as converted basis as described above) who wish to purchase a pro-rata portion of the Declined Shares. The remaining shareholders who elect to exercise this further purchase right must give written notice of their decision to the selling shareholder, with a copy to the Corporation and the other non-selling shareholders, within 45 days after the Notice Date.

4A(I).5      Right to Sell. If any of the Offered Shares have not been purchased by the Corporation or its remaining shareholders after the procedures described above have been followed, the selling shareholder may, subject to any applicable securities laws, sell any remaining Offered Shares to a third person at a price not less than the price described in the Offer Notice, and on terms no more favorable than those contained in the Offer Notice. Any such sale to a third person must be closed within 30 days after expiration of the latest period within which any purchase right may be exercised by the remaining shareholders pursuant to this section 4A(I), failing which the selling shareholder will not be entitled to sell the remaining Offered Shares, and the remaining Offered Shares will remain subject to the restrictions of these Bylaws.

4A(I).6      Withdrawal of Offer. A selling shareholder may withdraw an Offer Notice at any time during the 45 day period following the Notice Date by giving written notice to the Corporation and the remaining shareholders that the selling shareholder no longer wishes to sell the Offered Shares. In such case, the selling shareholder will be under no obligation to sell any of the Offered Shares either to the Corporation or the remaining shareholders, and the Offered Shares will remain subject to the restrictions of these Bylaws.

## SECTION 4A(II)

### INVOLUNTARY STOCK TRANSFERS

4A(II).1      Purchase Rights. (a) Upon the occurrence of a Triggering Event (as defined below) with respect to any shareholder, the Corporation and the remaining shareholders will have the right to purchase all or part of the Shares held by the affected shareholder on the terms and conditions set forth in this section 4A(II).

(b)      Definitions. In this section 4A(II), the following terms shall bear the following meanings:

## Exhibit A

“Triggering Event” means any of the following events and any other event that would cause any Shares held by a shareholder to be transferred: (i) a shareholder’s death; (ii) the filing of a valid petition of voluntary bankruptcy against a shareholder, or a valid petition of involuntary bankruptcy that has not been discharged within thirty (30) days; (iii) receipt by a shareholder of notice of a public, private or judicial sale of all or any part of a shareholder’s Shares to satisfy a judgment against or other indebtedness of the Shareholder; (iv) attachment or garnishment of all or any part of a Shareholder’s Shares or an assignment of all or any part of a shareholder’s Shares for the benefit of any creditor of the shareholder; (v) the entry of a judgment or final determination in any legal proceeding or process by which a shareholder’s Shares are required to be transferred; (vi) the change in control, sale of substantially all the assets, liquidation or dissolution of any shareholder that is not a natural person, with the term “change in control” meaning that the shareholders of the shareholder concerned on the date such shareholder became a shareholder cease to control the management and affairs of such shareholder whether by contract, voting control or otherwise; (vii) the merger of a shareholder involving a change of control; and (viii) any conduct on the part of any shareholder whose conduct as adjudged by the Board of Directors, acting in good faith, to be Harmful to the Corporation.

“Harmful” conduct means: (i) intentional misconduct which causes significant injury to the Corporation; or (ii) any knowing violation of law which has a material adverse effect on the Corporation. However, no act, or failure to act, on a shareholder’s part shall be considered “misconduct” unless done, or omitted to be done, by the shareholder in bad faith and without the reasonable belief that his action or omission was in the best interests of the Corporation.

4A(II).2 Notice. Within 30 days after the occurrence of a Triggering Event, the affected shareholder, or his trustee in bankruptcy, personal representative, guardian, administrator, or successor, as appropriate, shall give notice to the Corporation and the remaining shareholders (the “Event Notice”) specifying the date of such event, and describe in reasonable detail the nature of the event and the number of the Shares to be transferred (the “Subject Shares”).

4A(II).3 Corporation’s Purchase Right. The Corporation will then have the right to purchase all or a portion of the Subject Shares for the price and terms set forth in sections 4A(II).6 and 4A(II).7 respectively. The Corporation will have 30 days from the date the purchase price for the Subject Shares is agreed or determined pursuant to section 4A(II).6 within which to exercise this right (the “Determination Date”). The Corporation must give written notice of its decision to the person who signed the Event Notice, with a copy to the remaining shareholders, before the expiration of that 30-day period. If the owner of the Subject Shares is also a Director or, by contract or otherwise has the right to appoint any Director, neither the owner’s vote as a Director nor the vote of the owner’s nominee as a Director shall be counted in the Corporation’s decision as to whether or not to purchase the Subject Shares.

