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Section A. Recitals. 1. The undersigned parties hereby agree this day of _____, 20____, to organize a partnership under the name of A, B & C.

2. The effective date of this Agreement is the _____ day of _____, 20____.

Section B. Parties. A, B, C, D, E and F constitute the original partners of the firm.

Section C. Purpose. The purpose of this partnership is to engage in [*here set out nature of the business*], and any other business related thereto.

EXHIBIT J-1.*(continued)*

Section D. Firm Name. The name of the partnership "A, B & C" shall continue until changed in accordance with the provisions of this Agreement.

Section E. Term. The partnership shall continue from the effective date of this Agreement until dissolved in accordance with the terms hereof.

Section F. Location of Principal Place of Business. The principal place of business of the partnership shall be at _____, or at such other place or places as the partners shall hereafter determine.

ARTICLE II. CAPITAL

Section A. Original Capital Contributed by Partners. The original capital contributions of the respective partners hereunder are shown on Exhibit A attached hereto. It reflects cash contributed and property, the title of which is transferred to the firm at the current agreed market value of each item. The firm agrees to repay to each partner, at the time and as hereinafter provided, the aggregate amount he or she has thus contributed as original capital plus interest thereon at the rate of _____ percent per annum on all unpaid balances.

Section B. Annual Additional Contributions to Capital. Five percent of the net income of the firm for each fiscal year shall be withheld from distribution and credited, as additional contributions to capital, to partners, in the amount that each would have received had that sum been distributed. Interest shall be paid by the firm on all unreimbursed balances of all these additional contributions to capital at the rate of _____ percent per annum until fully repaid.

Section C. Reserve for Capital Expenditures; Other Reserves.

1. Out of the sums contributed as additional contributions to capital for each fiscal year, there shall be set aside as of the beginning of the new fiscal year that amount, in addition to any unexpended balance in that reserve fund left over from the last year, estimated to be needed for capital expenditures of the firm during the new fiscal year. As such expenditures are incurred during that year they shall be paid for out of that reserve fund.

2. Out of the remainder of the sums contributed as additional contributions to the capital for each fiscal year, there shall be set aside that amount for any other reserve fund, or to add to any existing reserve fund, estimated to be needed to meet any other anticipated obligations or commitments of the firm. As such expenditures are incurred they may be paid out of the appropriate reserve fund.

Section D. Annual Reimbursements on Contributions to Capital.

1. At the end of each fiscal year there shall be charged to firm expense for that year the amount of depreciation accrued for the year, which the firm for federal income tax purposes is entitled to deduct from firm income, and the amount of interest accrued for the year on the unreimbursed balances of contributions to capital.

2. At the end of each fiscal year, (i) the amount of such interest shall be paid to the partners entitled thereto; and (ii) cash sums aggregating the amount of such depreciation shall be paid ratably in reimbursement of contributions to capital.

3. Any amounts remaining out of the annual contributions to capital provided for in Section B of this Article, after the deduction of the reserves as provided in Section C of this Article, shall be paid to partners to reimburse them for their contributions to capital. Such reimbursements shall be made for the oldest contributions first, all repayments for contributions as of the same time being made ratably as to them.

EXHIBIT J-1.*(continued)***ARTICLE III. PROFITS AND LOSSES OF THE FIRM; PARTICIPATION OF PARTNERS THEREIN; DRAWINGS; BONUSES**

Section A. Units of Participation in Profits and Losses Held by the Respective Partners. Except as otherwise expressly provided in this Article, participation of partners in net profits and losses shall be on the basis of the units of participation held by each partner, which shall be as follows:

- A: 30 units
- B: 20 units
- C: 20 units
- D: 12 units
- E: 8 units
- F: 5 units

Upon termination of all interest in the partnership as to any partner, his or her units of participation and all rights thereunder shall expire. No amendment of this Agreement shall be required therefor. Otherwise no change in the aggregate number of units held by partners or in the number held by any partner shall be effected except by an appropriate amendment of this Agreement.

Section B. Drawing Accounts of the Respective Partners and the Extent to Which Any Are Guaranteed. 1. The firm shall carry on its books a drawing account for each partner. As of the end of each calendar month he or she shall be paid the sum indicated below; which shall thereupon be charged to his or her drawing account.

- A: \$2,400.00 per month
- B: 1,600.00 per month
- C: 1,600.00 per month
- D: 1,000.00 per month
- E: 800.00 per month
- F: 800.00 per month

2. As of close of each fiscal year there shall be credited to the drawing account of each partner his or her share of the net profits computed as provided in this Article III, less the amount of his or her annual contribution to capital of the firm; any reimbursements to him or her of contributions shall be so credited and all other debits and credits between the partner and the firm to date shall be included in the calculation. Any excess of credits over debits shall thereupon be paid to the partner.

3. If at the end of the fiscal year, after crediting to the drawing accounts of partners E and F the participation of each such partner in the net profits, there remains a deficit in his or her drawing account, he or she shall not be required to pay the amount of that deficit to the firm, but as an expense of the firm (to be shared ratably by the remaining partners who do not have the benefit of this guaranty) his or her account shall be credited in the amount of such deficit. Thus E and F each is guaranteed that he or she shall receive as a minimum his or her drawing account for each month of the year. Moreover, if the net profits of the year aggregate as much as the total of the drawing accounts of all partners plus any amounts credited in balancing the drawing accounts of E and F, all of the other partners shall retain the amounts of their respective drawing accounts. But, if the net profits aggregate less than the total paid in the drawing accounts plus the said amounts credited to the accounts of E and F, then A, B, C and D shall share ratably all such deficits for the year in the proportion of their respective drawing accounts, except however that D shall not be required to pay back to the firm any more than the amount that he or she has received in excess of the stated amounts of the drawing accounts of E and F.

4. If at the end of the fiscal year there are net profits for distribution over and above the aggregate of all the stipulated monthly drawings and payments made

EXHIBIT J-1.*(continued)*

as the agreed annual additional contributions to capital, then the portion of such net profits not transferred to the reserve for bonuses, as provided for in the next section hereof, shall be applied first to payments to those partners who have received in their monthly drawings less than their ratable share of net profits; and thereafter the balance of net profits shall be distributed ratably to all partners in proportion to their respective units of participation.

Section C. Reserve for Bonuses and Payments Therefrom. The net profits of the firm remaining for each fiscal year after paying (or setting aside funds for paying) all expenses of the year and after paying fully the stipulated monthly drawings and making the annual agreed additional contributions to capital, shall be distributed as follows: seventy-five percent of such remaining net profits shall be distributed as heretofore provided (Sections A and B of this Article) and the remaining twenty-five percent shall be placed in a "bonus reserve." The management committee shall as promptly as is convenient recommend to all partners the uses to which this fund of twenty-five percent shall be placed, and thereupon at a meeting of the firm it shall be determined to whom and in what amounts such reserved funds shall be paid. It is anticipated that normally, unless some anticipated need for the reserve fund seems to require other use of such funds in the new fiscal year immediately ahead, said reserve fund will be used for extra distributions to partners as achievement bonuses.

ARTICLE IV. MEETINGS AND VOTING OF PARTNERS

Section A. Meetings of Partners; Voting at Such Meetings. 1. A meeting of partners shall be held at any time on call of the management committee or at any time after written notice at least 10 days in advance jointly signed by any three partners, specifying the hour and purposes of the meeting. The call by the management committee may be written or oral and need not be made any period of time in advance of the meeting, nor need it specify the purposes of the meeting; except, however, that in those instances where written notice for at least a specified period of time is required by any provision of these Articles, every call or notice of such meeting shall comply with such requirement.

2. At each meeting of partners every partner shall have one vote for each unit of participation held by him or her, as specified in Section A of Article III of this document; a quorum for any issue at any meeting shall exist if partners holding a majority of such units are present in person or voting by proxy or written instruction. Any partner may vote on any matter (subject to provisions of paragraph 3, this Section) if not present, by general or specific proxy to a partner present or by specific instructions in writing.

3. A partner shall not vote, however, and the number of outstanding units shall be deemed to be reduced by the number he or she holds (for the purposes of determining on any such issue whether quorum exists or whether the requisite percentage of outstanding units have been voted in the affirmative), when he or she is the partner affected by any of the following issues:

(a) If the partner has given a notice of withdrawal from the firm and the partnership meeting is voting on a proposal to terminate the firm and liquidate its affairs (see Article V, Section D), the person whose notice of withdrawal is pending shall not vote and the percentage of votes for termination and liquidation shall be determined as though that partner's units of participation did not exist.

(b) If the issue before the partnership is whether a partner (i) is under permanent disability, or (ii) should be expelled from the firm, whether for cause or without determining that a cause exists, or (iii) should be permitted to retire or to attain retirement by gradual steps, or (iv) should

EXHIBIT J-1.*(continued)*

be granted a temporary withdrawal from the firm (see Article V, Sections C, E, F and G), then as to each such issue the partner involved shall not vote and the percentage of votes shall be determined as though his or her units of participation did not exist.

4. Excepting only as provided in paragraph 3 of this Section A of Article IV or in Section D of Article XI of this Agreement, no partner shall be disqualified from voting on any issue, notwithstanding any interest he or she may have therein which differs from the interest of the firm or the other partners.

Section B. Percentage of Votes Required for Certain Partnership Decisions; Requirement of Recommendation of the Management Committee in Advance of Certain Partnership Decisions.

1. As provided by Article V of this Agreement, it may be determined by partnership vote that one presently a partner (i) is under permanent disability, (ii) should be expelled from the firm, (iii) should be permitted to retire or to attain retirement by gradual steps, or (iv) should be granted temporary withdrawal from the firm; or that one not a partner presently be added as a partner (see Article V, Sections B, C, E, F and G). As to each such issue (subject in each instance to the provisions of paragraph 3 of Section A of this Article), it is required that for so determining that issue in the affirmative, affirmative votes shall be cast by partners holding at least two-thirds of the outstanding units of participation that can be voted on that issue. An affirmative recommendation of the management committee in advance is required for a vote of the partners on the addition of a new partner (see Article V, Section B) or for a vote on payments out of the bonus reserve (see Article III, Section C).

2. As provided by Article X of this Agreement, decision may be made that the firm be terminated and its affairs liquidated at any meeting held for the specific purpose of determining whether this shall be done, on the written call of the management committee or of any three partners stating the purpose of the meeting and giving at least three days' notice. For determining this issue in the affirmative (subject to the provisions of paragraph 3(a) of Section A of this Article), votes in the affirmative of partners holding at least two-thirds of the outstanding units of participation that can be voted on that issue shall be required.

3. As provided in Article XII of this Agreement, these Articles of Partnership may be amended upon affirmative votes of partners holding at least two-thirds of the outstanding units of participation that can be voted on that issue, provided that the proposed amendment and the recommendation of the management committee with reference thereto are attached to the written notice of the meeting at which the proposed amendment is to be considered.

4. A majority of the votes cast, a quorum being present, may determine any other issue at a partnership meeting, provided no such determination shall be contrary to a provision of law or of this Agreement.

ARTICLE V. CHANGES AS TO PARTNERS

Section A. No Classes of Partners. Though their contractual rights differ, as provided in this instrument, all partners are of the same class and have identical and equal rights except as herein otherwise provided.

Section B. Addition of Partners. The management committee may from time to time propose that additional partners be invited to join the partnership, and may propose the units of participation and the drawing accounts for each, together with the proposed amendment to the Articles of Partnership, specifically providing for any drawing account, guaranties and other provisions. In each such instance:

EXHIBIT J-1.*(continued)*

1. There shall be given to each partner a notice of at least ten days of a meeting for all partners at which each partner shall be entitled to discuss the proposal fully; each partner shall be entitled to a postponement of that meeting up to a date not less than thirty days after the giving of the ten-day notice.

2. At that meeting the partners may by their affirmative votes (as provided in paragraph 1 of Section B of Article IV) determine that the invitation shall be extended as proposed by the management committee or with such revisions as are determined upon.

3. If the invitation is accepted, the new partner and prior partners holding at least two-thirds of the participating units entitled to vote at the meeting referred to in paragraphs 1 and 2 of this Section B, shall join in executing an amendment to these Articles of Partnership providing for the change in the partnership thus effected.

Section C. Death or Permanent Disability of a Partner.

1. *Death.* The death of a partner shall terminate all his or her interest in the partnership, its property and assets. The continuing firm shall pay in cash to his or her estate (or to his or her nominee or nominees in accordance with the provisions of any separate agreement entered into between that partner and the management committee acting for the firm) the following amounts to be paid in installments at the times indicated:

(a) On or before thirty days after the date of death, the net amount of his or her capital in the firm as of the date of death plus interest on the capital to that date.

(b) Within ninety days from the date of death, an amount computed as follows:

(i) Start with his or her pro rata share of seventy-five percent of the net profits (after reducing said profits by interest on the capital accounts of all partners to date of death) of the firm for that portion of its then current year ending with the date of death;

(ii) Add thereto any part of the remaining twenty-five percent of the firm's net profits which the management committee in its discretion determines to be his or her fair share of such net profits as a bonus payment to him or her, based on the same considerations for that part of the year as are provided for any full year in Section C of Article III hereof;

(iii) Deduct from the total arrived at in (ii) above, all distributions the deceased partner had received from the firm on account of net earnings during the year; and

(iv) Adjust the remaining balance by debiting and crediting all sums owing to the firm by the deceased partner or by the firm to him or her immediately prior to death. If the result is a minus balance, it shall be deducted from the aggregate amount payable in monthly installments as provided in subparagraph (c) of Section C, paragraph 1.

(c) In a series of forty-two consecutive monthly installments, beginning on or before one hundred twenty days after the date of death, a further amount which (except as otherwise herein provided) shall be the average of the sums paid to him or her as a partner of the firm during each of the last three complete fiscal years of the firm during which he or she was a partner.

(i) The computation of the sums so paid to him or her each year shall include all distributions to him or her out of net income of the firm, but without any deductions for contributions to its capital or any additions for reimbursements therefor or interest on unreimbursed contributions. If he or she became a retired partner or temporarily withdrawn partner, the years of retirement or of temporary withdrawal are not to be included in the computation. If he or she

EXHIBIT J-1.

(continued)

had not been a member of the firm for as long as three complete fiscal years, then there shall be paid the average of sums paid to him or her for two such years, and if not a member for as long as two such years, then the sums so paid to him or her for one year. If he or she had not been a member one full year, no sums shall be paid under this subparagraph (c).

(ii) The first six installments of the amount thus to be paid by the continuing firm shall each be as much as decedent's current agreed monthly drawing at the time of death and may, at the option of the firm, be as much more as the firm shall elect. The remainder of the sum payable by the continuing firm, if any (after the payment of the first six installments) shall be paid in thirty-six monthly installments, approximately equal, beginning three hundred days after death, with interest added to each of these installments at the rate of five percent per annum from date of death until paid.

2. *Permanent Disability.* (a) The determination that a partner is permanently disabled shall terminate all his or her interests in the partnership and his or her units of participation as a partner. That determination shall be made only upon the affirmative vote by partners holding at least two-thirds of all units of participation, not including the partner whose disability is in issue or the units held by him or her, all in accordance with the provisions of Article IV of this agreement.

(b) As of the time of the determination of permanent disability of a partner, he or she shall no longer be a partner and shall no longer have any duties to perform with respect to any professional employment of the firm, nor shall he or she be privileged to perform any services in any such matter. His or her units of participation shall expire as of that time, and hence no votes at any partnership meeting may thereafter be cast by him or her, and he or she shall not be entitled to any share of profits or losses thereafter. Except for sums to be paid to him or her by the continuing firm as provided for in subparagraph (c) of this paragraph 2, he or she shall not be entitled to any payments from the firm and shall have no rights or interests in any of its properties or assets from the time of such determination. However, the partners in their discretion may vote to bestow upon him or her some purely honorary title such as "Partner Emeritus," without compensation.

(c) The amounts payable by the continuing firm to or for the account of a partner determined to be permanently disabled shall be computed in the same way and paid in the same manner as though the partner had died on the date of the determination of permanent disability. His or her death before all such payments have been made shall not interrupt the continued payments by the continuing firm; but no further sums shall be owing by the firm because of his or her death.

Section D. Permanent Withdrawal of a Partner.

1. *Notice of Withdrawal and Effective Date of Withdrawal.* Any partner may voluntarily withdraw from the partnership at any time on notice of thirty days to the other partners. As of the expiration of the thirty-day period, or sooner if mutually agreed upon, the withdrawal shall be effective.

2. *Possible Termination of the Firm Superseding Withdrawal Notice.* At any time during the pendency of a withdrawal notice and before the effective date of withdrawal, a termination of the firm may be voted in accordance with the provisions of Article X of this Agreement. If this is done, the dissolution proceedings, the liquidation of assets, and the distribution of proceeds shall ensue, and the notice of withdrawal shall be of no effect.

3. *Partition with and Payments to the Withdrawing Partner.* The withdrawing partner's right, title, and interest in the firm shall be extinguished in consideration of the partition with and the payments to him or her by the continuing firm on the following bases:

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(a) On the effective date of withdrawal he or she shall be paid the amount of his or her net capital in the firm plus interest thereon to that date. This payment shall be in cash unless the firm at its option elects to set aside and deliver in kind his or her pro rata share of all its capital assets. In the event the firm sets aside property for him or her, it shall have a discretion as to what items to set aside, all items being valued for the purposes of partition, either by agreement between the firm and the withdrawing partner or by an independent appraisal, at current market prices.

(b) Within ninety days after the effective date of withdrawal an amount in cash shall be paid computed as follows:

(i) Start with the pro rata share of seventy-five percent of the net profits (after reducing said profits by interest on the capital accounts of all partners to the effective date of withdrawal) of the firm for that portion of its then current year ending on the effective date of withdrawal;

(ii) Add thereto any part of the twenty-five percent of the firm's net profits for said portion of its then current year, which the management committee fairly determines to be his or her fair share of such net profits as a bonus payment to him or her based on the same considerations for that portion of the year that are provided in Section C of Article III for any full year, and bearing in mind that the same part of twenty-five percent of the profits from receipts of the portion of the current year will be applied to future receipts from fees charged for services rendered before the withdrawal, pursuant to the provisions of subparagraph (c) (ii) of this paragraph 3;

(iii) Deduct from the total arrived at in (ii) above all distributions the withdrawing partner had received from the firm on account of net earnings during the year;

(iv) Adjust the balance thus arrived at by debiting the discounted value at that time of his or her ratable share of payments yet to accrue against the firm on account of the prior death or permanent disability of a partner; and

(v) Adjust the balance thus arrived at by debiting and crediting all sums owing to the firm by him or her or by the firm to him or her immediately prior to the effective date of withdrawal.

If the foregoing computations result in a minus balance it shall be debited against each quarterly payment later accruing to him or her under the provisions of subparagraphs (c) and (d); and if the debt is not thus discharged, it shall be owing by the withdrawing partner to the continuing firm.

(c) In quarter-annual installments following the withdrawal, a share of the fees collected by the firm during each quarter thereafter for services rendered by the firm prior to the effective date of withdrawal shall be paid, the amount of these quarter-annual payments to be computed as follows:

(i) Start with the pro rata share of seventy-five percent of the gross amount of such fees collected during such quarter (after reducing same by the amount, if any, which the management committee of the continuing firm fairly determines to represent the share of all fees earned during that quarter by the firm which were prepaid by the client prior to the effective date of withdrawal);

(ii) Add thereto an amount which is that percentage of the figure computed under (i) immediately above, which the amount computed under (b) (ii) of this paragraph 3 bears to the figure computed under paragraph (b) (i) of this paragraph 3; and

(iii) The total amount thus arrived at shall be paid to the withdrawing partner with an accounting to him or her at that time of how the amount is arrived at, provided he or she then makes a like accounting and payment if any is due by him or her to the firm, in accordance with the provisions of subparagraph (d) immediately following.

EXHIBIT J-1.*(continued)*

(d) Subject to the right of each client to direct that any or all of his or her pending matters in which the firm is employed on the effective date of withdrawal shall be handled for him or her by the continuing firm rather than the withdrawing partner, the withdrawing partner, at his or her option, as to each of the current employments of the firm pending on that date for which he or she was the responsible partner in charge, shall then be entitled (provided he or she then pays the firm for all its expenditures on behalf of the client in connection with such matter for which the client then is or would later be indebted to the firm) to assume all further responsibilities to the client for that matter and to take with him or her all files and documents pertaining wholly to that employment. Thereafter, the withdrawing partner shall bill the client for and be entitled to collect for disbursements theretofore made and services theretofore rendered in connection with that matter as well as for subsequent services and disbursements. The withdrawing partner shall account to the continuing firm with respect to his or her gross collections of fees for services rendered on each such matter by the firm prior to the effective date of withdrawal, and shall pay the firm in cash, in quarter-annual installments from such collections, amounts calculated on the same basis, or as nearly as possible on the same basis, as the firm shall be accounting to the withdrawing partner and paying him or her in accordance with the provisions of subparagraph (c) immediately above.

Agreement as to Tax Effects

In view of the differences in tax results dependent upon distinctions which may not be readily apparent to lawyers outside the tax field, it is quite important that contracts with reference to the liquidation or sale of the interest of a withdrawing or disabled partner, and especially of a deceased partner, should clearly express the intention of the parties as to the tax effects anticipated by the parties to flow from their agreement. Naturally, they should be careful to see that the agreement does what they think it does. As an addition to the agreement, therefore, we suggest a paragraph pertinent to all provisions of Sections C and D of Article V:

It is contemplated by the parties to this Agreement that any payments hereunder for the interest in the firm of a withdrawing or permanently disabled or deceased partner are, to the extent that they represent payment for partnership properties, capital payments falling under Section 736(b) of the Internal Revenue Code. All other payments for the interests of such persons, including so-called "interest" payments on capital invested, are intended by the partners as payments of partnership income under Section 736(a) of the Internal Revenue Code. Each partner covenants for himself or herself and his or her heirs and assigns that he or she will make no claims or representations with reference to the income tax nature of any such amounts that are inconsistent with the intent expressed in this subparagraph.