## Exhibit A

4A(II).4      Shareholders' Purchase Rights. If the Corporation elects not to purchase all the Subject Shares, any remaining Subject Shares may be purchased by the remaining shareholders following the procedures described in section 4A(I).4, for the price and terms set forth in sections 4A(II).6 and 4A(II).7 respectively, with required notifications to be given to the person who signed the Event Notice rather than the "selling shareholder" and with all exercise time frames calculated using the Determination Date.

4A(II).5      Retention/Transfer of Subject Shares. If neither the Corporation nor its shareholders between them timely elect to purchase all or part of the Subject Shares, they will remain subject to the purchase rights described in section 4A(I).

4A(II).6      Purchase Price. The purchase price for any gifted Shares referred to in section 4A(I).2, and for any Shares purchased under this section 4A(II) shall be their fair market value determined by agreement between the transferring shareholder (or his or her guardian or personal representative) and the Corporation as represented by the Board of Directors within 30 days following the actual or deemed date of the Offer Notice or the Event Notice, as the case may be. If the transferring shareholder is also a Director or, by contract or otherwise has the right to appoint any Director, neither the transferring shareholder's vote as a Director nor the vote of the transferring shareholder's nominee as a Director shall be counted in the purchase price negotiations.

If an agreement is not reached within such time, the purchase price shall be determined by an independent valuation of the Corporation's capital stock made by an independent appraiser. The valuation shall be determined on the basis of the Corporation as a going concern. In such case: (i) the transferring shareholder will select one appraiser, (ii) the Corporation, through its Board of Directors, will select a second appraiser, and (iii) those two appraisers will select a third appraiser, who must be knowledgeable with regard to the valuation of corporations in the same line of business as the Corporation at the time of the valuation, to act as the independent appraiser under this section 4A(II).6. If the transferring shareholder is also a Director or, by contract or otherwise has the right to appoint any Director, neither the transferring shareholder's vote as a Director nor the vote of the transferring shareholder's nominee as a Director shall be counted in selecting an appraiser. The parties shall pay for the costs associated with the appraisal in equal shares.

4A(II).7      Terms of Purchase. Where the purchase price of any Shares determined pursuant to section 4A(II).6 is equal to or less than twenty thousand dollars (\$20,000), it shall be paid in cash on closing. Where the purchase price is more than twenty thousand dollars (\$20,000), it shall be paid, at the option of the purchaser, either: (a) in cash at the closing; or (b) fifteen percent (20%) down in cash on closing and the balance payable over five (5) years in equal quarterly installments of principal plus interest at the prime rate quoted by the Corporation's principal depository bank on the date of closing, pursuant to a promissory note in customary form. The unpaid balance of the purchase price may be paid in whole or in part at any time without penalty. The closing of the sale shall place within 30

## Exhibit A

days of the last date on which applicable purchase rights may be exercised. The Shares shall be sold free and clear of all liens, claims, and encumbrances.

### SECTION 5

#### **BOOKS, RECORDS AND REPORTS**

5.1 Records of Corporate Meetings, Accounting Records and Share Registers. The Corporation shall keep, as permanent records, minutes of all meetings of the Board of Directors and shareholders, and all actions taken without a meeting, and all actions taken by a committee exercising the authority of the Board of Directors. The Corporation or its agent shall maintain, in a form that permits preparation of a list, a list of the names and addresses of its shareholders, in alphabetical order by class of shares, and the number, class, and series, if any, of shares held by each. The Corporation shall also maintain appropriate accounting records, and at its principal place of business shall keep copies of: (a) its Articles of Incorporation or restated Articles of Incorporation and all amendments in effect; (b) its Bylaws or restated Bylaws and all amendments in effect; (c) minutes of all shareholders' meetings and records of all actions taken without meetings for the past three years; (d) the year-end balance sheets and income statements for the past three fiscal years, prepared as required by Washington law; (e) all written communications to shareholders generally in the past three years; (f) a list of the names and business addresses of its current officers and directors; and (g) its most recent annual report to the Secretary of State.