Section E. Retirement of Partners; Gradual Steps toward Retirement; Retirement Plans for Partners.

1. *Retired Partners; Plans for Their Compensation.* (a) A retired partner shall receive no current compensation from the firm in payment for current services, either by way of participation in distribution of net profits of the firm or agreed monthly drawings. He or she may receive bonuses or specifically agreed fees or shares of fees. He or she shall be offered, at the expense of the firm, so long as he or she is able and wishes to use same for at least twenty percent of the business time of each year, an office in the offices of the firm and a secretary to give him or her such secretarial assistance as he or she may require; in consideration of which he or she shall, whenever convenient to him or her, advise with and serve

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as consultant to any of the partners or associates of the firm. His or her name shall be carried on firm letterheads, in legal directories and otherwise not as an active partner of the firm but under the heading, "Of Counsel."

(b) The management committee in its discretion is authorized to pay during any year, to each retired partner as a "retirement bonus," up to twenty-five percent of his or her average annual income for the last three full years during which he or she was an active partner of the firm.

2. *When a Partner Retires.* Any partner may retire at any time upon approval by the partners, in accordance with provisions of Article IV of this Agreement, of his or her request to retire. Any partner who has attained the age of seventy-five shall retire if and when requested to do so by partners holding at least two-thirds of the units or participation entitled to vote.

3. *Gradual Steps toward Retirement.* If the request of a partner that he or she be permitted to enter upon and carry out a plan for gradual retirement is approved by vote of the partners in accordance with the provisions of Article IV of this Agreement, a program of gradual steps toward retirement shall be entered into and consummated, as agreed between him or her and the firm. Such a plan may be required of any partner at any time after the partner attains the age of seventy. The adoption of such a plan as to any partner will involve a program over a period of the following ten years (provided his or her interest in the firm is not meanwhile terminated by death, total disability, withdrawal, or expulsion; and provided said interest is not modified by an agreement between him or her and the firm approved by vote of the partners). During that ten-year period his or her duties shall be gradually reduced and, hence, his or her units of participation, and thus his or her share of net profits or losses, and his or her voting rights shall be reduced from what they are at the start of the period by eight percent at the end of each of the first nine fiscal years of the period, and his or her remaining interest in the firm shall be terminated by effecting his or her retirement at the end of the tenth year.

Section F Expulsion of a Partner.

1. *Expulsion for Cause.* A partner shall be expelled for cause when it has been determined by vote of partners in accordance with the provisions of Article IV of this Agreement, that any of the following reasons for expulsion exist:

(a) Disbarment, suspension or other major disciplinary action of any duly constituted authority.

(b) Professional misconduct or violation of the canons of professional ethics, if such misconduct continues after its desistance has been requested by the management committee.

(c) Action that injures the professional standing of the firm, if such action continues after its desistance is requested by the management committee.

(d) Insolvency or bankruptcy or assignment of assets for the benefit of creditors.

(e) Breach of any provision of the Articles of Partnership of the firm, which all other partners expressly agree is a major provision, if, after the breach has been specified as a prospective ground for expulsion by written notice given by the management committee, the same breach continues or occurs again.

(f) Any other reason which the other partners unanimously agree warrants expulsion.

2. *Effects of Expulsion for Cause.* Upon a determination that a partner be expelled for cause, he or she shall thereby be so expelled and shall have no right or interest thereafter in the firm or any of its assets, clientele, files or records, or affairs. He or she shall have thereafter no further duties to the firm or any of its clients and shall be privileged to serve none of them thereafter. He or she shall

EXHIBIT J-1.*(continued)*

immediately remove himself or herself and all personal effects from the firm offices. Upon any such expulsion, the expelled partner shall be obligated not to accept employments for services from any who have been clients of the firm during the last five years preceding the determination of expulsion, the obligation not to accept such employments being a continuing one for a term of the next ensuing five years. From the time of the expulsion, the expelled partner shall have no participation whatever in the income or losses of the firm or any distribution or drawings from the net income. Realizing that the existence of any such cause for expulsion may bring disgrace on the firm and damage the firm in amounts and ways that cannot be calculated or become liquidated in amount, each partner agrees that the firm shall succeed to all of the rights of the expelled partner as hereinabove set forth and shall retain all sums unpaid by it to the expelled partner, whether accrued or not at that time; further, that the receipt and retention by the firm of all such rights and sums shall satisfy and discharge the damages of the firm, being retained as and thereby determined to be liquidated damages; no other indebtedness of the expelled partner to the firm being discharged.

3. *Expulsion without Determining Any Cause Therefor.* A partner shall be expelled immediately when, on recommendation of the management committee, it is determined by a vote of the partners as provided in Article IV that he or she shall be expelled without determination of any cause therefor. This method of expulsion may be employed notwithstanding the fact that grounds may exist for expulsion for cause.

4. *Effects of Expulsion without Determining Any Cause Therefor.* Upon such expulsion without determining a cause therefor, the partner so expelled shall have no right or interest thereafter in the firm or any of its assets, clientele, files or records, or affairs. He or she shall have thereafter no further duties to the firm or any of its clients and shall be privileged to serve none of them thereafter. He or she shall immediately remove himself or herself and all personal effects from the firm offices. Except as otherwise provided in this paragraph, a partner so expelled shall be entitled to the same rights, the same payments by, and be subject to the same duties to the continuing firm as though he or she were then voluntarily withdrawing from the firm.

Section G. Temporary Incapacity; Leave of Absence; Temporary Withdrawal; Vacations.

1. *Temporary Incapacity or Illness.* In the event of any interruption of the performance of any partner's services to the firm or to its clients on account of any temporary incapacity or illness, or any other reason not voluntary with the partner, the management committee may, in its complete discretion, make any arrangements it deems fair to the partner and to the firm, as to the period of his or her absence and compensation during that period.

2. *Leave of Absence.* In the event any partner desires an interruption of the performance of his or her services to the firm or its clients, for any reason voluntary with the partner, the request shall be submitted to and may be approved by the management committee which, if the interruption shall not be for more than one year, may in its complete discretion make any arrangements it deems fair to the partner and to the firm, as to the period of his or her absence and compensation during that period.

3. *Temporary Withdrawal.* If any partner desires an interruption of his or her services to the firm and its clients for a period longer than the management committee can, or feels that it should, approve under either of the last two paragraphs of this instrument, the partner may apply to the firm for a temporary withdrawal. The firm, by vote of the partners in accordance with provisions of

EXHIBIT J-1.*(continued)*

Article IV of this document, shall determine whether the request shall be granted and, if so, on what terms and conditions. During the period of any temporary withdrawal, there shall be a suspension and not a termination of the units of participation of the partner involved. Such a temporary withdrawal, unless extended under the same procedure by which it was originally granted, shall be for a specific time, at the expiration of which the temporarily withdrawing partner shall resume his or her services.

4. *Vacations.* All decisions of the firm with reference to vacations of partners in excess of _____ weeks a year for each partner are to be wholly within the discretion of the management committee.

ARTICLE VI. DUTIES OF PARTNERS

Section A. Devotion to Duty. Each partner shall devote his or her best efforts to serving professionally the firm and its clients. Subject to any exceptions provided in rules of the firm adopted in accordance with the provisions of Article VII, Section A of this Agreement, or any other exceptions consented to by the management committee, each partner shall devote substantially all his or her normal business time to such services.

Section B. Charging for Services. 1. Each partner shall charge reasonably for all services rendered by that partner, following generally the policies of the firm as to fees charged. However, each partner may serve without charge any member of his or her own family, and with the consent of the management committee any partner may serve without charge, or at less than regular charge, any civic, educational, religious, or charitable organization or project.

2. Each partner will follow rules and policies of the firm adopted in accordance with the provisions of Section A of Article VII of this Agreement relating to consideration by the firm, rather than one partner only, of fees on substantial services rendered by the firm.

3. No salaries, commissions, fees or gratuities of any substantial significance shall be accepted, directly or indirectly, by any partner personally from any client or prospective client of the firm, unless with the express consent in advance of the management committee, and the fair value of any such item received with such consent, though retained by the partner, shall be treated for accounting purposes as compensation to the firm and shall be charged against such partner as an advance on the next maturing installment or installments of his or her drawing account. The management committee may agree, however, to any exception to any provision of this paragraph.

ARTICLE VII. MANAGEMENT

Section A. Authority and Membership of the Management Committee.

1. Subject to the express terms of this Agreement, which as to certain specific matters provides that decisions of the firm shall be determined by the vote of the partners holding required units of participation, the complete and sole management of the firm is hereby vested in the management committee.

2. Any part or parts of the power, right, and authority vested in the management committee may, at any time and from time to time, be delegated by it to a subcommittee of one or more chosen by it. Such authority may be delegated with power in the subcommittee only to recommend to the management committee what action should be taken, or with power to act; in the latter event, action of the subcommittee shall be the action of the management committee. Any delegation may be terminated by the management committee at any time.

EXHIBIT J-1.*(continued)*

3. It may from time to time cause a set of the rules and policies of the firm to be distributed in an office manual to all partners, associated attorneys and employees of the firm.

4. The management committee shall consist of three partners. No one of them shall be retired (though they may be participating in gradual steps toward retirement) or the subject of pending action for expulsion. Partners subject to any of the stated disabilities shall be disqualified from election to or from acting on the management committee. Upon any such event that disqualifies from continued service a member of the committee, he or she shall automatically cease to be a member of the committee and shall not serve thereafter unless and until (when qualified) reelected to fill a vacancy on the committee. There shall be an alternate member elected by the partners, and if there is a vacancy on the committee because of death, resignation, or disqualification, the alternate shall become a member of the committee. In the event of any temporary absence of a member, the alternate may serve as a member of the committee during the period of the absence. As soon as is convenient the partners shall meet and choose a successor to fill any vacancy (other than a vacancy resulting from a temporary absence of one of the four elected). In the event of any vacancy not yet filled by vote of the partners, the management committee may on its own account call on any qualified partner of its choice to serve temporarily with the committee. The tenure of one so chosen shall expire when the partners elect a successor.

5. The management committee, from the effective date of this instrument, shall consist of A, C and E. The named alternate shall be B. Each of the four shall serve respectively until his or her tenure is terminated by death, resignation, disqualification, or a determination by vote of the partners that the term shall expire.

6. The tenure of every member of the committee and every alternate member shall be subject to termination without cause, by requisite vote of the partners in accordance with the provisions of Article IV of this document.

Section B. Functioning of the Management Committee and Its Subcommittees. 1. Members of the management committee shall make every reasonable effort to keep each other and the alternate advised of all pending problems, prospective decisions, and actions taken. Action of the committee shall be by majority vote. It shall not be necessary that any notice be given of the time or place of decision or of the matter to be decided. Any decision of the committee may be reversed prospectively by any subsequent action of the committee.

2. Though the committee has no obligation so to do, it may refer any matter on which all members of the committee are not in agreement to a meeting of the partners for decision.

Section C. Membership in Subcommittees of the Management Committee. The management committee shall decide what subcommittees there shall be from time to time, how many members (one or more) there shall be of each subcommittee, who the members shall be, and what the subcommittee's functions and authority shall be. The management committee may at any time modify or revise prospectively any authorized decision of any subcommittee. Any partner or any full-time employee may be a member of any subcommittee.

ARTICLE VIII. INSURANCE; INVESTMENTS

Section A. Life Insurance. The management committee in its discretion shall determine from time to time what life insurance, if any, shall be carried on the lives of partners for benefit of the firm.

Section B. Other Insurance. The management committee in its discretion shall determine from time to time what other insurance, if any, the firm shall carry.

EXHIBIT J-1.*(continued)*

Section C. Investments. The management committee in its discretion shall determine from time to time what investments, if any, the firm shall make and all matters with reference to the proceeds of such investments, and with reference to reinvestments or changes in investment policies.

ARTICLE IX. PROPERTIES AND RECORDS

The management committee in its discretion shall make all decisions of the firm from time to time on the following subjects:

Section A. Firm Properties. [Some firms in their Articles limit the authority of the management committee or its equivalent with respect to properties. Examples:

- (i) Require that the purchase of all properties, except supplies, be approved by partnership vote; or
- (ii) Require such a vote for purchase of properties costing more than a specific amount; or
- (iii) Require such a vote for purchase of an office site or office building or any property not deemed necessary to the practice of law; or
- (iv) Limit the amount to be spent in a year, without a partnership vote for replacements, repairs or upkeep.]

Section B. Accounting Records. [Many firms have express provisions in their partnership agreements covering one or more of the following points on this subject.

- (i) Specifically requiring that the books of account be kept on a cash basis;
- (ii) Specifically defining the fiscal year of the firm;
- (iii) Specifically defining what financial statements shall be prepared with copies given to each partner;
- (iv) Specifically requiring that partnership income tax returns be prepared and filed regularly and a copy of the same given to each partner a specific period, say at least one week, before each return is filed, and a specific period, say at least two weeks, before his or her personal return is due;
- (v) Specifically requiring that all accounting records of the firm shall be open to inspection by each partner at any time during business hours;
- (vi) Specifically requiring that the financial records of the firm shall be retained for an agreed period and shall be available for inspection or copying by anyone who was a partner at the time that such records were prepared, including one who at the time of the inspection is a former partner.]

ARTICLE X. TERMINATION AND LIQUIDATION OF FIRM

Section A. Termination of the Firm by Voluntary Vote or Otherwise. The partnership may be terminated at any time by affirmative vote of the partners at a partnership meeting, in accordance with the provisions of Article IV of this Agreement.

Section B. Pending Employments on Termination. In the event of termination of the partnership, no further services shall be rendered in the partnership name and no further business transacted for the partnership except action necessary for the winding up of its affairs, the distribution or liquidation of its assets, and the distribution of the proceeds of the liquidation. Maintenance of offices to effectuate or facilitate the winding up of the partnership affairs shall not be construed to involve a continuation of the partnership. In advance of the effective date of the termination of the partnership the management committee shall assign every uncompleted service to one or another of the partners on such terms as shall be agreeable to the clients involved and the partners to whom such matters are assigned; and the rendition of services from the effective date of the

EXHIBIT J-1.*(continued)*

termination shall henceforth be by such individuals and other law firms, if any, in which they may respectively become partners.

Section C. Liquidation of Assets. The members of the management committee (but not including alternate members) on the effective date of the termination of the partnership, shall be the agents of the terminated partnership in liquidation, and of the individual partners, for winding up all its affairs and all business transactions of the partnership, other than the performance of incomplete professional services referred to in Section B above. Said members of the management committee shall continue to serve (unless death, incapacity or resignation shall intervene) until the completion of the winding up and liquidation. The committee shall act by majority vote or votes. In the event of any temporary or permanent vacancy in the committee, the remaining members shall choose a third member of the committee. Members of the management committee shall not be paid for their services after the termination of the partnership in the winding up or liquidation operations. They may, out of the assets and proceeds of the assets on hand, employ such assistants as they determine appropriate, and the committee may so employ and pay any one of its members to take any such actions and render any such services in the winding up and liquidation.

Section D. Prior Opportunity of Partners to Bid for Purchase of Assets Being Liquidated. The partners holding units of participation immediately prior to the termination of the partnership may, in the discretion of the management committee, be given first opportunity over any other prospective bidder for the purchase of any of the assets, all such partners being given an equal opportunity, so that they respectively as individuals or jointly or in groups, may bid; and if the best bid by any of them, in the opinion of the management committee, is at least ninety-five percent of the highest and best bid otherwise received, then such best bid by any partner or partners may be accepted.

Section E. Distribution of Proceeds from Liquidation. The business affairs of the partnership, in the event of the termination of the partnership, shall be wound up and liquidated as promptly as business circumstances and orderly business practices will permit. After payment of expenses incurred, the net assets and the proceeds of the liquidation shall be applied in the following order:

1. To the payment of the debts and liabilities of the partnership owing to the creditors other than partners, and the expenses of liquidation.
2. To the payment of the debts and liabilities owing to the partners other than for (i) capital, (ii) profits and (iii) any unmatured installments yet to be paid on account of the death, permanent disability, retirement (or death following retirement) or withdrawal of a partner. It is agreed that all sums to become due on installments referred to in (iii) shall be assumed ratably by each partner at the date of termination and that each shall thereafter pay his or her ratable share of each such installment as it becomes due.
3. To the repayment to each of the partners of his or her capital contributions to the firm.
4. To the payment to partners (computed on the basis of their respective units of participation at the date of termination of the firm) of all the remaining net of assets and proceeds, if any, first in whatever amounts are necessary to complete a ratable distribution for the current year, to each partner to the full extent of distributions previously received by each other partner; and second, to ratable distributions to all partners.
5. If the assets and proceeds of the liquidation are insufficient to pay all of the items referred to in paragraphs 1 and 2, but not including (i), (ii) and (iii) referred to in paragraph 2, then the management committee shall make an

EXHIBIT J-1.

(continued)

assessment against the partners to cover net losses of the firm and such assessments shall be paid and applied to the satisfaction of the items covered by paragraphs 1 and 2.

ARTICLE XI. LEGAL EFFECT OF PROVISIONS; ARBITRATION

Section A. Governing Law. All provisions of this Agreement shall be construed, shall be given effect and shall be enforced according to the laws of the State of _____.

Section B. Persons Bound. Each of the partners executes this Agreement with the understanding and agreement that each has hereby bound and obligated himself or herself, his or her estate, and any and all claiming by, through, or under him or her.

Section C. Rights of Partners Not Assignable; Not to Be Pledged. No partner and no one acting by authority of or for a partner may pledge, hypothecate, or in any manner transfer the partner's interest in the partnership, or the partner's interest in any of its assets, receivables, records, documents, files, or clientele, all such rights and interests of each partner being personal to him or her and nontransferable and nonassignable (except that other partners of the firm may succeed to such rights or some of them in accordance with the terms of this Agreement).

Section D. Finality of Decisions within the Firm; Effect of Diverse or Adverse Interest of Any Partner. Every final decision of the firm on any matter affecting any party hereto or anyone claiming by, through or under any party, by vote of the partners or by decision of the management committee, when in accordance with the terms and provisions of this Agreement, shall be binding and conclusive. Except where it is expressly provided in this Agreement that one shall not be permitted to vote as to any such decision, there shall be no disqualification of anyone from voting who shall be entitled to vote according to the terms and provisions of this Agreement, notwithstanding any adverse or divergent interest that he or she may personally have in the decision; and the decision shall, nevertheless, be binding and final notwithstanding any such adverse or divergent interest held by anyone so voting. It is understood that individual partners and that members of the management committee will doubtless have divergent and may have adverse, or arguably adverse, personal interests from one another on some matters that are to be determined according to the provisions of this Agreement and have diverse or adverse interests personally from those of some party affected by the decision; all this is agreed to and waived as a disqualification. Nonetheless, anyone entitled to such a vote on any such matter may recuse himself or herself from voting, and thereupon the decision shall be made on the computation of votes to the same effect as if the one so recusing himself or herself had, as to that matter, no right to vote; and if the vote is by the partners, as though he or she held no units of participation. Each party having any vote on any such matters shall recuse himself or herself on any vote if requested so to do by joint action of partners holding a majority of the units of participation then outstanding.

Section E. Arbitration. Any controversy or claim arising out of or relating to any provision of this Agreement or the breach thereof, shall be settled by arbitration in accordance with the rules then in effect of the American Arbitration Association, to the extent consistent with the laws of the State of _____. It is agreed that any party to any award rendered in any such arbitration proceedings may seek a judgment upon the award and that judgment may be entered thereon by any court having jurisdiction.

EXHIBIT J-1.

(continued)

Section F. Severability. It is agreed that the invalidity or unenforceability of any Article, Section, paragraph or provision of this Agreement shall not affect the validity or enforceability of any one or more of the other Articles, Sections, paragraphs or provisions; and that the parties hereto will execute any further instruments or perform any acts which are or may be necessary to effectuate all and each of the terms and provisions of this agreement.

ARTICLE XII. AMENDMENTS

An amendment hereto may alter, revise, delete or add to any provision or provisions of this agreement. No amendment to this instrument shall be adopted or become effective unless and until it (i) has been voted in accordance with the provisions of paragraph 3 of Section B of Article IV of this Agreement; and (ii) has been executed and attached to this Agreement as a part of same.

In Witness Whereof, the parties have signed this Agreement.

[Signatures]*

*Adapted from West's Modern Legal Forms § 6257. The original agreement was prepared by Paul Carrington and William A. Sutherland for the American Bar Association Standing Committee on Economics of Law Practice, and was printed in the ABA Economics of Law Practice Series Pamphlet Number 6, November 1961. The authors emphasized the need to tailor each partnership agreement to the clients, and cautioned their readers to consider the various provisions of this agreement as merely suggestions for comparison and study.

EXHIBIT J-2.

Limited Partnership Agreement

Agreement of Limited Partnership made this _____ day of _____, 20_____, between _____ and _____, both of _____ (herein referred to as general partners), and _____ of _____, and _____ of _____ (herein referred to as limited partners).

1. **Formation.** The parties hereby form a limited partnership pursuant to sections _____ of the [Revised Statutes] of the State of _____, known as the Uniform Limited Partnership Act.

2. **Certificate.** The parties shall forthwith sign and swear to a certificate prepared in accordance with the provisions of the Uniform Limited Partnership Act cited above, and cause the same to be filed for record in the office of [here designate the proper office].

3. **Name.** The name of the partnership is _____.

4. **Business.** The purpose of the partnership shall be to engage in the business of _____, and in any other business necessary and related to it.

5. **Place of Business.** The principal place of business of the partnership shall be at _____, but additional places of business may be established as the general partners shall determine.

6. **Term.** The partnership shall commence on _____, 20_____, and shall continue until terminated as herein provided.

7. **Capital.** The initial capital of the partnership shall be \$_____. Each of the partners shall contribute in cash or in property the amount set opposite the partner's name.

General Partners	Cash Contributions	Agreed Value of Property Contributions
_____	\$ _____	\$ _____
_____	_____	_____
Limited Partners		
_____	_____	_____
_____	_____	_____

EXHIBIT J-2.

(continued)

The property contributed is described in a separate instrument attached hereto as Exhibit A.

8. **Additional Contributions to Capital.** The general partners shall make, and the limited partners shall each have the option of making, additional contributions to the capital of the partnership in such amount as the general partners deem necessary to carry on the business of the partnership.

9. **Withdrawal of Capital.** Neither a general nor a limited partner may withdraw all or any part of his or her capital contribution without the consent of all the general partners, provided that each limited partner may rightfully demand the return of all or part of his or her contribution after he or she has given six months' notice in writing to all the other partners. Upon any withdrawal by a limited partner the certificate of limited partnership shall be amended to reflect this change in his or her capital contribution.

10. **Profits and Losses.** The net profits of the partnership during each fiscal year shall be credited, and the net losses incurred by the partnership during any fiscal year shall be debited, as of the close thereof, to the capital accounts of the partners in the proportions set opposite their respective names.

General Partners	Percentage
_____	_____%
_____	_____%
Limited Partners	
_____	_____%
_____	_____%

Notwithstanding anything to the contrary herein contained, no limited partner shall be liable for any of the debts of the partnership or any of its losses in excess of his or her capital contributions to the partnership.

11. **Capital Accounts.** An individual capital account shall be maintained for each partner, to which shall be credited his or her contributions to capital and to which shall be debited his or her withdrawals from capital and his or her share of partnership losses.

12. **Salaries.** Each of the general partners shall receive such reasonable salaries as may from time to time be agreed upon by the general partners. These salaries shall be treated as an expense of the partnership in determining the net profit or loss in any fiscal year.

13. **Drawing Accounts.** An individual drawing account may be maintained for each partner in an amount fixed by the general partners, but such drawing accounts shall be in the proportion to which the partners are entitled to share in the profits of the partnership.

14. **Management.** The general partners shall have equal rights in the management of the partnership business.

15. **Devotion to Business.** Each general partner shall devote all his or her normal business time and best efforts to the conduct of the business of the partnership.

16. **Limitations on General Partners' Powers.** No general partner shall, without the written consent or ratification of the specific act by all the other partners:

(a) Assign, transfer, or pledge any of the claims of or debts due to the partnership except upon payment in full, or arbitrate or consent to the arbitration of any disputes or controversies of the partnership;

(b) Make, execute, or deliver any assignment for the benefit of creditors, or sign any bond, confession of judgment, security agreement, deed, guarantee, indemnity bond, surety bond, or contract to sell or contract of sale of all or substantially all profit of the partnership;

EXHIBIT J-2.*(continued)*

(c) Lease or mortgage any part of partnership real estate or any interest therein, or enter into any contract for any such purpose;

(d) Pledge or hypothecate or in any manner transfer his or her interest in the partnership, except to the parties of this agreement;

(e) Become a surety, guarantor, or accommodation party to any obligation except for partnership business;

(f) Do any act prohibited by law to be done by a single partner.

17. **Books of Account.** The partnership shall maintain adequate accounting records. All books, records, and accounts of the partnership shall be kept at its principal place of business and shall be open at all times to inspection by all the partners.

18. **Accounting Basis.** The books of account shall be kept on a cash [or an accrual] basis.

19. **Fiscal Year.** The fiscal year of the partnership shall be the calendar year. The net profit or net loss of the partnership shall be determined in accordance with generally accepted accounting principles as soon as practicable after the close of each fiscal year.

20. **Annual Audit.** The books of account shall be audited as of the close of each fiscal year by a certified public accountant chosen by all the partners.

21. **Banking.** All the funds of the partnership shall be deposited in its name in such checking account or accounts as shall be designated by the general partners. Checks shall be drawn on such accounts for partnership purposes only and shall be signed by any of the general partners.

22. **Assignment by Limited Partner.** Each limited partner may assign his or her interest in the partnership, and the assignee shall have the right to become a substituted limited partner and entitled to all the rights of the assignor if all the partners (except the assignor) consent thereto. Otherwise the assignee is only entitled to receive the share of the profits to which his or her assignor would be entitled.

23. **Retirement of a General Partner.** A general partner may retire from the partnership at the end of any fiscal year by giving at least 90 days' notice in writing to all the other partners.

24. **Effect of Retirement, Death, or Insanity of a General Partner.** The retirement, death, or insanity of a general partner dissolves the partnership, unless the business is continued by the remaining partners as herein provided.

25. **Distribution of Assets on Dissolution.** Upon dissolution of the partnership by mutual agreement or for any other reason its liabilities to creditors shall be paid in the order of priority provided by law, and the remaining assets, or the proceeds of their sale, shall be distributed in the following order:

(a) To the limited partners in proportion to their share of the profits;

(b) To the limited partners in proportion to their capital contributions;

(c) To the general partners other than for capital and profits;

(d) To the general partners in proportion to their share of the profits;

(e) To the general partners in proportion to their capital contributions.

26. **Election of Remaining Partners to Continue Business.** In the event of the retirement, death, or insanity of a general partner, the remaining partners shall have the right to continue the business of the partnership under its present name either by themselves or in conjunction with any other person or persons they may select, but they shall pay to the retiring partner, or to the legal representatives of the deceased or insane partner, as the case may be, the value of his or her interest in the partnership, as provided in paragraph 28.

27. **Notice of Election to Continue Business.** If the remaining partners elect to continue the business of the partnership, they shall serve notice in writing of

EXHIBIT J-2.

(continued)

such election upon the retiring partner within two months after receipt of his or her notice of intention to retire, or upon the legal representatives of the deceased or insane partner within three months after the death of the decedent or the adjudication of insanity, as the case may be. If at the time of such election no legal representative has been appointed, notice shall be sent to the last known address of the decedent or insane partner.

28. Valuation of Partner's Interest. The value of the interest of a retiring, deceased, or insane partner shall be the sum of the partner's: (a) capital account, (b) drawing account, and (c) proportionate share of accrued net profits. If a net loss has been incurred to the date of dissolution, his or her share of such net loss shall be deducted. The assets of the partnership shall be valued at book value and no value shall be attributed to goodwill.

29. Payment of Purchase Price. The value of the partner's interest as determined in the above paragraph shall be paid without interest to the retiring partner, or to the legal representatives of the deceased or insane partner, as the case may be, in _____ monthly installments, commencing on the first day of the second month after the effective date of the purchase.

30. Death of a Limited Partner. In the event of the death of a limited partner, his or her personal representative during the period of administration of his or her estate shall succeed to his or her rights hereunder as a limited partner, and this interest as a limited partner may be assigned to any member of the family of the limited partner in distribution of his or her estate, or to any person in pursuance of a bequest in his or her last will and testament, and such member of the family [or person, if made by will] to whom such assignment or bequest is made, shall thereupon succeed to his or her interest as a limited partner and have all the rights of a substituted limited partner.

In Witness Whereof, the parties have signed and sealed this agreement.

*[Signatures and seals]**

*Adapted from West's Modern Legal Forms § 6452.

EXHIBIT J-3.

Information Sheet for
Limited Liability Company

Client: _____

File Number: _____

Date: _____

1. Originating Attorney: _____

Lead Working Attorney: _____

Assisting: _____

Client Contact:

Name: _____

Address: _____

Telephone Number: _____

2. State of Formation: _____

3. Proposed Date of Formation: _____

4. Organizer: _____

Name

Address

NOTE: Only one organizer is necessary for a Colorado limited liability company. To simplify matters, suggest using a firm attorney.

EXHIBIT J-3.

(continued)

5. Name of Limited Liability Company: _____

Alternate Name: _____

Trade Name: _____

6. Should name be reserved? Yes (_____) No(_____)

7. Is going business being formed? Yes(_____) No(_____)

If so, describe additional documents needed (e.g., bill of sale, assignment of liabilities, etc.): _____

8. Principal purpose of Limited Liability Company: _____

9. Principal place of business: _____

_____/_____/ Own /_____/ Lease

10. Qualification in other states required? Yes (_____) No (_____)

If so, what states: _____

_____ Check qualification costs

_____ Check annual fees and taxes

11. Registered Agent and Office in Colorado: _____

Registered Agent and Office in states in which qualified: _____

NOTE: If a firm attorney not to be registered agent, recommend CT Corporation System. A post office box number is not acceptable as the registered office address.

12. Membership Interests (must be at least two upon formation):

Name of Member

Percentage of Profits, Losses, Etc.

13. Indicate the percentage vote required for the following actions by Members, if other than the standard statutory requirement of majority:

_____ 1. Amendment to Articles of Organization

_____ 2. Election of Managers

_____ 3. Other Voting of Members

NOTE: Cannot be less than a majority.

14. Managers:

Name

Address

EXHIBIT J-3.*(continued)*

15. Bank: _____
 Signatories: _____
 Limitations: _____
16. Should the firm obtain banking resolutions? Yes (____) No (____)
17. Should the firm obtain employer identification number? Yes (____)
 No (____)
18. Date of first meeting of Managers: _____
19. Annual meeting date and time: _____
20. Fiscal Year:
 Calendar Year? Yes (____) No (____) Other (____)
 To be determined by the Managers: Yes (____) No (____)
21. Accountant: _____
 Address: _____
 Telephone: _____
22. Should the firm prepare employment agreement? Yes (____) No (____)
23. Should the firm prepare long-form transmittal letter? Yes (____) No (____)
24. Membership Transfer Restrictions? Yes (____) No (____)
- Special Provisions:
- Restriction Covers:
- Sales to outsiders: _____
- Withdrawal or retirement: _____
- Bankruptcy: _____
- Resignation: _____
- Termination of employment: _____ or other
- Death: _____
 Insurance Funded Yes (____) No (____)
- Disability: _____
 Insurance Funded Yes (____) No (____)
- Insurance Company or Agent: _____
- Option:
- Limited Liability Company: _____
- Other members: _____
- Residual option: _____
- Price:
- Book value: _____
- Earnings multiple: _____
- Appraisal: _____
- Other: _____

[NAME]

A [STATE] LIMITED LIABILITY COMPANY

THIS OPERATING AGREEMENT is made as of this _____ day of _____, 20____, by and among the members of _____ [Name], a [State] Limited Liability Company (the "Company"), who have signed this Operating Agreement or have signed a Subscription Agreement agreeing to be obligated by the terms of this Operating Agreement.

EXHIBIT J-4.

Complex Operating
 Agreement for Limited
 Liability Company

EXHIBIT J-4.*(continued)***EXPLANATORY STATEMENT**

This Operating Agreement governs the relationship among members of the Company and between the Company and the members, pursuant to the [State] Limited Liability Company Act, as amended from time to time (the "Act").

In consideration of their mutual promises, covenants, and agreements, and the Explanatory Statement, which Explanatory Statement is incorporated by reference herein and made a substantive part of this Operating Agreement, the parties hereto do hereby promise, covenant, and agree as follows:

DEFINITIONS

Throughout this Operating Agreement, and unless the context otherwise requires, the word or words set forth below within the quotation marks shall be deemed to mean the words which follow them:

A. "Agreement"—This Operating Agreement.

B. "Bankruptcy"—The filing by a Member of a petition commencing a voluntary case under the Bankruptcy Code; a general assignment by a Member for the benefit of creditors; an admission in writing by a Member of his or her inability to pay his or her debts as they become due; the filing by a Member of any petition or answer in any proceeding seeking for himself or herself, or consenting to, or acquiescing in, any insolvency, receivership, composition, readjustment, liquidation, dissolution, or similar relief under any present or future statute, law, or regulation, or the filing by a Member of an answer or other pleading admitting or failing to deny, or to contest, the material allegations of the petition filed against him or her in any such proceeding; the seeking or consenting to, or acquiescence by a Member in, the appointment of any trustee, receiver, or liquidator of him or her, or any part of his or her property; and the commencement against a Member of an involuntary case under the Bankruptcy Code, or a proceeding under any receivership, composition, readjustment, liquidation, insolvency, dissolution, or like law or statute, which case or proceeding is not dismissed or vacated within 60 days.

C. "Company"— [Name], a [State] Limited Liability Company.

D. "Dissolution"—(1) In the case of a Member who is acting as a Member by virtue of being a trustee of a trust, the termination of the trust (but not merely the substitution of a new trustee); (2) in the case of a Member that is a partnership, the dissolution and commencement of winding up of the partnership; (3) in the case of a Member that is a corporation, the filing of a Certificate of Dissolution, or its equivalent, for the corporation or the revocation of its charter; (4) in the case of a limited liability company, the filing of Articles of Dissolution, or its equivalent, for the limited liability company, or the involuntary dissolution by a nonappealable order of the district court; or (5) in the case of an estate, the distribution by the fiduciary of the estate's entire Membership Interest.

E. "Expulsion"—The final decision of expulsion of a Member as provided in this Operating Agreement.

F. "Member"—Each of the persons signatory hereto either by signing this Agreement or a Subscription Agreement agreeing to be obligated by the terms of this Agreement and any other person or persons who may subsequently be designated as a Member of this Company pursuant to the further terms of this Agreement.

G. "Membership Interest"—The share of profits and losses, gains, deductions, credits, cash, assets, and other distributions of a Member.

H. "Membership Rights"—The rights of a Member which are comprised of a Member's: (1) Membership Interest, and (2) right to participate in the management of the Company.

EXHIBIT J-4.

(continued)

I. "Persons"—Individuals, partnerships, corporations, limited liability companies, unincorporated associations, trusts, estates, and any other types of entities.

J. "Resignation"—The decision or determination of a Member to no longer continue as a Member, upon written notice to the Company.

K. "Retirement"—The withdrawal from the Company upon such times and events as are provided in this Operating Agreement which will permit withdrawal of a Member without violating or breaching the terms of this Operating Agreement.

Section 1. *Articles of Organization.*

The Articles of Organization of this Company are hereby adopted and incorporated by reference in this Operating Agreement. In the event of any inconsistency between the Articles of Organization and this Operating Agreement, the terms of the [Articles of Organization] or [this Operating Agreement] shall govern.

Section 2. *Term of This Agreement.*

The term of this Operating Agreement shall be coterminus with the term of the Company. This Operating Agreement shall terminate upon the voluntary or involuntary dissolution of the Company or the expiration of its term as provided in the Articles of Organization.

Section 3. *Contributions.*

3.1 *Original Contributions.* The original capital contributions to the Company of each of the Members shall be made [in accordance with their respective Subscription Agreements, which shall be effective with their respective execution and delivery of the Subscription Agreements, the terms of which are hereby incorporated by reference as if fully set forth herein] or [concurrently with their respective execution and delivery of this Operating Agreement] in the following dollar amounts set forth after their respective names:

_____	\$ _____
_____	\$ _____
_____	\$ _____

3.2 *Capital Accounts.* An individual capital account shall be maintained for each Member. The capital account of each Member shall consist of his or her original capital contribution, increased by (a) additional capital contributions made by him or her, and (b) his or her share of Company gains and profits, and decreased by (i) distributions of such profits and capital to him or her, and (ii) his or her share of Company losses.

3.3 *Liability for Contributions.* Each Member is obligated to the Company to perform his or her Subscription Agreement, and any other promise contained in this Operating Agreement to contribute cash or property or perform services, even if he or she is unable to perform because of death, disability, or any other reason. If a Member does not make the contribution required by the Subscription Agreement or this Operating Agreement, the Member is obligated at the option of the Company to contribute cash equal to that portion of the value, as stated in the Subscription Agreement, of such contribution that has not been made.

3.4 *Compromise of a Member's Liability.* The obligation of a Member to make a contribution to the Company may be compromised only by a consent in writing of all of the Members of the Company.

Section 4. *Profit and Loss.*

4.1 *Percentages.* The percentages of Membership Rights and Membership Interest of each of the Members in the Company shall be as follows:

_____	_____	%
_____	_____	%
_____	_____	%

EXHIBIT J-4.*(continued)*

4.2 *Allocation of Taxable Items.* Except as provided in Section 4.1 of this Agreement, for purposes of Sections 702 and 704 of the Internal Revenue Code of 1986, or the corresponding provisions of any future federal internal revenue law, or any similar tax law of any state or jurisdiction, the determination of each Member's distributive share of all items of income, gain, loss, deduction, credit, or allowance of the Company for any period or year shall be made in accordance with, and in proportion to, such Member's percentage of Membership Interest as it may then exist.

Section 5. *Distributions.*

5.1 *Cash.* The Net Cash from Operations of the Company shall be distributed at such times as may be determined by the Managers in accordance with Section 8 of this Agreement among the Members in proportion to their respective percentages of Membership Interest.

5.2 *"Net Cash from Operations."* As used in this Section 5, the term "Net Cash from Operations" shall mean:

5.2.1 The taxable income of the Company for federal income tax purposes as shown on the books of the Company increased by (a) the amount of depreciation and amortization deductions taken in computing such taxable income and (b) any nontaxable income or receipts of the Company, and reduced by (i) payments upon the principal of any installment obligations, mortgages, or deeds of trust respecting Company assets or of other Company debts, and (ii) such expenditures for capital improvements or replacements, such reserves for said improvements and replacements, and such reserves for repairs and to meet anticipated expenses and for working capital as the Managers, in accordance with Section 8 of this Agreement, shall deem to be reasonably necessary in the efficient conduct of the business; plus

5.2.2 Any excess funds resulting from the placement, or excess or refinancing of, any mortgages or deeds of trust on Company property or the encumbrancing or financing of such property in any other manner; plus

5.2.3 Any other funds (including amounts previously set aside for reserves by the Managers, in accordance with Section 8 of this Agreement, to the extent the Managers, in accordance with Section 8 of this Agreement, no longer regard such reserves as reasonably necessary in the efficient conduct of the Company business) deemed available for the distribution by the Managers, in accordance with Section 8 of this Agreement.

5.2.4 In determining the amount of Net Cash from Operations, any negative balances in any category described in Sections 5.2.1, 5.2.2, and 5.2.3 shall be netted against the positive balances in the other such categories. Cumulative negative or positive balances shall be carried forward.

5.3 *Other Assets.* In addition to the distributions pursuant to Section 5.1 of this Agreement, upon any sale, transfer, or other disposition of any capital asset of the Company (hereinafter referred to as a "Disposition"), the proceeds of such Disposition shall first be applied to the payment or repayment of any selling or other expenses incurred in connection with the Disposition and to the payment of any indebtedness secured by the asset subject to the Disposition immediately prior thereto; all proceeds remaining thereafter (the "Net Proceeds") shall be retained by the Company or be distributed, at such time or times as shall be determined by the Managers in accordance with Section 8 of this Agreement, to the Members in proportion to their respective percentages of Membership Interest; provided, however, that for purposes of Sections 702 and 704 of the Internal Revenue Code of 1986, or the corresponding provisions of any future federal internal revenue law, or any similar tax law of any state or jurisdiction, each Member's distributive share of all items of income, gain, loss,

EXHIBIT J-4.*(continued)*

deduction, credit, or allowance in respect of any such Disposition shall be made and based upon such Member's basis in such capital asset.

Section 6. *Distributions upon Resignation.*

Upon resignation of a Member, a resigning Member shall be entitled to receive only the distributions to which he or she is entitled under this Operating Agreement, as provided in Section 15.

Section 7. *Distributions in Kind.*

A Member, regardless of the nature of his or her contribution, has no right to demand and receive any distribution from the Company in any form other than cash. However, a Member shall be required and compelled to accept the distribution of any asset in kind from the Company, as determined from time to time by the Managers, in accordance with Section 8 of this Agreement, regardless of whether the percentage of the asset distributed to him or her exceeds the percentage of that asset which is equal to that Member's Membership Interest in the Company.

Section 8. *Management of the Company.*

8.1 *Managers.* The business and affairs of the Company shall be managed by its Managers.

8.2 *Duties of Managers.* A Manager of the Company shall perform his or her duties as a Manager, including his or her duties as a member of any committee upon which he or she may serve, in good faith, in a manner he or she reasonably believes to be in the best interests of the Company, and with such care as an ordinarily prudent person in a like position would use under similar circumstances. In performing his or her duties, a Manager shall be entitled to rely on information, opinions, reports, or statements, including financial statements and other financial data, in each case prepared or presented by persons and groups listed in paragraphs (a), (b), and (c) of this Section 8.2; but he or she shall not be considered to be acting in good faith if he or she has knowledge concerning the matter in question that would cause such reliance to be unwarranted. A person who so performs his or her duties shall not have any liability by reason of being or having been a Manager of the Company. Those persons and groups whose information, opinions, reports, and statements a Manager is entitled to rely upon are:

(a) One or more employees or other agents of the Company whom the Manager reasonably believes to be reliable and competent in the matters presented;

(b) Counsel, public accountants, or other persons as to matters which the Manager reasonably believes to be within such persons' professional or expert competence; and

(c) A committee appointed by the Managers upon which he or she does not serve, duly designated in accordance with the provision of this Operating Agreement, as to matters within its designated authority, which committee the Manager reasonably believes to merit confidence.