5.2 Copies of Corporate Records. Any person dealing with the Corporation may rely upon a copy of any of the records of the proceedings, resolutions, or votes of the Board of Directors or shareholders, when certified by the Chairman of the Board, President, Vice President, Secretary or Assistant Secretary.

5.3 Examination of Records. A shareholder shall have the right to inspect and copy, during regular business hours at the principal office of the Corporation, in person or by his or her attorney or agent, the corporate records referred to in the last sentence of Section 5.1 of these Bylaws if the shareholder gives the Corporation written notice of the demand at least five business days before the date on which the shareholder wishes to make such inspection. In addition, if a shareholder's demand is made in good faith and for a proper purpose, a shareholder may inspect and copy, during regular business hours at a reasonable location specified by the Corporation, excerpts from minutes of any meeting of the Board of Directors, records of any action of a committee of the Board of Directors, records of actions taken by the Board of Directors without a meeting, minutes of shareholders' meetings held or records of action taken by shareholders without a meeting not within the past three years, accounting records of the Corporation, or the record of shareholders; provided that the shareholder shall have made a demand describing with reasonable particularity the shareholder's purpose and the records the shareholder desires to inspect, and provided further that the records are directly connected to the shareholder's

## Exhibit A

purpose. This section shall not affect any right of shareholders to inspect records of the Corporation that may be otherwise granted to the shareholders by law.

5.4 Financial Statements. Not later than four months after the end of each fiscal year, or in any event prior to its annual meeting of shareholders, the Corporation shall prepare a balance sheet and income statement in accordance with Washington law. The Corporation shall furnish a copy of each to any shareholder upon written request.

### **SECTION 6**

#### **FISCAL YEAR**

The fiscal year of the Corporation shall be set by Resolution of the Board of Directors.

### **SECTION 7**

#### **CORPORATE SEAL**

The seal of the Corporation, if any, shall consist of the name of the Corporation and the signature of its President or Vice President.

### **SECTION 8**

#### **MISCELLANEOUS PROCEDURAL PROVISIONS**

The Board of Directors may adopt rules of procedure to govern any meetings of shareholders or directors to the extent not inconsistent with law, the Corporation's Articles of Incorporation, or these Bylaws, as they are in effect from time to time. In the absence of any rules of procedure adopted by the Board of Directors, the chairman of the meeting shall make all decisions regarding the procedures for any meeting.

### **SECTION 9**

#### **AMENDMENT OF BYLAWS**

The Board of Directors may alter and repeal the Bylaws of the Corporation, subject to the power of the shareholders of the Corporation to change or repeal the Bylaws.

## SECTION 10

### **INDEMNIFICATION OF DIRECTORS AND OTHERS**

10.1 Grant of Indemnification. Subject to Section 10.2, each person who was or is made a party or is threatened to be made a party to or is involved (including, without limitation, as a witness) in any threatened, pending, or completed action, suit or proceeding, whether formal or informal, civil, criminal, administrative or investigative (hereinafter a “proceeding”), by reason of the fact that he or she is or was a director of the Corporation or who, while a director of the Corporation, is or was serving at the request of the Corporation as a director, officer, employee or agent of this or another Corporation or of a partnership, joint venture, trust, other enterprise, or employee benefit plan, whether the basis of such proceeding is alleged action in an official capacity as a director or in any other capacity while serving as a director, officer, employee or agent, shall be indemnified and held harmless by the Corporation to the fullest extent permitted by applicable law, as then in effect, against all expense, liability and loss (including attorneys’ fees, costs, judgments, fines, ERISA excise taxes or penalties and amounts to be paid in settlement) reasonably incurred or suffered by such person in connection therewith, and such indemnification shall continue as to a person who has ceased to be a director and shall inure to the benefit of his or her heirs, executors and administrators.

10.2 Limitations on Indemnification. Notwithstanding Section 10.1, no indemnification shall be provided hereunder to any such person to the extent that such indemnification would be prohibited by the Washington Business Corporation Act or other applicable law as then in effect, nor, except as provided in Section 10.4 with respect to proceedings seeking to enforce rights to indemnification, shall the Corporation indemnify any such person seeking indemnification in connection with a proceeding (or part thereof) initiated by such person except where such proceeding (or part thereof) was authorized by the Board of Directors of the Corporation.