8.3 *Number of Managers.* The number of Managers of the Company shall be _____. Each Manager shall hold office until the next annual meeting of Members or until his or her successor shall have been elected and qualified. Managers need not be residents of the State of [State] or Members of the Company.

8.4 *Regular Meetings.* A regular meeting of the Managers shall be held without the requirement of any other notice immediately after, and at the same place as, the annual meeting of Members. The Managers may provide, by resolution, the time and place, either within or without the State of [State], for the holding of additional regular meetings without other notice than such resolution.

EXHIBIT J-4.*(continued)*

8.5 *Special Meetings.* Special meetings of the Managers may be called by or at the request of any two Managers. The persons calling the special meetings of the Managers may fix any place, either within or without the State of [State], as the place for holding any special meeting of the Managers called by them.

8.6 *Notice.* Written notice of any special meeting of Managers shall be given as follows:

(a) By mail to each Manager at his or her business address at least three days prior to the meeting; or

(b) By personal delivery, telegram, or telecopy at least twenty-four hours prior to the meeting to the business address of each Manager, or in the event such notice is given on a Saturday, Sunday, or holiday, to the residence address of each Manager.

If mailed, such notice shall be deemed to be delivered when deposited in the United States mail, so addressed, with postage thereon prepaid. If given by telegram, such notice shall be deemed to be delivered when the telegram is delivered to the telegraph company. If delivered by telecopy, such notice shall be deemed to be delivered when a confirmation of receipt of the telecopy is printed by the sending telecopier. Any Manager may waive notice of any meeting. The attendance of a Manager at any meeting shall constitute a waiver of notice of such meeting, except where a Manager attends a meeting for the express purpose of objecting to the transaction of any business because the meeting is not lawfully called or convened. Neither the business to be transacted at, nor the purpose of, any regular or special meeting of the Managers need be specified in the notice or waiver of notice of such meeting. When any notice is required to be given to a Manager, a waiver thereof in writing signed by such Manager, whether before, at or after the time stated therein, shall constitute the giving of such notice.

8.7 *Quorum.* A majority of the number of Managers fixed by or pursuant to Section 8.3 of this Agreement shall constitute a quorum for the transaction of business at any meeting of the Managers, but if less than such majority is present at a meeting, a majority of the Managers present may adjourn the meeting from time to time without further notice.

8.8 *Manner of Acting.* The act of the majority of the Managers present at a meeting at which a quorum is present shall be the act of the Managers.

8.9 *Informal Action by Managers.* Any action required or permitted to be taken at a meeting of the Managers or any committee designated by the Managers may be taken without a meeting if the action is evidenced by one or more written consents describing the action taken, signed by each Manager or committee member, and delivered to the person having custody of the Company records for inclusion in the minutes or for filing with the records. Action taken under this section is effective when all Managers or committee members have signed the consent, unless the consent specifies a different effective date. Such consent has the same force and effect as an unanimous vote of the Managers or committee members and may be stated as such in any document.

8.10 *Participation by Electronic Means.* Any Manager or any committee designated by the Managers may participate in a meeting of the Managers or committee by means of telephone conference or similar communications equipment by which all persons participating in the meeting can hear each other at the same time. Such participation shall constitute presence in person at the meeting.

8.11 *Vacancies.* Any vacancy occurring in the Managers may be filled by the affirmative vote of a majority of the remaining Managers though less than a quorum of the Managers. A Manager elected to fill a vacancy shall be elected

EXHIBIT J-4.

(continued)

for the unexpired term of his or her predecessor in office. Any Manager position to be filled by reason of an increase in the number of Managers may be filled by election by the Managers for a term of office continuing only until the next election of Managers by the Members.

8.12 *Resignation.* Any Manager of the Company may resign at any time by giving written notice to the Company. The resignation of any Manager shall take effect upon receipt of notice thereof or at such later time as shall be specified in such notice; and, unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective. When one or more Managers shall resign, effective at a future date, a majority of the Managers then in office, including those who have so resigned, shall have power to fill such vacancy or vacancies, the vote thereon to take effect when such resignation or resignations shall become effective.

8.13 *Removal.* Any Manager or Managers of the Company may be removed at any time, with or without cause, by a vote of the majority of the Members then entitled to vote at an election of Managers.

8.14 *Committees.* By resolution adopted by a majority of the Managers, the Managers may designate two or more Managers to constitute a committee, any of which shall have such authority in the management of the Company as the Managers shall designate.

8.15 *Compensation.* By resolution of the Managers and irrespective of any personal interest of any of the Managers, each Manager may be paid his or her expenses, if any, of attendance at each meeting of the Managers, and may be paid a stated salary as Manager or a fixed sum for attendance at each meeting of the Managers or both. No such payment shall preclude any Manager from serving the Company in any other capacity and receiving compensation therefor.

8.16 *Presumption of Assent.* A Manager of the Company who is present at a meeting of the Managers or committee thereof, at which action on any matter is taken, shall be presumed to have assented to the action taken unless such Manager objects at the beginning of such meeting to the holding of the meeting or to the transacting of business at the meeting, unless his or her dissent is entered in the minutes of the meeting, or unless he or she shall file a written dissent to such action with the presiding officer of the meeting before the adjournment thereof or shall forward such dissent by registered mail to the Company immediately after the adjournment of the meeting. Such right to dissent shall not apply to a Manager who voted in favor of such action.

8.17 *Transactions with Company and Otherwise.* Any of the Managers, or any agent, servant, or employee of any of the Managers, may engage in and possess any interest in other businesses or ventures of every nature and description, independently or with other persons, whether or not, directly or indirectly, in competition with the business or purpose of the Company, and neither the Company nor any of the Members shall have any rights, by virtue of this Agreement or otherwise, in and to such independent ventures or the income or profits derived therefrom, or any rights, duties, or obligations in respect thereof. A Manager may lend money to, act as surety for, and transact other business with the Company and shall have the same rights and obligations with respect thereto as a person who is not a Manager of the Company, except that nothing contained in this section shall be construed to relieve a Manager from any of his or her duties to the Company.

Section 9. *Members.*

9.1 *Original Members.* The Original Members of this Company shall be those persons who [signed subscription agreements, adopting and agreeing to be

EXHIBIT J-4.*(continued)*

bound by this Operating Agreement, prior to or contemporaneous with the date of this Operating Agreement] or [those persons who have signed this Operating Agreement].

9.2 *Admission of New Members.* After the filing of this Company's original Articles of Organization, a person may be admitted as an additional member upon the written consent of all Members.

9.3 *Annual Meeting.* [The annual meeting of the Members shall be held on the _____ day of _____ in each year, commencing with the year 20____, at the hour of _____, or at such other time on such other day as shall be fixed by the Managers,] or [The annual meeting of the shareholders shall be held at such time on such day as shall be fixed by the Managers, commencing with the year 20____,] for the purpose of electing Managers and for the transaction of such other business as may come before the meeting. If the day fixed for the annual meeting shall be a legal holiday in the State of [State], such meeting shall be held on the next succeeding business day. If the election of Managers shall not be held on the day designated herein for any annual meeting of the Members, or at any adjournment thereof, the Managers shall cause the election to be held at a special meeting of the Members as soon thereafter as may be convenient.

9.4 *Special Meetings.* Special meetings of the Members, for any purpose or purposes, unless otherwise prescribed by statute, may be called by the Managers, and by not less than one-tenth of all Members entitled to vote at the meeting.

9.5 *Place of Meetings.* The Managers may designate any place, either within or outside of the State of [State], as the place of meeting for any annual meeting or for any special meeting called by the Managers. If no designation is made, or if a special meeting is otherwise called, the place of meeting shall be the principal office of the Company in the State of [State].

9.6 *Notice of Meeting.* Written notice stating the place, day, and hour of the meeting of Members and, in case of a special meeting, the purpose or purposes for which the meeting is called, shall be delivered not less than ten nor more than fifty days before the date of the meeting, either personally or by mail, by or at the direction of the Managers or other persons calling the meeting, to each Member of record entitled to vote at such meeting. If mailed, such notice shall be deemed to be delivered when deposited in the United States mail, addressed to the Member at his or her address as it appears on the books of the Company, with postage thereon prepaid. If three successive letters mailed to the last-known address of any Member of record are returned as undeliverable, no further notices to such Member shall be necessary until another address for such Member is delivered in writing to the Company.

9.7 *Meeting of All Members.* If all of the Members shall meet at any time and place, either within or outside of the State of [State], and consent to the holding of a meeting at such time and place, such meeting shall be valid without call or notice, and at such meeting any action of the Members may be taken.

9.8 *Quorum.* A majority of the Members entitled to vote, represented in person or by proxy, shall constitute a quorum at any meeting of Members. In the absence of a quorum at any such meeting, a majority of the Members so represented may adjourn the meeting from time to time for a period not to exceed thirty days without further notice. However, if the adjournment is for more than thirty days, a notice of the adjourned meeting shall be given to each Member of record entitled to vote at the meeting. At such adjourned meeting at which a quorum shall be present or represented, any business may be transacted which might have been transacted at the meeting as originally noticed. The

EXHIBIT J-4.

(continued)

Members present at a duly organized meeting may continue to transact business until adjournment, notwithstanding the withdrawal during such meeting of that number of Members whose absence would cause there to be less than a quorum.

9.9 *Manner of Acting.* If a quorum is present, the affirmative vote of the majority of the Members represented at the meeting and entitled to vote on the subject matter shall be the act of the Members.

9.10 *Proxies.* At all meetings of Members, a Member may vote in person or by proxy executed in writing by the Member or by a duly authorized attorney-in-fact. Such proxy shall be filed with the Company before or at the time of the meeting. No proxy shall be valid after eleven months from the date of its execution, unless otherwise provided in the proxy.

9.11 *Voting of Members.* Each Member entitled to vote shall be entitled to one vote upon each matter submitted to a vote at a meeting of Members.

9.12 *Voting by Certain Members.*

9.12.1 Membership Interests owned in the name of a corporation may be voted by such officer, agent, or proxy as the Bylaws of such corporation may prescribe or, in the absence of such provision, as the Board of Directors of such corporation may determine.

9.12.2 Membership Interests owned in the name of a deceased person, a minor ward, or an incompetent person may be voted by an administrator, executor, court-appointed guardian, or conservator, either in person or by proxy, without a transfer of such Membership Interests into the name of such administrator, executor, court-appointed guardian, or conservator. Membership Interests owned in the name of a trustee may be voted by him or her, either in person or by proxy, but no trustee shall be entitled to vote Membership Interests held by him or her without a transfer of such Membership Interests into his or her name.

9.12.3 Membership Interests owned in the name of a receiver may be voted by such receiver and Membership Interests held by or under the control of a receiver may be voted by such receiver, either in person or by proxy, but no receiver shall be entitled to vote Membership Interests without a transfer thereof into the receiver's name.

9.12.4 A Member whose Membership Interests are pledged shall be entitled to vote such Membership Interests until the Membership Interests have been transferred into the name of the pledgee, and thereafter the pledgee shall be entitled to vote the Membership Interests so transferred.

9.12.5 If Membership Interests are owned in the names of two or more persons, whether fiduciaries, members of a partnership, joint tenants, tenants in common, tenants by the entirety, or otherwise, or if two or more persons have the same fiduciary relationship respecting the same Membership Interests, voting with respect to the Membership Interests shall have the following effect:

(a) If only one person votes, his or her act binds all;

(b) If two or more persons vote, the act of the majority so voting binds all;

(c) If two or more persons vote but the vote is evenly split on any particular matter, each faction may vote the Membership Interest in question proportionately, or any person voting the Membership Interest of a beneficiary, if any, may apply to any court of competent jurisdiction in the State of [State] to appoint an additional person to act with the persons so voting the Membership Interest. The Membership Interest shall then be voted as determined by a majority of such persons and the person appointed by the court. If a tenancy is held in unequal interests, a majority or even split for the purpose of this subparagraph (c) shall be a majority or even split in interest.

EXHIBIT J-4.

(continued)

9.13 *Action by Members without a Meeting.* Action required or permitted to be taken at a meeting of Members may be taken without a meeting if the action is evidenced by one or more written consents describing the action taken, signed by each Member entitled to vote, and delivered to the Managers for filing with the Company records. Action taken under this section is effective when all Members entitled to vote have signed the consent, unless the consent specifies a different effective date.

9.14 *Voting by Ballot.* Voting on any question or in any election may be by voice vote unless the Managers or any Member shall demand that voting be by ballot.

9.15 *Waiver of Notice.* When any notice is required to be given to any Member, a waiver thereof in writing signed by the person entitled to such notice, whether before, at, or after the time stated therein, shall be equivalent to the giving of such notice. The attendance of a Member at any meeting shall constitute a waiver of notice, waiver of objection to defective notice of such meeting, and a waiver of objection to the consideration of a particular matter at the meeting unless the Member, at the beginning of the meeting, objects to the holding of the meeting, the transaction of business at the meeting, or the consideration of a particular matter at the time it is presented at the meeting.

Section 10. *Banking.*

All revenues of the Company shall be deposited regularly in the Company savings and checking accounts at such bank or banks as shall be selected by the Managers in accordance with Section 8 of this Agreement, and the signatures of such Managers as shall be determined in accordance with Section 8 of this Agreement shall be honored for banking purposes, including other than the extension of credit to, or the borrowing of money by or on behalf of, the Company.

Section 11. *Books; Fiscal Year; Audits.*

Accurate and complete books of account shall be kept by the Managers and entries promptly made therein of all of the transactions of the Company, and such books of account shall be open at all times to the inspection and examination of the Managers and Members. The books shall be kept on the basis of accounting selected by the accountant regularly servicing the Company, and the fiscal year of the Company shall be the calendar year. A compilation, review, or audit of the Company, as shall be determined by the Managers in accordance with Section 8 of this Agreement, shall be made as of the closing of each fiscal year of the Company by the accountants who shall then be engaged by the Company.

Section 12. *Membership Interest and Membership Rights of a Deceased, Incompetent, or Dissolved Member.*

If a Member who is an individual dies or a court of competent jurisdiction adjudges him or her to be incompetent to manage his or her person or his or her property, the Member's executor, administrator, guardian, conservator, or other legal representative may exercise all of the Member's rights and receive the benefits of the Member's Membership Interest for the purpose of settling the Member's estate or administering the Member's property. If a Member is a corporation, trust, partnership, limited liability company, or other entity and is dissolved or terminated, the powers of that Member may be exercised by its legal representative or successor.

Section 13. *Transfer of Membership Interest and Membership Rights.*

Except as otherwise provided in Sections 14, 15, and 16 hereof, no Member (the "Offering Member") shall sell, hypothecate, pledge, assign, or otherwise transfer with or without consideration ("Transfer") any part or all of

EXHIBIT J-4.

(continued)

his or her Membership Interest or Membership Rights in the Company to any other person (a "Transferee"), without first offering (the "Offer") that portion of his or her Membership Interest and Membership Rights in the Company subject to the contemplated transfer (the "Offered Interest") first to the Company, and secondly, to the other Members, at a purchase price (hereinafter referred to as the "Transfer Purchase Price") and in a manner as follows:

13.1 *Transfer Purchase Price.* The Transfer Purchase Price shall be the Appraised Value (as defined in Section 18.1).

13.2 *Offer.*

13.2.1 The Offer shall be made by the Offering Member first to the Company by written notice (hereinafter referred to as the "Offering Notice"). Within twenty (20) days (the "Company Offer Period") after receipt by the Company of the Offering Notice, the Company shall notify the Offering Member in writing (the "Company Notice"), whether or not the Company shall accept the Offer and shall purchase all but not less than all of the Offered Interest. If the Company accepts the Offer to purchase the Offered Interest, the Company Notice shall fix a closing date not more than twenty-five (25) days (the "Company Closing Date") after the expiration of the Company Offer Period.

13.2.2 In the event the Company decides not to accept the Offer, the Offering Member or the Company, at his or her or its election, shall, by written notice (the "Remaining Member Notice") given within that period (the "Member Offer Period") terminating ten (10) days after the expiration of the Company Offer Period, make the Offer of the Offered Interest to the other Members, each of whom shall then have a period of twenty-five (25) days (the "Member Acceptance Period") after the expiration of the Member Offer Period within which to notify in writing the Offering Member whether or not he or she intends to purchase all but not less than all of the Offered Interest. If two (2) or more Members of the Company desire to accept the Offer to purchase the Offered Interest, then, in the absence of an agreement between them, such Members shall have the right to purchase the Offered Interest in the proportion which their respective percentage of Membership Interest in the Membership bears to the percentage of Membership Interest of all of the Members who desire to accept the Offer. If the other Members intend to accept the Offer and to purchase the Offered Interest, the written notice required to be given by them shall fix a closing date not more than ten (10) days after the expiration of the Member Acceptance Period (hereinafter referred to as the "Member Closing Date").

13.3 *Payment.* The aggregate dollar amount of the Transfer Purchase Price shall be payable in cash on the Company Closing Date or on the Member Closing Date, as the case may be, unless the Company or the purchasing Members shall elect prior to or on the Company Closing Date or the Member Closing Date, as the case may be, to purchase such Offered Interest in installments pursuant to the provisions of Section 19 hereof.

13.4 *Free Transfer Period.* If the Company or the other Members fail to accept the Offer or, if the Offer is accepted by the Company or the other Members and the Company or the other Members fail to purchase all of the Offered Interest at the Transfer Purchase Price within the time and in the manner specified in this Section 13, then the Offering Member shall be free, for a period (hereinafter referred to as the "Free Transfer Period") of sixty (60) days from the occurrence of such failure, to transfer the Offered Interest to a Transferee; provided, however, that if all of the other Members other than the Offering Member do not approve of the proposed transfer by unanimous written consent, the Transferee of the Offered Interest shall have no right to participate in the

EXHIBIT J-4.*(continued)*

management of the business and affairs of the Company or to become a Member. The Transferee shall only be entitled to receive the share of profits or other compensation by way of income and the return of contributions to which the Offering Member would otherwise have been entitled. In the event that the other Members approve the Transfer by unanimous written consent, any such Transferee, upon acquiring the Offered Interest, shall automatically be bound by the terms of this Agreement and shall be required to join in, execute, acknowledge, seal, and deliver a copy of this Agreement as a result of which he or she shall become a substituted Member. If the Offering Member shall not transfer the Offered Interest within the Free Transfer Period, his or her right to transfer the Offered Interest free of the foregoing restrictions shall thereupon cease and terminate.

13.5 *No Dissolution.* No transfer made pursuant to this Section 13 shall dissolve or terminate the Company or cause the Company to be dissolved, but, instead, the business of the Company shall be continued as if such Transfer had not occurred.

Section 14. *Death of a Member.*

14.1 *Purchase of Decedent's Interest.* Upon the death of any Member (the "Decedent") so long as there are at least two surviving Members who consent to do so, the Company shall neither be dissolved nor wound up, but, instead, the business of the Company shall be continued as if such death had not occurred. Each Member shall have the right by testamentary disposition to bequeath all or any portion of his or her percentage of Membership Interest and Membership Rights in the Company to a member of his or her immediate family (as defined in Section 21) or to any trust in which any one or more members of his or her immediate family (as defined in Section 21) retain the full beneficial interest; provided, however, that in the case of any such bequest, the legatee or legatees shall hold the percentage of Membership Interest and Membership Rights received as a result of such bequest subject to the terms of this Agreement and, if the other Members unanimously consent in writing, shall be required to join in and execute, acknowledge, seal, and deliver a copy of this Agreement as a substituted Member. In the event that: (a) all or any portion of the percentage of Membership Interest and Membership Rights owned by a Decedent at the time of his or her death shall not be bequeathed by testamentary disposition or shall be bequeathed to one or more persons other than those persons to whom such a bequest is permitted under the foregoing provisions of this Section 14.1; or (b) all or any portion of the percentage of Membership Interest and Membership Rights owned by a Decedent at the time of his or her death shall be bequeathed by testamentary disposition to one or more persons (collectively the "Heir") to whom such a bequest is permitted under the foregoing provisions of this Section 14.1, and (i) the Heir shall notify in writing the Company within six months of the date of death of the Decedent that the Heir desires to sell to the Company the said percentage of Membership Interest and Membership Rights so bequeathed to the Heir or (ii) the Heir shall die (hereinafter all or any portion of the percentage of Membership Interest and Membership Rights referred to in Section 14.1(a) and (b) shall be collectively referred to as the "Decedent Interest"), then the Company shall purchase and the Decedent's personal representatives, the Heir, or the personal representatives of the Heir, as the case may be, shall sell the Decedent Interest. The Company shall, by written notice addressed to the Decedent's personal representatives, the Heir, or the personal representatives of the Heir, as the case may be, fix a closing date for such purchase; the closing date shall not be less than ten (10) days after the appointment of such personal representatives, but in no event longer than one (1) year after the date of death

EXHIBIT J-4.

(continued)

of the Decedent or of the Heir, as the case may be. The Company shall purchase the Decedent Interest on the closing date at a price (hereinafter referred to as the "Decedent Purchase Price") which shall be the Appraised Value (as defined in Section 18.1).

14.2 *Payment.* The aggregate dollar amount of the Decedent Purchase Price shall be payable in cash on the closing date, unless the Company shall elect prior to or on the closing date to purchase the Decedent Interest in installments as provided in Section 19 hereof.

Section 15. *Bankruptcy, Retirement, or Resignation of a Member.*

15.1 *Purchase of Membership Interest.* Upon the Bankruptcy, Retirement, or Resignation of any Member (the "Withdrawing Member"), the Company shall neither be terminated nor wound up, but, instead, the business of the Company shall be continued as if such Bankruptcy, Retirement, or Resignation, as the case may be, had not occurred, and the Company shall purchase and the Withdrawing Member shall sell all of the Membership Interest and Membership Rights (the "Withdrawing Member's Interest") owned by the Withdrawing Member in the Company on the date of such Bankruptcy, Retirement, or Resignation (the "Withdrawal Date"). The Company shall, by written notice addressed to the Withdrawing Member or to the legal representative of a bankrupt Member, fix a closing date for such purchase which shall be not less than seventy-five (75) days after the Withdrawal Date. The Withdrawing Member's Interest shall be purchased by the Company on such closing date at a price (the "Withdrawing Purchase Price") which shall be the Appraised Value (as defined in Section 18.1 of this Agreement).

15.2 *Payment.* The aggregate dollar amount of the Withdrawing Purchase Price shall be payable in cash on the closing date, unless the Company shall elect prior to or on the closing date to purchase the Withdrawing Member's Interest in installments as provided in Section 19 of this Agreement.

15.3 *Consequences of Bankruptcy, Retirement, or Resignation.* Retirement of a Member shall not be considered to be a breach or default of this Agreement so long as a Member meets the following criteria: [state the qualifications for Permitted Retirement] ("Permitted Retirement"). Bankruptcy, Resignation, and Retirement, other than Permitted Retirement, of a Member shall be regarded as a breach and default of this Agreement, and the Company may withhold and set off from the Withdrawing Purchase Price any damages incurred by the Company, including, but not limited to, the costs of complying with the provisions of this Agreement to determine and fix the Withdrawing Purchase Price, from the amount paid to the Withdrawing Member.

Section 16. *Expulsion of a Member.*

16.1 *Basis for Expulsion and Purchase.* A Member shall be expelled (the "Expelled Member"), if the Member:

16.1.1 Shall have filed against him or her any tax lien respecting all or substantially all of his or her property and such tax lien shall not be discharged, removed, or bonded within sixty (60) days of the date on which it was filed; or

16.1.2 Shall subject his or her Membership Interest or Membership Rights or any part thereof or interest therein to a charging order entered by any court of competent jurisdiction;

[state other reasons]

Then, so long as there are at least two or more remaining Members who consent to the continuation of the business of the Company, immediately upon the occurrence of any of the said events (the "Occurrence Date"), the Company shall have the right and option, exercisable by written notice to the Expelled Member,

EXHIBIT J-4.*(continued)*

within thirty (30) days of the Occurrence Date, to purchase from the Expelled Member, who shall sell to the Company, all of the Membership Interest and Membership Rights (the "Expelled Member's Interest") owned by the Expelled Member in the Company on the Occurrence Date. The Company shall, by written notice delivered to the Expelled Member or his or her successors, fix a closing date for such purchase which shall be not less than forty (40) days after the Occurrence Date, but in no event longer than seventy-five (75) days after the Occurrence Date. The Expelled Member's Interest shall be purchased by the Company on such closing date at a price (the "Expelled Member's Purchase Price") which shall be the Appraised Value (as defined in Section 18.1 of this Agreement).

16.2 *Payment.* The aggregate dollar amount of the Expelled Member's Purchase Price shall be payable in cash on the closing date, unless the Company shall elect prior to or on the closing date to purchase the Expelled Member's Interest in installments as provided in Section 19 of this Agreement.

Section 17. *Certain Tax Aspects Incident to Transactions Contemplated by This Agreement.*

It is the intention of the parties that the Transfer Purchase Price, the Decedent Purchase Price, the Withdrawing Purchase Price, and the Expelled Member's Purchase Price shall constitute and be considered as made in exchange for the interest of a partner in partnership property, including goodwill, within the meaning of Section 736(b) of the Internal Revenue Code of 1986, as amended.

Section 18. *The Appraised Value.*

18.1 *"Appraised Value."* The term "Appraised Value," as used in this Agreement, shall be the dollar amount equal to the product obtained by multiplying (a) the percentage of Membership Interest and Membership Rights owned by a Member by (b) the Fair Market Value of the Company's assets, as determined in accordance with Section 18.2, minus the liabilities of the Company.

18.2 *Fair Market Value.* The Fair Market Value of the Company's assets shall be determined in the following manner:

18.2.1 Within thirty (30) days of the date of the Offering Notice, date of death of Decedent, the Withdrawal Date, or the Occurrence Date, as the case may be, the Managers shall select an appraiser (the "Company Appraiser") to determine the Fair Market Value of the Company's assets, and the Company Appraiser shall submit his or her determination thereof within thirty (30) days after the date of his or her selection (the "Appraisal Due Date").

18.2.2 If the appraisal made by the Company Appraiser is unsatisfactory to the Offering Member, the personal representatives of the Decedent or Heir, the Withdrawing Member, or the Expelled Member, as the case may be, then within fifteen (15) days after the date of the Appraisal Due Date, the Offering Member, the personal representatives of the Decedent or Heir, the Withdrawing Member, or the Expelled Member, as the case may be, shall select an appraiser (the "Member's Appraiser") to determine the Fair Market Value of the Company's assets, and such appraiser shall submit his or her determination thereof within thirty (30) days after the date of his or her selection.

18.2.3 If the appraisal made by the Member's Appraiser is unsatisfactory to the Managers, then the Company Appraiser and the Member's Appraiser shall select a third appraiser (the "Appraiser") to determine the Fair Market Value of the Company's assets, and such Appraiser shall submit his or her determination thereof within thirty (30) days after the date of his or her selection. The Appraiser's determination thereof shall be binding upon the

EXHIBIT J-4.

(continued)

Company, the remaining Members and the Offering Member, the personal representatives of the Decedent or Heir, the Withdrawing Member, or the Expelled Member, as the case may be.

18.3 *Qualifications of Appraiser.* Any and all appraisers selected in accordance with the provisions of this Section 18 shall be appraisers who conduct their business in the same location as the Company property is located, who shall conduct appraisals provided for in this Section 18 in accordance with generally accepted appraising standards. Any and all costs incurred in connection with any of the appraisals provided for in this Section 18 shall be borne equally by the Company, and the Offering Member, the personal representatives of the Decedent or Heir, or the Withdrawing or Expelled Member, as the case may be.

Section 19. *Installment of Payments.*

19.1 *Election to Pay by Installment.* In the event that there shall be an election pursuant to the provisions of Sections 13.2, 14.2, 15.2, or 16.2 hereof to purchase (the Member or the Company so purchasing shall be hereinafter, where appropriate, referred to as the "Purchasing Person") the Offering Member's Interest, the Decedent's Interest, the Withdrawing Member's Interest, or the Expelled Member's Interest, as the case may be (hereinafter, where appropriate, referred to as the "Interest"), on an installment basis, then the terms and conditions of such installment purchase shall be as set forth in Sections 19.1.1 and 19.1.2 in the case of an election pursuant to Section 13.2 or 14.2 and as set forth in Sections 19.1.3 and 19.1.4 in the case of an election pursuant to Section 15.2 or 16.2 hereof.

19.1.1 Twenty-nine percent (29%) of the aggregate purchase price due for such Interest (hereinafter, where appropriate, referred to as the "Aggregate Purchase Price") shall be paid on the closing date; and

19.1.2 The remainder of the Aggregate Purchase Price shall be paid in three (3) equal consecutive annual installments on each anniversary of the closing date over a period, beginning with the year following the calendar year in which the sale occurred (hereinafter referred to as the "Installment Payment Period").

19.1.3 _____ percent (___%) of the aggregate purchase price due for such Interest (hereinafter, where appropriate, referred to as the "Special Aggregate Purchase Price") shall be paid on the closing date; and

19.1.4 The remainder of the Special Aggregate Purchase Price shall be paid in _____ (_____) equal consecutive installments on each anniversary of the closing date over a period, beginning with the year following the calendar year in which the sale occurred (hereinafter referred to as the "Special Installment Payment Period").

19.1.4.1 Anything contained in this Section 19 to the contrary notwithstanding, the entire unpaid balance of the Aggregate Purchase Price and Special Aggregate Purchase Price shall become immediately due and payable upon the sale, exchange, transfer, or other disposition of all or substantially all of the property or assets of the Company.

19.1.5 The Purchasing Person shall pay simple interest at a rate that shall be equal to the prime rate of interest then being charged by United Bank of Denver, N.A. to its highest credit-rated corporate borrowers on short-term unsecured commercial borrowings on the unpaid balance of the Aggregate Purchase Price or Special Aggregate Purchase Price on each anniversary of the closing date during the Installment Period or Special Installment Period, as the case may be.

19.2 *Rights of Members under Installment Payments.* So long as any part of the Aggregate Purchase Price or Special Aggregate Purchase Price remains

EXHIBIT J-4.*(continued)*

unpaid, the Company shall permit the Offering Member, the personal representatives of the Decedent or the Heir, the Withdrawing Member (or the legal representative of the Withdrawing Member in the event of the bankruptcy of the Withdrawing Member), or the Expelled Member, as the case may be, and the attorneys and the accountants of each of the foregoing Persons, to examine the books and records of the Company and its business following the event that shall have given rise to the election referred to in Section 19.1 hereof during regular business hours from time to time upon reasonable prior notice and to receive copies of the annual accounting reports and tax returns of the Company.

Section 20. *Delivery of Evidence of Interest.*

On the closing date, upon payment of the Aggregate Purchase Price for the purchase of the Interest hereunder or, if payment is to be made in installments pursuant to the provisions of Section 19 hereof, upon the first payment, the Offering Member, the personal representatives of the Decedent or the Heir, the Withdrawing Member, the personal representative of the Withdrawing Member (in the event of the bankruptcy of the Withdrawing Member), or the Expelled Member, as the case may be, shall execute, acknowledge, seal, and deliver to the Purchasing Person such instrument or instruments of transfer to evidence the purchase of the Interest (the "Instrument of Transfer") that shall be reasonably requested by counsel to the Purchasing Person in form and substance reasonably satisfactory to such counsel. If a tender of the Aggregate Purchase Price or Special Aggregate Purchase Price or, if payment is to be made in installments pursuant to the provisions of Section 19.1 hereof, the tender of the first payment thereof, shall be refused, or if the Instrument of Transfer shall not be delivered contemporaneously with the tender of the Aggregate Purchase Price or Special Aggregate Purchase Price or of the first payment thereof, as aforesaid, then the purchasing person shall be appointed, and the same is hereby irrevocably constituted and appointed, the attorney-in-fact with full power and authority to execute, acknowledge, seal, and deliver the Instrument of Transfer.

Section 21. *Family Members.*

For purposes of this Agreement, members of the "immediate family" of a Member are hereby defined to be such person's spouse or children.

Section 22. *Notices.*

Any and all notices, offers, acceptances, requests, certifications, and consents provided for in this Agreement shall be in writing and shall be given and be deemed to have been given when personally delivered against a signed receipt or mailed by registered or certified mail, return receipt requested, to the last address which the addressee has given to the Company. The address of each Member is set forth [on his or her Subscription Agreement adopting and agreeing to be bound by the terms of this Agreement] or [under his or her signature at the end of this Agreement], and each Member agrees to notify the Company of any change of address. The address of the Company shall be its principal office.

Section 23. *Governing Law.*

It is the intent of the parties hereto that all questions with respect to the construction of this Agreement and the rights, duties, obligations, and liabilities of the parties shall be determined in accordance with the applicable provisions of the laws of the State of [State].

Section 24. *Miscellaneous Provisions.*

24.1 *Inurement.* This Agreement shall be binding upon, and inure to the benefit of, all parties hereto, their personal and legal representatives, guardians, successors, and assigns to the extent, but only to the extent, that assignment is provided for in accordance with, and permitted by, the provisions of this Agreement.

EXHIBIT J-4.

(continued)

24.2 *No Limit on Personal Activities.* Nothing herein contained shall be construed to limit in any manner the Members or their respective agents, servants, and employees, in carrying out their own respective businesses or activities.

24.3 *Further Assurances.* The Members and the Company agree that they and each of them will take whatever action or actions are deemed by counsel to the Company to be reasonably necessary or desirable from time to time to effectuate the provisions or intent of this Agreement, and to that end the Members and the Company agree that they will execute, acknowledge, seal, and deliver any further instruments or documents which may be necessary to give force and effect to this Agreement or any of the provisions hereof, or to carry out the intent of this Agreement, or any of the provisions hereof.

24.4 *Gender and Headings.* Throughout this Agreement, where such meanings would be appropriate: (a) the masculine gender shall be deemed to include the feminine and the neuter, and vice versa, and (b) the singular shall be deemed to include the plural, and vice versa. The headings herein are inserted only as a matter of convenience and reference, and in no way define or describe the scope of the Agreement or the intent of any provisions thereof.

24.5 *Entire Agreement.* This Agreement and the Subscription Agreements of each of the Members and exhibits attached hereto and thereto set forth all (and are intended by all parties hereto to be an integration of all) of the promises, agreements, conditions, understandings, warranties, and representations among the parties hereto with respect to the Company, and there are no promises, agreements, conditions, understandings, warranties, or representations, oral or written, express or implied, among them other than as set forth herein.

24.6 *Severability.* Nothing contained in this Agreement shall be construed as requiring the commission of any act contrary to law. In the event there is any conflict between any provision of this Agreement and any statute, law, ordinance, or regulation contrary to which the Members or the Company have no legal right to contract, the latter shall prevail, but in such event the provisions of this Agreement thus affected shall be curtailed and limited only to the extent necessary to conform with said requirement of law. In the event that any part, article, section, paragraph, or clause of this Agreement shall be held to be indefinite, invalid, or otherwise unenforceable, the entire Agreement shall not fail on account thereof, and the balance of the Agreement shall continue in full force and effect.

24.7 *Consent of Spouses.* Each married party to this Agreement agrees to obtain the consent and approval of his or her spouse, by the execution hereof by such spouse, to all the terms and provisions of this Agreement; provided, however, that such execution shall be for the sole purpose of acknowledging such spouse's consent and approval, as aforesaid, and nothing contained in this Section 24.7 shall be deemed to have constituted any such spouse a Member of the Company.

24.8 *Wills.* Each Member agrees to insert in his or her Will or to execute a Codicil thereto directing and authorizing his or her personal representatives to fulfill and comply with the provisions hereof and to sell and transfer his or her percentage of Membership Interest and Membership Rights in accordance herewith.

24.9 *Insurance.* The Company shall have the right to make application for, take out, and maintain in effect such policies of life insurance on the lives of any or all of the Members, whenever and in such amounts as the Members shall determine in accordance with Section 8 of this Agreement. Each Member shall exert his or her best efforts and fully assist and cooperate with the Company in obtaining any such policies of life insurance.

EXHIBIT J-4.*(continued)*

IN WITNESS WHEREOF, the parties have hereunto set their hands and seals and acknowledged this Agreement as of the date first above written.

Membership Interest and Membership Rights

_____ (SEAL) _____%

Residence Address _____ (SEAL) _____%

Residence Address _____ (SEAL) _____%

Residence Address _____

_____[Name]_____, a [State] Limited Liability Company
By: _____
Manager

EXHIBIT J-5.

Contract Between
Stockholders Organizing a
Close Corporation

Agreement, made this _____ day of _____, 20____, between A _____ B _____ of _____, and C _____ D _____ of _____ (hereinafter referred to as the "Shareholders").

Whereas, the Shareholders have caused _____ Corporation to be organized as a corporation under the laws of the State of _____, and have agreed that it shall be financed and its business conducted subject to the provisions of this agreement.

Now, therefore, in consideration of the mutual covenants herein contained, it is agreed:

1. **Subscription to Stock.** The Shareholders each subscribe for and agree to purchase _____ shares each of the capital stock of the Corporation at \$_____ per share. These shares shall be issued and paid for within _____ days after the organization of the Corporation.
2. **Loan to Corporation.** The Shareholders each agree to loan to the Corporation the sum of \$_____, to be used for the purposes of the business of the Corporation, such loan to be repaid at the convenience of the Corporation, with interest thereon at _____ percent per annum.
3. **Employment.** The Corporation shall employ A _____ B _____ and C _____ D _____ each at a salary of \$_____ per week. A _____ B _____ and C _____ D _____ each agree to accept such employment, to devote their full time and best efforts to the business of the Corporation, and not to engage in any other competing business, directly or indirectly. Such salary shall be subject to increase or decrease and the term of employment of A _____ B _____ and C _____ D _____ may be terminated only by vote of the Board of Directors of the Corporation in accordance with the provisions contained in the Certificate of Incorporation.
4. **First Option on Termination of Employment.** In the event that either A _____ B _____ or C _____ D _____ shall at any time, for any reason whatsoever, leave the employ of the Corporation or cease to be actively engaged in the

EXHIBIT J-5.

(continued)

business of the Corporation, all of the shares owned by such Shareholder shall be offered for sale to the other Shareholder, who is hereby given an option for a period of _____ days from the date on which such employment or activity shall terminate, to purchase all of such shares at a price equal to the book value thereof. Book value of shares shall be computed from the books of the Corporation maintained by its regular accountant in accordance with generally accepted principles of accounting. The option hereby given shall relate to all of such shares of the offeror, and the offeree shall not have the right to purchase only part thereof. If the aforesaid offer is accepted, notwithstanding any of the foregoing provisions of this paragraph, the offeror shall receive from the offeree not less than the value of his or her investment in the Corporation plus the amount of any unpaid loan theretofore made by the offeror to the Corporation, with appropriate interest thereon to the date of purchase. Payments to be made under this paragraph shall be made as follows: _____ upon the acceptance of the offer; _____ months thereafter; and the final _____ months thereafter. Title to the shares shall pass to the offeree only upon the completion of all payments. After the payment of the first installment, the offeror shall hold such shares only as security for payment of the remaining installments, and the offeree shall have the sole right to vote the shares and to collect all dividends and other distributions thereon. Upon payment of the last installments, the shares shall be transferred of record to the offeree.

5. **Restriction on Transfer of Stock.** Each of the Shareholders expressly agrees not to transfer, sell, assign, pledge, or otherwise in any manner dispose of or encumber any of his or her shares unless and until he or she shall have offered to sell all of his or her shares to the other Shareholder at a price to be computed and to be paid as specified in paragraph 4 above. Such offer shall be made in writing and shall continue for _____ days from the date thereof.

6. **Legend on Stock Certificates.** All stock certificates issued by the Corporation shall have marked on the face thereof "Subject to provisions of Stockholders' Agreement dated _____, 20____, restricting transfer." No dividend shall be paid on any shares transferred, pledged, assigned, or encumbered in breach of this agreement.

7. **Death and Disability.** Upon the death of any Shareholder who is also an employee, his or her salary shall be paid to the widow or widower or next of kin for _____ weeks following such death. If any Shareholder shall become physically incapacitated and unable to attend to his or her duties as an employee of the Corporation, he or she shall continue to receive his or her full salary (less the sum required to employ a substitute in his or her place) for a period of _____ months after the commencement of such incapacity. In the event of the death or incapacity of any shareholder-employee for more than _____ months, the other Shareholder shall have the option, for _____ days after such death or expiration of said _____ month period, to purchase his or her shares at the price and on the terms provided for in paragraph 4 hereof. The life of the other Shareholder shall be insured for the benefit of the other Shareholder for \$_____, or for such other amount as the Shareholders may jointly agree upon. If the proceeds of such insurance payable to any Shareholder are equal to at least _____ percent of the purchase price of the stock of the deceased Shareholder as computed in accordance with the provisions of paragraph 4, such Shareholder agrees that he or she will exercise his or her option to purchase all of the shares from the estate of the deceased Shareholder as herein provided. Upon the receipt of any such proceeds, any then remaining unpaid installments of such purchase price shall be prepaid by the purchaser, to at least the extent of such proceeds.

EXHIBIT J-5.*(continued)*

8. **Election of Directors.** Each Shareholder agrees, so long as he or she shall remain a Shareholder, to vote his or her shares for the election of the following four persons as Directors of the Corporation:

A _____ B _____ (or such other person as is designated by A _____ B _____)

C _____ D _____ (or such other person as is designated by C _____ D _____)
and generally to so vote at directors' and stockholders' meetings of the Corporation as to carry out and make effective all the terms and provisions of this agreement.

9. **Appointment of Officers.** So long as they are faithful, efficient, and competent in the performance of their duties, the following persons shall be supported by the Shareholders for election to offices of the Corporation:

President and Treasurer A _____ B _____

Vice President and Secretary C _____ D _____

10. **Arbitration.** All disputes, differences, and controversies arising under and in connection with this agreement shall be settled and finally determined by arbitration in the City of _____ according to the rules of the American Arbitration Association now in force or hereafter adopted.

11. **Duration.** This agreement shall continue in force during the entire period of the life of the Corporation.

12. **Successors.** This agreement and all provisions hereof shall inure to the benefit of and shall be binding upon the heirs, executors, legal representatives, next of kin, transferees, and assigns of the parties hereto.

13. **Severability.** If for any reason any provision hereof shall be inoperative, the validity and effect of all other provisions shall not be affected thereby.

14. **Modifications.** No modification or waiver of any provision of this agreement shall be valid unless in writing signed by all of the parties.

In witness whereof, the parties have signed this agreement on the day and year first above written.

Confirmed and Agreed to:

_____ Corporation

President

Attest:

Secretary

*Adapted from West's Modern Legal Forms § 2432.15.

EXHIBIT J-6.