10.3 Advancement of Expenses. The right to indemnification conferred in this section shall include the right to be paid by the Corporation the expenses incurred in defending any such proceeding in advance of its final disposition, except where the Board of Directors shall have adopted a resolution expressly disapproving such advancement of expenses.

10.4 Right to Enforce Indemnification. If a claim under Section 10.1 is not paid in full by the Corporation within 60 days after a written claim has been received by the Corporation, or if a claim for expenses incurred in defending a proceeding in advance of its final disposition authorized under Section 10.3 is not paid within 20 days after a written claim has been received by the Corporation, the claimant may at any time thereafter bring suit against the Corporation to recover the unpaid amount of the claim and, to the extent successful in whole or in part, the claimant shall be entitled to be paid also the expense of



## Exhibit A

prosecuting such claim. The claimant shall be presumed to be entitled to indemnification hereunder upon submission of a written claim (and, in an action brought to enforce a claim for expenses incurred in defending any proceeding in advance of its final disposition, where the required undertaking has been tendered to the Corporation), and thereafter the Corporation shall have the burden of proof to overcome the presumption that the claimant is so entitled. It shall be a defense to any such action (other than an action with respect to expenses authorized under Section 10.3) that the claimant has not met the standards of conduct which make it permissible hereunder or under the Washington Business Corporation Act for the Corporation to indemnify the claimant for the amount claimed, but the burden of proving such defense shall be on the Corporation. Neither the failure of the Corporation (including its Board of Directors, independent legal counsel, or its shareholders) to have made a determination prior to the commencement of such action that indemnification of or reimbursement or advancement of expenses to the claimant is proper in the circumstances because he or she has met the applicable standard of conduct set forth herein or in the Washington Business Corporation Act nor (except as provided in Section 10.3) an actual determination by the Corporation (including its Board of Directors, independent legal counsel, or its shareholders) that the claimant is not entitled to indemnification or to the reimbursement or advancement of expenses shall be a defense to the action or create a presumption that the claimant is not so entitled.

10.5 Nonexclusivity. The right to indemnification and the payment of expenses incurred in defending a proceeding in advance of its final disposition conferred in this section shall be valid to the extent consistent with Washington law.

10.6 Indemnification of Officers, Employees and Agents. The Corporation may, by action of its Board of Directors from time to time, provide indemnification and pay expenses in advance of the final disposition of a proceeding to officers, employees and agents of the Corporation on the same terms and with the same scope and effect as the provisions of this section with respect to the indemnification and advancement of expenses of directors and officers of the Corporation or pursuant to rights granted pursuant to, or provided by, the Washington Business Corporation Act or on such other terms as the Board may deem proper.

10.7 Insurance and Other Security. The Corporation may maintain insurance, at its expense, to protect itself and any individual who is or was a director, officer, employee or agent of the Corporation or another Corporation, partnership, joint venture, trust or other enterprise against any liability asserted against or incurred by the individual in that capacity or arising from his or her status as an officer, director, agent, or employee, whether or not the Corporation would have the power to indemnify such person against the same liability under the Washington Business Corporation Act. The Corporation may enter into contracts with any director or officer of the Corporation in furtherance of the provisions of this section and may create a trust fund, grant a security interest or use other means

## Exhibit A

(including, without limitation, a letter of credit) to ensure the payment of such amounts as may be necessary to effect indemnification as provided in this section.

10.8 Amendment or Modification. This section may be altered or amended at any time as provided in these Bylaws, but no such amendment shall have the effect of diminishing the rights of any person who is or was an officer or director as to any acts or omissions taken or omitted to be taken prior to the effective date of such amendment.

10.9 Effect of Section. The rights conferred by this section shall be deemed to be contract rights between the Corporation and each person who is or was a director or officer. The Corporation expressly intends each such person to rely on the rights conferred hereby in performing his or her respective duties on behalf of the Corporation.

## SECTION 11

### **REPRESENTATION OF SHARES OF OTHER CORPORATIONS**

Unless otherwise restricted by the Board of Directors, the Chairman, President, and Secretary of the Corporation are each authorized to vote, represent and exercise on behalf of the Corporation all rights incident to any and all shares of other corporations standing in the name of the Corporation. This authority may be exercised by such officers either in person or by a duly executed proxy or power of attorney.

Date Bylaws Adopted: December 30, 2010

---

Secretary, Karl Seck