Articles of Incorporation of
a Medical Corporation

ARTICLES OF INCORPORATION
OF

We, the undersigned, hereby associate ourselves together for the purpose of becoming a professional corporation for profit under the provisions of _____, Statutes, as amended by "The Professional Service Corporation Act" of the State of _____, and pursuant to the following Articles of Incorporation:

ARTICLE I. NAME

The name of this corporation shall be _____.

EXHIBIT J-6.*(continued)***ARTICLE II. PURPOSE**

The general nature of the business to be transacted by the corporation shall be and is to engage in every aspect of the general practice of medicine. The professional services involved in the corporation's practice of medicine may be rendered only through its officers, agents, and employees who are duly authorized and licensed to practice medicine in the State of _____.

This corporation shall not engage in any business other than the practice of medicine. However, this corporation may invest its funds in real estate, mortgages, stocks, bonds, and other types of investments, and may own real and personal property necessary for the rendering of the professional services authorized hereby.

ARTICLE III. CAPITAL STOCK

The maximum number of shares of stock that the corporation is authorized to have outstanding at any time shall be _____ shares of the par value of one dollar (\$1.00) per share, all of which shall be common stock of the same class. All stock issued shall be fully paid and nonassessable. The stockholders shall have no preemptive rights with respect to the stock of the corporation, and the corporation may issue and sell its common stock from time to time without offering such shares to the stockholders then holding shares of common stock. Shares of the corporation's stock and certificates therefore shall be issued only to doctors authorized and licensed to practice medicine in the State of _____.

ARTICLE IV. INITIAL CAPITAL

The amount of capital with which this corporation will begin business shall be and is the sum of _____ dollars.

ARTICLE V. DURATION

The corporation shall have perpetual existence.

ARTICLE VI. PRINCIPAL OFFICE

The principal office of this corporation shall be located in the City of _____, County of _____, State of _____, and the post office address of said principal office of the corporation shall be _____.

ARTICLE VII. NUMBER OF DIRECTORS

The number of directors of this corporation shall be not less than three (3) nor more than five (5).

ARTICLE VIII. INITIAL BOARD OF DIRECTORS

The names and post office addresses of the members of the first Board of Directors, who, subject to the provisions of the Bylaws and these Articles of Incorporation, shall hold office for the first year of the corporation's existence or until their successors are elected and have qualified, are as follows:

Names	Addresses
_____	_____
_____	_____
_____	_____
_____	_____

EXHIBIT J-6.*(continued)***ARTICLE IX. SUBSCRIBERS**

The name and post office address of each subscriber of these Articles of Incorporation are as follows:

Names	Addresses
_____	_____
_____	_____
_____	_____
_____	_____

The subscribers certify that the proceeds of the stock subscribed for will not be less than the amount of capital with which the corporation will begin business, as set forth in Article IV hereinabove.

ARTICLE X. STOCKHOLDERS

The stock of this corporation may be issued, owned, and registered only in the name or names of an individual or individuals who are duly authorized and licensed to practice medicine in the State of _____ and who are employees, officers, or agents of this corporation. In the event that a stockholder:

- (a) becomes disqualified to practice medicine in this State; or
- (b) is elected to a public office or accepts employment that, pursuant to law, places restrictions or limitations upon his or her continued rendering of professional services as a medical doctor; or
- (c) ceases to be an employee, officer, or agent of the corporation; or
- (d) sells, transfers, hypothecates, or pledges, or attempts to sell, transfer, hypothecate, or pledge, any shares of stock in this corporation to any person ineligible by law or by virtue of these Articles to be a shareholder in this corporation, or if such sale, transfer, hypothecation, or pledge or attempt to sell, transfer, hypothecate, or pledge is made in a manner prohibited by law, or in a manner inconsistent with the provisions of these Articles or the Bylaws of this corporation; or
- (e) suffers an execution to be levied upon his or her stock, or such stock is subjected to judicial sale or other process, the effect of which is to vest any legal or equitable interest in such stock in some person other than the stockholder, then the stock of such stockholder shall immediately stand forfeited, such stock shall be immediately canceled by this corporation, and the stockholder or other person in possession of such stock shall be entitled only to receive payment for the value of such stock, which said value shall be the book value thereof as of the last day of the month preceding the month in which any of the events above enumerated occurs. The stockholder whose stock so becomes forfeit and is canceled by the corporation shall forthwith cease to be an employee, officer, director, or agent of the corporation and except to receive payment for his or her stock in accordance with the foregoing and payment of any other sums then lawfully due and owing to said stockholder by the corporation, such stockholder shall then and thereafter have no further financial interest of any kind in this corporation.

ARTICLE XI. DEATH OF STOCKHOLDER

Upon the death of a stockholder, his or her stock shall be subject to purchase by the corporation or by the other stockholders at such price and upon such terms and conditions and in such manner as may be provided for in the Bylaws of this corporation, in a manner consistent with law and these Articles.

EXHIBIT J-6.*(continued)***ARTICLE XII. SALE OF STOCK**

No stockholder of this corporation may sell or transfer any of such stockholder's shares of stock in this corporation except to another individual who is then duly authorized and licensed to practice medicine in the State of _____ and then only after the proposed sale or transfer shall have been first approved, at a stockholders' meeting specially called for such purpose, by such proportion, not less than a majority, of the outstanding stock excluding the shares of stock proposed to be sold or transferred, as may be provided from time to time in the Bylaws. In such stockholders' meeting, the shares of stock proposed to be sold or transferred may not be voted or counted for any purpose.

The corporation's shareholders are specifically authorized from time to time to adopt Bylaws not inconsistent herewith restraining the alienation of shares of stock of this corporation and providing for the purchase or redemption by the corporation of its shares of stock.

ARTICLE XIII. REGULATION OF BUSINESS

In furtherance of and not in limitation of the powers conferred by statute, the following specific provisions are made for the regulation of the business and the conduct of the affairs of the corporation:

1. **Management.** Subject to such restrictions, if any, as are herein expressed and such further restrictions, if any, as may be set forth in the Bylaws, the Board of Directors shall have the general management and control of the business and may exercise all of the powers of the corporation except such as may be by statute, or by the articles of incorporation or amendment thereto, or by the Bylaws as constituted from time to time, expressly conferred upon or reserved to the stockholders.

2. **Officers.** The corporation shall have such officers as may from time to time be provided in the Bylaws and such officers shall be designated in such manner and shall hold their offices for such terms and shall have such powers and duties as may be prescribed by the Bylaws or as may be determined from time to time by the Board of Directors subject to the Bylaws.

3. **Contracts.** No contract or other transaction between the corporation and any other firm, association, or corporation shall be affected or invalidated by the fact that any one or more of the directors of the corporation is or are interested in or is a member, director, or officer or are members, directors, or officers of such firm or corporation and any director or directors individually or jointly may be a party or parties to or may be interested in any contract or transaction of the corporation or in which the corporation is interested; and no contract, act, or transaction of the corporation with any person, firm, association, or corporation shall be affected or invalidated by the fact that any director or directors of the corporation is a party or are parties to or interested in such contract, act, or transaction or in any way connected with such person, firm, association, or corporation, and each and every person who may become a director of the corporation is hereby relieved from any liability that might otherwise exist from contracting with the corporation for the benefit of himself or herself or any firm, association, or corporation in which he or she may in any way be interested.

ARTICLE XIV. AMENDMENTS

This corporation reserves the right to amend, alter, change, or repeal any provision contained herein in the manner now or hereafter prescribed by law, and all rights conferred on stockholders herein are granted subject to this reservation.

EXHIBIT J-6.

(continued)

In Witness Whereof, each subscriber has signed these Articles of Incorporation.

[Acknowledgment]*

*Adapted from West's Modern Legal Forms § 3158.7.

EXHIBIT J-7.

Application for Registration
of Professional Corporation
(California)

File No. _____
(To be filled in by Board)
Fee: \$100.00

APPLICATION
for issuance of
CERTIFICATE OF REGISTRATION AS A MEDICAL CORPORATION
(Section 2501 of the Business and Professions Code)

1. _____
(Name of Applicant)
a professional corporation, hereby requests issuance to it of a Certificate of Registration as a medical corporation.

2. Applicant will do business as (fictitious name) _____

(See Section 2393 of the Business and Professions Code and Section 13409 of the Corporations Code.)

3. The corporation number assigned to the applicant by the California Secretary of State is _____.

4. Date of incorporation _____.

5. A. The address of applicant's principal office is: _____
B. The address of all other offices of applicant are: _____

C. Applicant's telephone number is: _____
(Area Code) (Number)

6. The directors of the applicant are:

	NAME	ADDRESS	PROFESSIONAL LICENSE NUMBER
(1)	_____	_____	_____
(2)	_____	_____	_____
(3)	_____	_____	_____
(4)	_____	_____	_____

(File supplemental sheet if more space required)

7. The officers of the applicant are:
(If any officers are not licensed persons, so indicate. See Section 13403 of the Corporations Code.)

EXHIBIT J-7.

(continued)

NAME	ADDRESS	PROFESSIONAL LICENSE NUMBER
President	_____	_____
Vice President	_____	_____
Secretary	_____	_____
Treasurer	_____	_____
Asst. Secretary	_____	_____
(Need not be a licensed person. See Section 2501 of the Business and Professions Code.)		
Asst. Treasurer	_____	_____
(Need not be a licensed person. See Section 2501 of the Business and Professions Code.)		

8. The shareholders of the applicant are:

NAME	ADDRESS	PROFESSIONAL LICENSE NUMBER
(1)	_____	_____
(2)	_____	_____
(3)	_____	_____
(4)	_____	_____
(5)	_____	_____

(File supplemental sheet if more space required)

9. The employees of the applicant rendering professional services are:

NAME	ADDRESS	PROFESSIONAL LICENSE NUMBER
(1)	_____	_____
(2)	_____	_____
(3)	_____	_____
(4)	_____	_____
(5)	_____	_____

(File supplemental sheet if more space required)

10. The bylaws of the applicant adopted on _____ comply with Medical Corporation Rule 1378.6 in that:

- (a) Shares of the applicant may be owned only by a medical corporation or by a licensed physician, surgeon, or podiatrist, as the case may be.
- (b) The income of the applicant attributable to medical services rendered while a shareholder is a disqualified person shall not in any manner accrue to the benefit of such shareholder or his or her shares.
- (c) The share certificates of the applicant contain a legend setting forth the restrictions of sections (a) and (b) above and, where applicable, the restrictions of section (d) below.

and, where applicable:

- (d) Where there are two or more shareholders in the corporation and one of the shareholders:
 - (1) dies;
 - (2) ceases to be an eligible shareholder; or
 - (3) becomes a disqualified person as defined in Section 13401(d) of the Corporations Code, for a period exceeding ninety (90) days, his or her shares shall be sold and transferred to the corporation, its shareholders, or other eligible persons, on such terms as are agreed upon. Such sale or transfer shall be not later than six (6) months after any such death and not later than ninety (90) days after the date he or she ceases to be an eligible shareholder, or ninety (90) days after the date he or she becomes a disqualified person. The requirements of subsections (a) and (b) of this section shall be set forth in the medical corporation's articles of incorporation or by-

EXHIBIT J-7.*(continued)*

- laws, except that the terms of the sale or transfer provided for in said subsection (b) need not be set forth in said articles or bylaws if they are set forth in a written agreement.
- (e) The applicant and its shareholders may, but need not, agree that shares sold to it by a person who becomes a disqualified person may be resold to such person if and when he or she again becomes an eligible shareholder.
11. Security for claims against applicant.
(Check one)
- Applicant is insured as provided in Section 1378.5(a) of the Medical Corporation Rules as evidenced by the Certificate of Insurance attached as Exhibit C.
- Applicant is not insured.
(NOTE: Under Section 1378.5(b) of the Medical Corporation Rules, all shareholders of the corporation shall be jointly and severally liable for all claims established against the corporation by its patients arising out of the rendering of, or failure to render, medical services up to the minimum amounts specified for insurance under subsection (a) hereof except during periods of time when the corporation shall provide and maintain insurance for claims against it by its patients arising out of the rendering of, or failure to render, medical services.)
12. Applicant is an existing corporation and its organization, bylaws, articles of incorporation, and general plan of operation are such that its affairs will be conducted in compliance with the Medical Practice Act, the Professional Corporations Act, and other applicable provisions of the Corporations Code, the Medical Corporation Rules of the Board of Medical Examiners, and such other law, rules, and regulations as may be applicable.
13. Enclosed herewith are the following exhibits:
- A. Articles of Incorporation, certified by the Secretary of State. (Section 2501 of the Business and Professions Code.)
- B. Bylaws certified by the Secretary of the applicant corporation. (Section 2501 of the Business and Professions Code.)
- C. Certificate of insurance.
(Must be filed if applicant is insured. Section 1378.5(a) of the Medical Corporation Rules.)
- D. Notice of Liability of Shareholders (Section 1378.5(b) of the Medical Corporation Rules.)
- Executed this _____ day of _____, 20____.

[Name of Corporation]

By _____

[Type name]

[Title of person executing]_____
[Signature]**DECLARATION**

I am an officer of _____, (Name of Applicant) and as such make this declaration for and on behalf of said corporation. I have read the foregoing

application and all attachments thereto and know the contents thereof, and the same are true of my own knowledge. I declare, under penalty of perjury, that the foregoing is true and correct.

Executed at _____, California, this _____ day of _____, 20____.

(Signature)

(Title)

*Adapted from West's Modern Legal Forms § 3158.4.

EXHIBIT J-7.

(continued)

These forms are intended for use at an initial client interview as information gathering forms, and as external checklists to assist the attorney in following up with the client, the accountant, the insurance agent, and others so that all aspects of the incorporation are accomplished in a timely fashion and without duplication of effort.

These forms should be filled out during the client interview and reviewed with the legal assistant when the assignment is made. A copy is to be mailed to the client, the accountant, and the insurance agent when acknowledging the engagement.

The Agenda should be kept in the file and reviewed periodically during the incorporation process; follow-up letters may be generated by these reviews.

PREINCORPORATION AGENDA FOR

Item	Responsibility	To Be Completed	Date Completed
1. Reserve Corporate Name			
2. Draft and File Articles of Incorporation			
3. Prepare Initial Organizational Consent or Minutes			
4. Prepare Bylaws			
5. Additional Organization Documents:			
a) Employment Agreements			
b) Service Agreements			
c) Medical and Dental Expense Reimbursement Plan			
d) Shareholders' Agreement			
e) Share Certificates			
f) Transfer Documents			
g) Bank Resolution			
h) Subchapter S Election			
6. Order Corporate Kit			
7. Send Explanatory Transmittal Letter			
8. Other:			

EXHIBIT J-8.

Preincorporation Agenda
and Information Sheet

EXHIBIT J-8.

(continued)

Client: _____
File No.: _____

**PREINCORPORATION
INFORMATION SHEET**

1. Date Information Supplied: _____
Parties Present: _____
Lawyer: _____
Client: _____
Other Parties: _____
2. State of Incorporation: _____
3. Proposed Date of Incorporation: _____
4. Name of Corporation: _____
Alternative Name: _____/
Trade Name: _____
5. Name Reserved? YES (___) NO (___) SHOULD BE (___)
6. Will Be Incorporating a Going Business? _____
If so, describe generally: _____
Any Patents, Copyrights, or Trademarks to Be Registered or Transferred: _____
7. Principal Purpose of Corporation: _____

(State broadly, but with sufficient specificity to meet statutory requirements.)
8. Principal Place of Business: _____
 Own Lease _____
Other places of significant business activity or presence:

Address	Description	Own/Lease
_____	_____	_____
9. Qualification in other states required. YES (___) NO (___)
If so, what states: _____
10. Registered Agent and Office in State: _____

Registered Agent and Office in states in which qualified:

(Do not commit lawyer to be registered agent.)
11. Common Stock (if preferred, explain details):

Class	Number of Shares	Par Value	Issue Price
_____	_____	_____	_____

Explain details: _____
Will there be a formal stock subscription agreement: _____
If no par value, amount of consideration to be allocated to capital surplus: _____

Note: If stock is no par value, stated capital of the company will be equal to actual consideration paid for issued stock except that part of consideration that directors may allocate to capital surplus.
12. Anticipated Shareholders:

Name and Phone	Address	Zip Code
(1) _____	_____	_____
(2) _____	_____	_____
(3) _____	_____	_____
(4) _____	_____	_____

EXHIBIT J-8.

(continued)

13. Section 1244 Plan: _____
 Date of Commencement of Offer: _____

Note: Section 1244 stock permits deduction of capital losses, if any, upon sale of such stock as ordinary losses against ordinary income of Section 1244 stock owner. See Section 1244 of the Internal Revenue Code for details.

14. Share Ownership and Consideration (corresponding to above stockholders):

Number of Shares	Consideration	Date to be Paid
(1) _____	_____	_____
(2) _____	_____	_____
(3) _____	_____	_____
(4) _____	_____	_____

15. Initial Indebtedness: Secured \$_____ Unsecured \$_____

Note: (1) If capital structure of the company will involve debt, advised debt equity ratio should not be in excess of 3/1, and recommend 2/1 if workable for participants. Point out that any debt must specifically be treated as debt by the company, or the IRS is likely to characterize any such debt securities as stock.

Note: (2) If prospective contributor to corporate capital will take back note to secure corporate debt, make sure note will qualify as a "long-term security" under § 351 of the Internal Revenue Code. Otherwise, transfer of property to company may constitute a taxable event (i.e., a "sale") which will cause realization of probable capital gain to taxpayer-transferor.

16. Incorporators:

Name	Address (if not shown above)	Zip Code
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____

17. Directors:

Name and Phone	Address (if not shown above)	Zip Code
_____	_____	_____
_____	_____	_____
_____	_____	_____

18. Officers:

Name	Office	Address
_____	President	_____
_____	Treasurer	_____
_____	Secretary	_____

19. Preemptive Rights. YES (____) NO (____) Restrictions_____

Note: See explanatory material in Corporate Law Notebook or in B. M. Miller, *Manual and Guide for the Corporate Secretary* 815-844 (1969), for background prior to client conference.

20. Cumulative Voting. YES (____) NO (____)

Note: See explanatory material in Corporate Law Notebook or in B. M. Miller, *supra* at 89-94, for background prior to client conference.

21. Date and Time of Annual Meeting: _____

(e.g., "____ days following close of fiscal year" or "held each year prior to the ____ day of _____").

For provision in Bylaws: "In the event the Board of Directors fails to so fix the date and time of such meeting, it shall be held on the _____ in _____ at _____ A.M. (e.g., on the first Tuesday in March at 10:00 A.M.)"

EXHIBIT J-8.*(continued)*

22. Bank: _____
 Signatories: _____
 Limitations: _____
 Should we obtain banking resolutions: YES (____) NO (____)
23. Commencement of Employment, if any: _____
 Note: If business is already in progress, obtain Employer Identification Number: _____
24. Date of First Meeting of Board of Directors: _____
25. Stock Transfer Restrictions? YES (____) NO (____) Special provisions: _____

 Insurance Funded: YES (____) NO (____)
 Insurance Company or Agent _____
26. Ownership of Real Property (list states and counties): _____

 Ownership of Personal Property: _____

27. Custody of Corporate Minute Book, Stock Book, and Seal:
 Client (____) Us (____)
 Other Custodian: _____
28. Supplemental Checklist
 COMPARE FEATURES OF CORPORATION LAWS OF FOLLOWING STATES: _____
 COMPARE ORGANIZATION FEES AND TAXES
 CHECK COSTS OF QUALIFICATION IN FOREIGN STATES
 CHECK ANNUAL FEES AND TAXES
 CHECK STATE TAX SAVINGS WHICH MAY BE EFFECTED BY SCHEDULING INCORPORATION (AND ANY QUALIFICATIONS) BEFORE OR AFTER CERTAIN DATES
29. Miscellaneous Advice to Include in Cover Letter to Client:
 (a) Securities Laws Considerations (i.e., investment letter): _____

 (b) Retail Sales Tax, Use Tax, and Store Licenses: _____

 (c) State License to Do Business Compliance: _____

 (d) Qualification in Other States: _____

 (e) State Workers' Compensation Insurance Compliance: _____

 (f) State Unemployment Insurance Compliance: _____

 (g) Obtain Federal Employer Identification Number: _____

 (h) Employer's Tax Guide re Withholding Requirements (Federal and State): _____

 (i) State Consumer Credit Compliance (Notification): _____

 (j) Local Retail Sales Tax License: _____

 (k) Local Use Tax License: _____

EXHIBIT J-8.

(continued)

- (l) Local Occupational Privilege Tax Compliance: _____
- (m) "Tax Information on Subchapter S Corporations" (IRS Publication 589): _____
- (n) "Corporations and the Federal Income Tax" (IRS Publication 542): _____
- (o) Other Matters: _____

NOTES AND COMMENTS

 Attorney handling
 incorporation

EXHIBIT J-9.

Delaware Articles of
 Incorporation

**CERTIFICATE OF INCORPORATION
 OF
 FINE FABRICS CORPORATION**

1. **Name.** The name of the Corporation is Fine Fabrics Corporation.
2. **Registered Office and Registered Agent.** The address of the Corporation's registered office in Delaware is 100 _____ Street in the City of Wilmington and County of New Castle, and the name of its registered agent at such address is _____ Trust Company.
3. **Purposes.** The purpose of the Corporation is to engage in any lawful act or activity for which corporations may be now or hereafter organized under the General Corporation Law of Delaware.
4. **Capital Stock** [*providing for one class of par value stock*]. The Corporation is authorized to issue only one class of stock. The total number of such shares is ten thousand and the par value of each of such shares is ten dollars.
[Alternate] 4. Capital Stock [*providing for two classes of stock, one voting and one nonvoting*]. The total number of shares of all classes of stock which the Corporation shall have authority to issue is ten thousand, all of which are to be without par value. Five thousand of such shares shall be Class A voting shares and five thousand of such shares shall be Class B nonvoting shares. The Class A shares and the Class B shares shall have identical rights except that the Class B shares shall not entitle the holder thereof to vote on any matter unless specifically required by law.
[Alternate] 4. Capital Stock [*providing for two classes of stock, preferred and common*]. The total number of shares of all classes of capital stock which the

EXHIBIT J-9.*(continued)*

Corporation shall have authority to issue is twenty-six million shares, of which one million shares shall be shares of Preferred Stock without par value (hereinafter called "Preferred Stock"), and twenty-five million shares shall be shares of Common Stock of the par value of \$5 per share (hereinafter called "Common Stock").

Any amendment to the Certificate of Incorporation which shall increase or decrease the authorized capital stock of the Corporation may be adopted by the affirmative vote of the holders of a majority of the outstanding shares of stock of the Corporation entitled to vote.

The designations and the powers, preferences and rights, and the qualifications, limitations or restrictions thereof, of the Preferred Stock shall be as follows:

(1) The Board of Directors is expressly authorized at any time, and from time to time, to provide for the issuance of shares of Preferred Stock in one or more series, with such voting powers, full or limited but not to exceed one vote per share, or without voting powers and with such designations, preferences, and relative, participating, optional, or other special rights, and qualifications, limitations, or restrictions thereof, as shall be expressed in the resolution or resolutions providing for the issue thereof adopted by the Board of Directors and as are not expressed in this Certificate of Incorporation or any amendment thereto, including (but without limiting the generality of the foregoing) the following:

(a) the designation of such series;

(b) the dividend rate of such series, the conditions and dates upon which such dividends shall be payable, the preference or relation which such dividends shall bear to the dividends payable on any other class or classes or on any other series of any class or classes of capital stock of the Corporation, and whether such dividends shall be cumulative or noncumulative;

(c) whether the shares of such series shall be subject to redemption by the Corporation and, if made subject to such redemption, the times, prices, and other terms and conditions of such redemption;

(d) the terms and amount of any sinking fund provided for the purchase or redemption of the shares of such series;

(e) whether the shares of such series shall be convertible into or exchangeable for shares of any other class or classes or of any other series of any class or classes of capital stock of the Corporation and, if provision is made for conversion one exchange, the times, prices, rates, adjustments, and other terms and conditions of such conversion or exchange;

(f) the extent, if any, to which the holders of the shares of such series shall be entitled to vote as a class or otherwise with respect to the election of directors or otherwise; provided, however, that in no event shall any holder of any series of Preferred Stock be entitled to more than one vote for each share of such Preferred Stock held by him or her;

(g) the restrictions and conditions, if any, upon the issue or reissue of any additional Preferred Stock ranking on a parity with or prior to such shares as to dividends or upon dissolution;

(h) the rights of the holders of the shares of such series upon the dissolution of, or upon the distribution of assets of, the Corporation, which rights may be different in the case of a voluntary dissolution than in the case of an involuntary dissolution.

(2) Except as otherwise required by law and except for such voting powers with respect to the election of directors or other matters as may be

EXHIBIT J-9.*(continued)*

stated in the resolutions of the Board of Directors creating any series of Preferred Stock, the holders of any such series shall have no voting power whatsoever.

5. **Incorporators.** The names and mailing addresses of the incorporations are:

<i>Name</i>	<i>Mailing Address</i>
_____	_____
_____	_____

[Optional] 6. Initial Directors [If the powers of the incorporator or incorporators are to terminate upon the filing of the certificate of incorporation]. The names and mailing addresses of the persons who are to serve as directors until the first annual meeting of stockholders or until their successors are elected and qualify are:

<i>Name</i>	<i>Mailing Address</i>
_____	_____
_____	_____

[Optional] 7. Regulatory Provisions. The following additional provisions are inserted for the management of the business and for the conduct of the affairs of the Corporation, and creating, defining, limiting, and regulating the powers of the Corporation, the directors, and the stockholders, or any class of stockholders:

(a) *Power of Directors to Amend Bylaws.* The Board of Directors is authorized and empowered from time to time in its discretion to make, alter, or repeal the bylaws of the Corporation, except as such power may be limited by any one or more bylaws of the Corporation adopted by the stockholders.

(b) *Books.* The books of the Corporation (subject to the provisions of the laws of the State of Delaware) may be kept outside of the State of Delaware at such places as from time to time may be designated by the Board of Directors.

(c) *Cumulative Voting.* At all elections of directors of the Corporation, each stockholder shall be entitled to as many votes as shall equal the number of votes which he or she would be entitled to cast for the election of directors with respect to his or her shares of stock multiplied by the number of directors to be elected, and that he or she may cast all of such votes for a single director or may distribute them among the number to be voted for, or for any two or more of them as he or she may see fit.

(d) *Consent of Stockholders in Lieu of Meeting.* Whenever the vote of stockholders at a meeting thereof is required or permitted to be taken for or in connection with any corporate action by any provision of the General Corporation Law of the State of Delaware, the meeting and vote of stockholders may be dispensed with if such action is taken with the written consent of the holders of not less than a majority of all the stock entitled to be voted upon such action if a meeting were held; provided that in no case shall the written consent be by the holders of stock having less than the minimum percentage of the vote required by statute for such action, and provided that prompt notice is given to all stockholders of the taking of corporate action without a meeting and by less than unanimous written consent.

(e) *Elections of Directors.* Elections of directors need not be by written ballot.

(f) *Removal of Directors.* The stockholders may at any time, at a meeting expressly called for that purpose, remove any or all of the directors, with or without cause, by a vote of the holders of a majority of the shares then entitled to vote at an election of directors. No director may be removed when the votes cast against his or her removal would be sufficient to elect him or her if voted cumulatively at an election at which the same total number of votes were cast and the entire board were then being elected. [When by the provisions of the certificate of incorporation the holders of the shares of any class or series, voting as a class, are entitled to elect one or more directors, any director so elected may

EXHIBIT J-9.*(continued)*

be removed only by the applicable vote of the holders of the shares of that class or series, voting as a class.]

[Optional] 8. Creditor Arrangements. Whenever a compromise or arrangement is proposed between this corporation and its creditors or any class of them and/or between this corporation and its stockholders or any class of them, any court of equitable jurisdiction within the State of Delaware may, on the application in a summary way of this corporation or of any creditor or stockholder thereof or on the application of any receiver or receivers appointed for this corporation under the provisions of section 291 of Title 8 of the Delaware Code or on the application of trustees in dissolution or of any receiver or receivers appointed for this corporation under the provisions of section 279 of Title 8 of the Delaware Code order a meeting of the creditors or class of creditors, and/or of the stockholders or class of stockholders of this corporation, as the case may be, to be summoned in such manner as the said court directs. If a majority in number representing three-fourths in value of the creditors or class of creditors, and/or of the stockholders or class of stockholders of this corporation, as the case may be, agree to any compromise or arrangement and to any reorganization of this corporation as consequence of such compromise or arrangement, the said compromise or arrangement and the said reorganization shall, if sanctioned by the court to which the said application has been made, be binding on all the creditors or class of creditors, and/or on all the stockholders or class of stockholders, of this corporation, as the case may be, and also on this corporation.

[Optional] 9. Preemptive Rights. The holders from time to time of the shares of the Corporation shall have the preemptive right to purchase, at such respective equitable prices, terms, and conditions as shall be fixed by the Board of Directors, such of the shares of the Corporation as may be issued, from time to time, over and above the issue of the first 5,000 shares of the Corporation which have never previously been sold. Such preemptive right shall apply to all shares issued after such first 5,000 shares, whether such additional shares constitute a part of the shares presently or subsequently authorized or constitute shares held in the treasury of the Corporation, and shall be exercised in the respective ratio which the number of shares held by each stockholder at the time of such issue bears to the total number of shares outstanding in the names of all stockholders at such time.

[Optional] 10. Greater Voting Requirements. The affirmative vote of a majority of the directors shall be necessary for the transaction of any business at any meeting of directors, except in the case of a proposal to borrow money on the Corporation's credit, in which case the favorable vote of all of the directors shall be necessary.

[Optional] 11. Duration. The duration of the Corporation's existence shall extend for the period beginning on the date the certificate of incorporation of the Corporation is filed with the Secretary of State of Delaware, and ending December 31, 2020.

[Optional] 12. Personal Liability. The stockholders shall be liable for the debts of the Corporation in the proportion that their stock bears to the total outstanding stock of the Corporation.

13. Amendment. The Corporation reserves the right to amend, alter, change, or repeal any provision contained in the Certificate of Incorporation, in the manner now or hereafter prescribed by statute, and all rights conferred upon stockholders herein are granted subject to this reservation.

We, the undersigned, being all of the incorporators above named, for the purpose of forming a corporation pursuant to the General Corporation Law of

Delaware, sign and acknowledge this certificate of incorporation this 1st day of September, 2020.

Acknowledgment

State of _____ ss
County of _____ .

On this 1st day of September, 2020, before me personally came _____, one of the persons who signed the foregoing certificate of incorporation, known to me personally to be such, and acknowledged that the said certificate is his or her act and deed and that the facts stated therein are true.

_____*
Notary Public

[Seal]

*Adapted from West's Modern Legal Forms § 2509.1.

EXHIBIT J-9.

(continued)

**BYLAWS
OF
FINE FABRICS CORPORATION
A Delaware Corporation**

ARTICLE I Offices

The principal office of the Corporation shall be in Wilmington, Delaware. The Corporation may have offices at such other places within or without the State of Delaware as the Board of Directors may from time to time establish.

**ARTICLE II
Meetings of Stockholders**

Section 1. *Annual Meetings.* The annual meeting of the stockholders for the election of directors and for the transaction of such other business as properly may come before such meeting shall be held at two o'clock in the afternoon on the second Wednesday of March in each year, if not a legal holiday, or, if a legal holiday, then on the next succeeding day not a legal holiday.

Section 2. *Special Meetings.* A special meeting of the stockholders may be called at any time by the President or the Board of Directors, and shall be called by the President upon the written request of stockholders of record holding in the aggregate one-fifth or more of the outstanding shares of stock of the Corporation entitled to vote, such written request to state the purpose or purposes of the meeting and to be delivered to the President.

Section 3. *Place of Meetings.* All meetings of the stockholders shall be held at the office of the Corporation in Lincoln, Nebraska, or at such other place, within or without the State of Delaware, as shall be determined from time to time by the Board of Directors of the stockholders of the Corporation.

Section 4. *Change in Time or Place of Meetings.* The time and place specified in this Article II for the meetings of stockholders for the election of directors shall not be changed within sixty days next before the day on which such election is to be held. A notice of any such change shall be given to each stockholder at least twenty days before the election is held, in person or by letter mailed to his or her last known post office address.

EXHIBIT J-10.

Delaware Bylaws

EXHIBIT J-10.*(continued)*

Section 5. *Notice of Meetings.* Except as otherwise required by statute, written or printed notice of each meeting of the stockholders, whether annual or special, stating the place, day, and hour thereof and the purposes for which the meeting is called, shall be given by or under the direction of the Secretary at least ten but not more than fifty days before the date fixed for such meeting, to each stockholder entitled to vote at such meeting, of record at the close of business on the day fixed by the Board of Directors as a record date for the determination of the stockholders entitled to vote at such meetings, or if no such date has been fixed, of record at the close of business on the day next preceding the day on which notice is given, by leaving such notice with the stockholder or at his or her residence or usual place of business or by mailing it, postage prepaid and addressed to the stockholder at his or her post office address as it appears on the books of the Corporation. A waiver of such notice in writing, signed by the person or persons entitled to said notice, whether before or after the time stated therein, shall be deemed equivalent to such notice. Except as otherwise required by statute, notice of any adjourned meeting of the stockholders shall not be required.

Section 6. *Quorum.* Except as otherwise required by statute, the presence at any meeting, in person or by proxy, of the holders of record of a majority of the shares then issued and outstanding and entitled to vote shall be necessary and sufficient to constitute a quorum for the transaction of business. In the absence of a quorum, a majority in interest of the stockholders entitled to vote, present in person or by proxy, or, if no stockholder entitled to vote is present in person or by proxy, any officer entitled to preside or act as secretary of such meeting, may adjourn the meeting from time to time for a period not exceeding twenty days in any one case. At any such adjourned meeting at which a quorum may be present, any business may be transacted which might have been transacted at the meeting as originally called.

Section 7. *List of Stockholders Entitled to Vote.* The officer who has charge of the stock ledger of the Corporation shall prepare and make, at least ten days before every election of directors, a complete list of the stockholders entitled to vote at said election, arranged in alphabetical order, and showing the address of each stockholder and the number of shares registered in the name of each stockholder. Such list shall be open to the examination of any stockholder during ordinary business hours, for a period of at least ten days prior to the election, either at a place within the city, town, or village where the election is to be held and which place shall be specified in the notice of the meeting, or, if not so specified, at the place where said meeting is to be held, and the list shall be produced and kept at the time and place of election during the whole time thereof, and subject to the inspection of any stockholder who may be present.

Section 8. *Voting.* Except as otherwise provided by statute or by the Certificate of Incorporation, and subject to the provisions of Section 4 of Article VIII of these Bylaws, each stockholder shall at every meeting of the stockholders be entitled to one vote in person or by proxy for each share of the capital stock having voting power held by such stockholder, but no proxy shall be voted on after three years from its date, unless the proxy provides for a longer period.

At all meetings of the stockholders, except as otherwise required by statute, by the Certificate of Incorporation, or by these Bylaws, all matters shall be decided by the vote of a majority in interest of the stockholders entitled to vote present in person or by proxy.

Persons holding stock in a fiduciary capacity shall be entitled to vote the shares so held, and persons whose stock is pledged shall be entitled to vote, unless in the transfer by the pledgor on the books of the Corporation he or she shall have expressly empowered the pledgee to vote thereon, in which case only the pledgee or his or her proxy may represent said stock and vote thereon.

EXHIBIT J-10.*(continued)*

Shares of the capital stock of the Corporation belonging to the Corporation shall not be voted upon directly or indirectly.

Section 9. *Consent of Stockholders in Lieu of Meeting.* Whenever the vote of stockholders at a meeting thereof is required or permitted to be taken in connection with any corporate action, by any provisions of the statutes or of the Certificate of Incorporation, the meeting and vote of stockholders may be dispensed with, if all the stockholders who would have been entitled to vote upon the action if such meeting were held, shall consent in writing to such corporate action being taken.

ARTICLE III**Board of Directors**

Section 1. *General Powers.* The business of the Corporation shall be managed by the Board of Directors, except as otherwise provided by statute or by the Certificate of Incorporation.

Section 2. *Number and Qualifications.* The Board of Directors shall consist of five members. Except as provided in the Certificate of Incorporation this number can be changed only by the vote or written consent of the holders of 90 percent of the stock of the Corporation outstanding and entitled to vote. This number cannot be changed by amendment of the Bylaws of the Corporation. No director need be a stockholder.

[Alternative Clause: Indefinite Number of Directors]

Section 2. *Number and Qualifications.* The number of directors shall be not less than three nor more than fifteen, except that in case all the shares of the Corporation are owned beneficially and of record by either one or two stockholders, the number of directors may be less than three but not less than the number of stockholders. Within the limits specified, the number of directors for each corporate year shall be fixed by vote at the meeting at which they are elected. No director need be a stockholder.

Section 3. *Election and Term of Office.* The directors shall be elected annually by the stockholders, and shall hold office until their successors are respectively elected and qualified.

At all elections for directors, each stockholder shall be entitled to as many votes as shall equal the number of his or her shares of stock multiplied by the number of directors to be elected, and he or she may cast all of such votes for a single director, or may distribute them among the number to be voted for, or any two or more of them, as he or she may see fit.

Elections of directors need not be by ballot.

Section 4. *Compensation.* The members of the Board of Directors shall be paid a fee of \$_____ for attendance at all annual, regular, special, and adjourned meetings of the Board. No such fee shall be paid any director if absent. Any director of the Corporation may also serve the Corporation in any other capacity, and receive compensation therefor in any form. Members of special or standing committees may be allowed like compensation for attending committee meetings.

Section 5. *Removals and Resignations.* The stockholders may, at any meeting called for the purpose, by vote of two-thirds of the capital stock issued and outstanding, remove any director from office, with or without cause; provided, however, that no director shall be removed in case the votes of a sufficient number of shares are cast against his or her removal, which if cumulatively voted at an election of directors would be sufficient to elect him or her.

The stockholders may, at any meeting, by vote of a majority of such stock represented at such meeting, accept the resignation of any director.

Section 6. *Vacancies.* Any vacancy occurring in the office of director may be filled by a majority of the directors then in office, though less than a quorum,

EXHIBIT J-10.*(continued)*

and the directors so chosen shall hold office until the next annual election and until their successors are duly elected and qualified, unless sooner displaced.

When one or more directors resign from the Board, effective at a future date, a majority of the directors then in office, including those who have so resigned, shall have power to fill such vacancy or vacancies, the vote thereon to take effect when such resignation or resignations shall become effective, and each director so chosen shall hold office as herein provided in the filling of other vacancies.

ARTICLE IV**Meetings of Board of Directors**

Section 1. *Regular Meetings.* A regular meeting of the Board of Directors may be held without call or formal notice immediately after and at the same place as the annual meeting of the stockholders or any special meeting of the stockholders at which a Board of Directors is elected. Other regular meetings of the Board of Directors may be held without call or formal notice at such places within or without the State of Delaware and at such times as the Board may by vote from time to time determine.

Section 2. *Special Meetings.* Special meetings of the Board of Directors may be held at any place either within or without the State of Delaware at any time when called by the President, Treasurer, Secretary, or two or more directors. Notice of the time and place thereof shall be given to each director at least three days before the meeting if by mail or at least twenty-four hours if in person or by telephone or telegraph. A waiver of such notice in writing, signed by the person or persons entitled to said notice, either before or after the time stated therein, shall be deemed equivalent to such notice. Notice of any adjourned meeting of the Board of Directors need not be given.

Section 3. *Quorum.* The presence, at any meeting, of one-third of the total number of directors, but in no case less than two directors, shall be necessary and sufficient to constitute a quorum for the transaction of business except that when a Board of one director is authorized, then one director shall constitute a quorum. Except as otherwise required by statute or by the Certificate of Incorporation, the act of a majority of the directors present at a meeting at which a quorum is present shall be the act of the Board of Directors. In the absence of a quorum, a majority of the directors present at the time and place of any meeting may adjourn such meeting from time to time until a quorum is present.

Section 4. *Consent of Directors in Lieu of Meeting.* Unless otherwise restricted by the Certificate of Incorporation, any action required or permitted to be taken at any meeting of the Board of Directors or any committee thereof may be taken without a meeting, if prior to such action a written consent thereto is signed by all members of the Board or committee, and such written consent is filed with the minutes of proceedings of the Board or committee.

ARTICLE V**Committees of Board of Directors**

The Board of Directors may, by resolution passed by a majority of the whole Board, designate one or more committees, each committee to consist of two or more of the directors of the Corporation, which, to the extent provided in the resolution, shall have and may exercise the powers of the Board of Directors in the management of the business and affairs of the Corporation, and may authorize the seal of the Corporation to be affixed to all papers which may require it. Such committee or committees shall have such name or names as may be determined from time to time by resolution adopted by the Board of Directors.

EXHIBIT J-10.

The committees of the Board of Directors shall keep regular minutes of their proceedings and report the same to the Board of Directors when required.

ARTICLE VI
Officers

Section 1. *Number.* The corporation shall have a President, one or more Vice Presidents, a Secretary, and a Treasurer, and such other officers, agents, and factors as may be deemed necessary. One person may hold any two offices except the offices of President and Vice President and the offices of President and Secretary.

Section 2. *Election, Term of Office, and Qualifications.* The officers specifically designated in Section 1 of this Article VI shall be chosen annually by the Board of Directors and shall hold office until their successors are chosen and qualified. No officer need be a director.

Section 3. *Subordinate Officers.* The Board of Directors from time to time may appoint other officers and agents, including one or more Assistant Secretaries and one or more Assistant Treasurers, each of whom shall hold office for such period, have such authority, and perform such duties as are provided in these Bylaws or as the Board of Directors from time to time may determine. The Board of Directors may delegate to any officer the power to appoint any such subordinate officers, agents, and factors and to prescribe their respective authorities and duties.

Section 4. *Removals and Resignations.* The Board of Directors may at any meeting called for the purpose, by vote of a majority of their entire number, remove from office any officer or agent of the Corporation, or any member of any committee appointed by the Board of Directors.

The Board of Directors may at any meeting, by vote of a majority of the directors present at such meeting, accept the resignation of any officer of the Corporation.

Section 5. *Vacancies.* Any vacancy occurring in the office of President, Vice President, Secretary, Treasurer, or any other office by death, resignation, removal, or otherwise shall be filled for the unexpired portion of the term in the manner prescribed by these Bylaws for the regular election or appointment to such office.

Section 6. *The President.* The President shall be the chief executive officer of the Corporation and, subject to the direction and under the supervision of the Board of Directors, shall have general charge of the business, affairs, and property of the Corporation, and control over its officers, agents, and employees. The President shall preside at all meetings of the stockholders and of the Board of Directors at which he or she is present. The President shall do and perform such other duties and may exercise such other powers as from time to time may be assigned to him or her by these Bylaws or by the Board of Directors.

Section 7. *The Vice President.* At the request of the President or in the event of his or her absence or disability, the Vice President, or in case there shall be more than one Vice President, the Vice President designated by the President, or in the absence of such designation, the Vice President designated by the Board of Directors, shall perform all the duties of the President, and when so acting, shall have all the powers of, and be subject to all the restrictions upon, the President. Any Vice President shall perform such other duties and may exercise such other powers as from time to time may be assigned to him or her by these Bylaws or by the Board of Directors or the President.

Section 8. *The Secretary.* The Secretary shall

(a) record all the proceedings of the meetings of the Corporation and directors in a book to be kept for that purpose;

(continued)

EXHIBIT J-10.

(continued)

(b) have charge of the stock ledger (which may, however, be kept by any transfer agent or agents of the Corporation under the direction of the Secretary), an original or duplicate of which shall be kept at the principal office or place of business of the Corporation in the State of _____;

(c) prepare and make, at least ten days before every election of directors, a complete list of the stockholders entitled to vote at said election, arranged in alphabetical order;

(d) see that all notices are duly given in accordance with the provisions of these Bylaws or as required by statute;

(e) be custodian of the records of the Corporation and the Board of Directors, and of the seal of the Corporation, and see that the seal is affixed to all stock certificates prior to their issuance and to all documents the execution of which on behalf of the Corporation under its seal shall have been duly authorized;

(f) see that all books, reports, statements, certificates, and the other documents and records required by law to be kept or filed are properly kept or filed; and

(g) in general, perform all duties and have all powers incident to the office of Secretary and perform such other duties and have such other powers as from time to time may be assigned to him or her by these Bylaws or by the Board of Directors or the President.

Section 9. *The Treasurer.* The Treasurer shall

(a) have supervision over the funds, securities, receipts, and disbursements of the Corporation;

(b) cause all moneys and other valuable effects of the Corporation to be deposited in its name and to its credit, in such depositories as shall be selected by the Board of Directors or pursuant to authority conferred by the Board of Directors;

(c) cause the funds of the Corporation to be disbursed by checks or drafts upon the authorized depositories of the Corporation, when such disbursements shall have been duly authorized;

(d) cause to be taken and preserved proper vouchers for all moneys disbursed;

(e) cause to be kept at the principal office of the Corporation correct books of account of all its business and transactions;

(f) render to the President or the Board of Directors, whenever requested, an account of the financial condition of the Corporation and of his or her transactions as Treasurer;

(g) be empowered to require from the officers or agents of the Corporation reports or statements giving such information as he or she may desire with respect to any and all financial transactions of the Corporation; and

(h) in general, perform all duties and have all powers incident to the office of Treasurer and perform such other duties and have such other powers as from time to time may be assigned to him or her by these Bylaws or by the Board of Directors or the President.

Section 10. *Assistant Secretaries and Assistant Treasurers.* The Assistant Secretaries and Assistant Treasurers shall have such duties as from time to time may be assigned to them by the Board of Directors or the President.

Section 11. *Salaries.* The salaries of the officers of the Corporation shall be fixed from time to time by the Board of Directors, except that the Board of Directors may delegate to any person the power to fix the salaries or other compensation of any officers or agents appointed in accordance with the provisions of Section 3 of this Article VI. No officer shall be prevented from receiving such salary by reason of the fact that he or she is also a director of the Corporation.

EXHIBIT J-10.

Section 12. *Surety Bond.* The Board of Directors may secure the fidelity of any or all of the officers of the Corporation by bond or otherwise.

ARTICLE VII**Execution of Instruments**

Section 1. *Execution of Instruments Generally.* All documents, instruments, or writings of any nature shall be signed, executed, verified, acknowledged, and delivered by such officer or officers or such agent or agents of the Corporation and in such manner as the Board of Directors from time to time may determine.

Section 2. *Checks, Drafts, Etc.* All notes, drafts, acceptances, checks, endorsements, and all evidence of indebtedness of the Corporation whatsoever, shall be signed by such officer or officers or such agent or agents of the Corporation and in such manner as the Board of Directors from time to time may determine. Endorsements for deposit to the credit of the Corporation in any of its duly authorized depositories shall be made in such manner as the Board of Directors from time to time may determine.

Section 3. *Proxies.* Proxies to vote with respect to shares of stock of other corporations owned by or standing in the name of the Corporation may be executed and delivered from time to time on behalf of the Corporation by the President or a Vice President and the Secretary or an Assistant Secretary of the Corporation or by any other person or persons duly authorized by the Board of Directors.

ARTICLE VIII**Capital Stock**

Section 1. *Certificates of Stock.* Every holder of stock in the Corporation shall be entitled to have a certificate, signed in the name of the Corporation by the Chair or Vice Chair of the Board of Directors, the President or a Vice President, and by the Treasurer or an Assistant Treasurer, or the Secretary or an Assistant Secretary of the Corporation, certifying the number of shares owned by him or her in the Corporation; provided, however, that where such certificate is signed by a transfer agent or an assistant transfer agent or by a transfer clerk acting on behalf of the Corporation and a registrar, the signature of any such Chair or Vice Chair of the Board of Directors, President, Vice President, Treasurer, Assistant Treasurer, Secretary, or Assistant Secretary may be facsimile. In case any officer or officers who shall have signed, or whose facsimile signature or signatures shall have been used on, any such certificate or certificates shall cease to be such officer or officers of the Corporation, whether because of death, resignation, or otherwise, before such certificate or certificates shall have been delivered by the Corporation, such certificate or certificates may nevertheless be adopted by the Corporation and be issued and delivered as though the person or persons who signed such certificate or certificates, or whose facsimile signature or signatures shall have been used thereon, had not ceased to be such officer or officers of the Corporation, and any such delivery shall be regarded as an adoption by the Corporation of such certificate or certificates.

Certificates of stock shall be in such form as shall, in conformity to law, be prescribed from time to time by the Board of Directors.

Section 2. *Transfer of Stock.* Shares of stock of the Corporation shall only be transferred on the books of the Corporation by the holder of record thereof or by his or her attorney duly authorized in writing, upon surrender to the Corporation of the certificates for such shares endorsed by the appropriate person or persons, with such evidence of the authenticity of such endorsement, transfer, authorization, and other matters as the Corporation may reasonably require, and

(continued)

EXHIBIT J-10.*(continued)*

accompanied by all necessary stock transfer tax stamps. In that event it shall be the duty of the Corporation to issue a new certificate to the person entitled thereto, cancel the old certificate, and record the transaction on its books.

Section 3. *Rights of Corporation with Respect to Registered Owners.* Prior to the surrender to the Corporation of the certificates for shares of stock with a request to record the transfer of such shares, the Corporation may treat the registered owner as the person entitled to receive dividends, to vote, to receive notifications, and otherwise to exercise all the rights and powers of an owner.

Section 4. *Closing Stock Transfer Book.* The Board of Directors may close the Stock Transfer Book of the Corporation for a period not exceeding fifty days preceding the date of any meeting of stockholders or the date for payment of any dividend or the date for the allotment of rights or the date when any change or conversion or exchange of capital stock shall go into effect or for a period of not exceeding fifty days in connection with obtaining the consent of stockholders for any purpose. However, in lieu of closing the Stock Transfer Book, the Board of Directors may fix in advance a date, not exceeding fifty days preceding the date of any meeting of stockholders, or the date for the payment of any dividend, or the date for the allotment of rights, or the date when any change or conversion or exchange of capital stock shall go into effect, or a date in connection with obtaining such consent, as a record date for the determination of the stockholders entitled to notice of, and to vote at, any such meeting and any adjournment thereof, or entitled to receive payment of any such dividend, or to any such allotment of rights, or to exercise the rights in respect of any such change, conversion, or exchange of capital stock, or to give such consent, and in such case such stockholders, and only such stockholders as shall be stockholders of record on the date so fixed, shall be entitled to such notice of, and to vote at, such meeting and any adjournment thereof, or to receive payment of such dividend, or to receive such allotment of rights, or to exercise such rights, or to give such consent, as the case may be, notwithstanding any transfer of any stock on the books of the Corporation after any such record date fixed as aforesaid.

Section 5. *Lost, Destroyed, and Stolen Certificates.* Where the owner of a certificate for shares claims that such certificate has been lost, destroyed, or wrongfully taken, the Corporation shall issue a new certificate in place of the original certificate if the owner (a) so requests before the Corporation has notice that the shares have been acquired by a bona fide purchaser; (b) files with the Corporation a sufficient indemnity bond; and (c) satisfies such other reasonable requirements, including evidence of such loss, destruction, or wrongful taking, as may be imposed by the Corporation.

ARTICLE IX

Dividends

Section 1. *Sources of Dividends.* The directors of the Corporation, subject to any restrictions contained in the statutes and Certificate of Incorporation, may declare and pay dividends upon the shares of the capital stock of the Corporation either (a) out of its net assets in excess of its capital, or (b) in case there shall be no such excess, out of its net profits for the fiscal year then current or the current and preceding fiscal year.

Section 2. *Reserves.* Before the payment of any dividend, the directors of the Corporation may set apart out of any of the funds of the Corporation available for dividends a reserve or reserves for any proper purpose, and the directors may abolish any such reserve in the manner in which it was created.

Section 3. *Reliance on Corporate Records.* A director shall be fully protected in relying in good faith upon the books of account of the Corporation or statements

EXHIBIT J-10.*(continued)*

prepared by any of its officials as to the value and amount of the assets, liabilities, and net profits of the Corporation, or any other facts pertinent to the existence and amount of surplus or other funds from which dividends might properly be declared and paid.

Section 4. *Manner of Payment.* Dividends may be paid in cash, in property, or in shares of the capital stock of the Corporation at par.

ARTICLE X**Seal**

The corporate seal, subject to alteration by the Board of Directors, shall be in the form of a circle and shall bear the name of the Corporation and the year of its incorporation and shall indicate its formation under the laws of the State of Delaware. Such seal may be used by causing it or a facsimile thereof to be impressed or affixed or reproduced or otherwise.

ARTICLE XI**Fiscal Year**

Except as from time to time otherwise provided by the Board of Directors, the fiscal year of the Corporation shall be the calendar year.

ARTICLE XII**Amendments**

Section 1. *By the Stockholders.* Except as otherwise provided in the Certificate of Incorporation or in these Bylaws, these Bylaws may be amended or repealed, or new Bylaws may be made and adopted, by a majority vote of all the stock of the Corporation issued and outstanding and entitled to vote at any annual or special meeting of the stockholders, provided that notice of intention to amend shall have been contained in the notice of meeting.

Section 2. *By the Directors.* Except as otherwise provided in the Certificate of Incorporation or in these Bylaws, these Bylaws, including amendments adopted by the stockholders, may be amended or repealed by a majority vote of the whole Board of Directors at any regular or special meeting of the Board, provided that the stockholders may from time to time specify particular provisions of the Bylaws which shall not be amended by the Board of Directors.*

*Adapted from West's Modern Legal Forms § 2793.

EXHIBIT J-11.

Skeleton Trust Indenture

THIS INDENTURE, dated _____, 20____, between _____ Corporation, a corporation organized and existing under the laws of the State of _____ (hereinafter called the Corporation), and the _____ Trust Company of _____, a corporation organized and existing under the laws of the State of _____, as Trustee (hereinafter called the Trustee), WITNESSETH:

WHEREAS, the Corporation, in the exercise of its corporate powers and for the purpose of furthering and accomplishing its corporate objects and purposes and pursuant to due corporate action, has determined to create an issue of First Mortgage Bonds, in an aggregate principal amount not exceeding \$_____ at any one time outstanding, and to secure the same by this Indenture; and

WHEREAS, the Corporation has determined to create an initial series of Bonds hereunder and to issue forthwith \$_____ in principal amount of said initial series of Bonds to be known as "First Mortgage Bonds, _____ % Series, due _____, 20____", to contain such provisions as are hereinafter specified; and

EXHIBIT J-11.

(continued)

WHEREAS, the text of all the First Mortgage Bonds, _____ % Series, due _____, 20____, of the coupons for interest to be attached thereto and of the Trustee's certificate to be endorsed thereon, is to be substantially as follows:

[Here insert full form of bond:] and

WHEREAS, all the requirements of law relating to the authorization of the Bonds and the execution of this Indenture and the mortgage and pledge hereby evidenced have been complied with; and all things necessary to make the Bonds, when authenticated by the Trustee and issued as in this Indenture provided, the valid and binding obligations of the Corporation, and all things necessary to constitute this Indenture a valid and binding mortgage for the security of said Bonds have been done and performed and the issue of said Bonds subject to the terms hereof and the execution of this Indenture have been in all respects duly authorized;

NOW, THEREFORE, In order to secure the payment of the principal and interest of all the Bonds at any time issued and outstanding under this Indenture, according to their tenor, purport and effect, and the performance and observance of all the covenants, agreements and conditions therein and herein contained, and to declare the terms and conditions upon which said Bonds are to be issued, authenticated, secured and held, and for and in consideration of the premises and of the purchase and acceptance of the Bonds by the holders thereof, and of the sum of _____dollar(s) duly paid by the Trustee to the Corporation at or before the ensembling and delivery of these presents, the receipt whereof is hereby acknowledged, the Corporation has mortgaged, pledged, assigned, transferred, granted, bargained, sold, aliened, remised, released, conveyed, confirmed and set over, unto the Trustee, and its successor or successors, in the trusts hereby created, and its and their assigns, the following described properties:

[Insert full description of properties. This usually includes all land, plants, offices and other buildings, together with all improvements and fixtures, etc., and a clause providing for after-acquired property. This is followed by the "Habendum clause".]

TO HAVE AND TO HOLD the lands and interest in lands, estates, plants and appurtenances and other property hereby conveyed, mortgaged, pledged or transferred unto the Trustee, its successors and assigns forever;

[There follows a clause excepting any specific property from the mortgage. This is followed by the "Trust" clause:]

IN TRUST NEVERTHELESS, under and subject to the conditions herein set forth, for the common and equal benefit and security of all the holders of Bonds and coupons issued and to be issued under this Indenture.

[The remainder of the indenture is divided into articles, as indicated below, each article being further divided into a number of sections and subsections:]

Article 1: Form, Execution, Delivery and Registration of the Bonds

[Authentication by Trustee; aggregate amount outstanding; recording of indenture.—Date of initial series; interest; place of payment of principal and interest; denominations.—Terms of later series.—Title of initial series; identification of later series; numbering of bonds.—Execution of supplemental indenture upon request for authentication and delivery of later series.—Registration and transfer of bonds.—Signature of bonds; use of facsimile signatures; seal; effect of Trustee's certificate.—Evidence of ownership of bonds.—Issuance of temporary bonds.—Mutilated, lost, destroyed or stolen bonds.]

Article 2: Issue of Bonds

[Authentication and delivery of initial series of bonds.—Use of deposited funds for capital expenditures.—Limitation on amount of bonds authenticated and moneys paid out for capital expenditures.—Sale of bonds reserved for authentication.—Documents required before paying out deposited moneys and

EXHIBIT J-11.

(continued)

authenticating and delivering bonds.—Discharge of prior lien on property.—Trustee not liable for use of bonds or deposited moneys.—Delivery of bonds in exchange for bonds cancelled.—Delivery of bonds upon surrender of bonds about to mature or called for redemption.—Cancellation of bonds converted into stock or retired through sinking fund.]

Article 3: Redemption of Bonds

[Premium paid on redemption.—Notice of redemption.—Cancellation of indenture on redemption of all outstanding bonds.—Cancellation of redeemed or reacquired bonds.]

Article 4: Sinking fund for First Mortgage Bonds, ___% Series, due _____, 20__.

[Amounts to be paid into sinking fund.—Additional sinking fund equal to percentage of net profits.—Fund payments in bonds purchased by Corporation.—Application of fund to redemption of bonds.—Notice of redemption through fund.—Cancellation of bonds redeemed.]

Article 5: Particular Covenants of the Corporation

[Covenants to pay principal and interest—not to extend time for payment of interest—to subject present and after-acquired property to lien of indenture and to execute further instruments of conveyance—not to permit prior lien on property and to discharge liens—to discharge taxes and assessments—not to merge or sell assets unless purchaser assumes payment of bonds—to maintain property—to preserve corporate existence—to keep property insured—to pay expenses of Trustee—to record and file indenture—not to dispose of bonds contrary to indenture provisions—to restrict declaration of dividends, distributions and redemption of stock—to restrict purchase of stock—to maintain office for payment of principal and interest—to deliver to Trustee annual financial statements—to furnish opinion of expert as to fair value of property.]

Article 6: Release of Property Included in the Trust Estate

[Power of Corporation to sell obsolete property.—Power of Corporation to remove property.—Power of Corporation to sell limited amount of property.—Obligations in satisfaction of debt not to be subject to lien of indenture.—Power of Corporation to move, alter or remodel buildings.—Power of Corporation to amend, alter or cancel lease, license or easement.—Power of Corporation to sell or exchange for other property.—Release of trust property taken by eminent domain.—Method of release of mortgaged properties.—Application of moneys received by Trustee.—Powers of Corporation to be exercised by receiver or Trustee.]

Article 7: Events of Default—Remedies of Trust and Bondholders

[Events of default: default in payment of principal, payment of interest or sinking fund payment—involuntary bankruptcy or receivership—voluntary bankruptcy, reorganization, assignment for benefit of creditors—default in performance of covenants.—Acceleration of due date of principal; waiver of default.—Power of Trustee to take possession.—Power of Trustee to sell trust estate.—Notice of sale.—Execution of instruments and transfer to purchaser at sale.—Divesting of Corporation's title upon sale.—Suit by Trustee to enforce payment of bonds; foreclosure.—Power of bondholders to decide on remedy sought.—Payment by Corporation to Trustee for benefit of bondholders on default.—Restrictions on suits by bondholders.—Application of proceeds of sale of trust estate.—Principal of all bonds to become due on sale.—Appointment of receiver upon default.—Covenant of Corporation to waive service of process, enter appearance and consent to entry of judgment.—Waiver of Corporation of benefits of laws for stay or appraisal of trust estate.—Remedies cumulative.—Delay or omission to exercise right not waiver.—Restrictions against remedies which would surrender lien of indenture.—Power of Trustee to restrain compliance with invalid law.]

EXHIBIT J-11.

(continued)

*Article 8: Immunity of Incorporators, Stockholders, Officers and Directors**Article 9: Merger, Consolidation or Sale*

[Covenant of Corporation not to merge, consolidate or sell assets unless new company can meet provisions of indenture.—Successor company to assume conditions of bonds and indentures.—Successor company to succeed to rights of Corporation.—Indenture to become lien on improvements by successor company and on after-acquired property.]

Article 10: Concerning the Trustee

[Power of Trustee to employ agents and attorneys.—Limitation on liability of Trustee.—Indemnification of Trustee by bondholders.—Form of request, notice or authorization to Trustee by Corporation.—Compensation of Trustee; lien for payment.—Return of moneys deposited with Trustee.—Advances by Trustee to preserve trust estate.—Conflicting interests of Trustee.—Removal of Trustee.—Appointment of successor Trustee.—Effect of merger or consolidation of Trustee.—Appointment of co-trustee.]

Article 11: Bondholders' Lists and Reports by the Corporation and the Trustee

[Corporation to furnish list of bondholders; Trustee to preserve list.—Application by bondholders for list.—Corporation to file annual and other reports.—Reports by Trustee to bondholders.—Notice by Trustee to bondholders of defaults.]

Article 12: Supplemental Indentures, Bondholders' Acts, Holdings and Apparent Authority

[Purposes for execution of supplemental indenture.—Consent to execution by proportion of bondholders.—Binding effect of supplemental indenture on non-consenting bondholders.—Revocation of consent by bondholders.—Trustee to join in supplemental indenture.—Proof of ownership of registered and bearer bonds.—Supplemental indenture to be considered part of original indenture.]

Article 13: Possession Until Default

[Corporation to retain possession until default, use income and dispose of profits.—Reversion of property to Corporation on payment of principal and interest; discharge of indenture.]

Article 14: Definitions and Miscellaneous Provisions

[Agreements binding on successors and assigns.—Definitions.—Provisions conflicting with Trust Indenture Act of 1939.—Agreements to be for exclusive benefit of parties and bondholders.—Notices to Corporation or Trustee.—Acceptance of trust by Trustee.—Appointment of attorneys for acknowledgment of indenture.]

IN WITNESS WHEREOF, _____ Corporation has caused this instrument to be signed in its corporate name and its corporate seal to be affixed by its President and its Secretary, and its corporate seal to be attested by its Secretary, by order of its Board of Directors, and the _____ Trust Company of _____, in token of its acceptance of the trusts created hereby, has caused this instrument to be signed in its corporate name and its corporate seal to be affixed by its President and its Secretary, and its corporate seal to be attested by its Secretary, by order of the Executive Committee of its Board of Directors, as of the date given at the beginning of this indenture.

Attest: _____ [Corporate Seal] by _____ Corporation
by _____ President

_____ Secretary _____ Secretary

The _____ Trust Company of _____, Trustee
[Corporate Seal] by _____ President

Attest: _____ Secretary _____ Secretary*

*Prentice Hall, Corporations, Forms § 60351. Reprinted with the permission of Prentice Hall.

EXHIBIT J-12.

Voting Trust Agreement

Agreement, made this _____ day of _____, 20____, between _____, _____, _____, _____, and _____, hereinafter designated as Trustees, and the undersigned shareholders of _____ Company, hereinafter designated as the Beneficiaries.

Whereas, the parties do hereby agree and declare that the intent and purpose of this Agreement is to provide a means whereby the parties hereto may initiate or maintain in effect any general policy, plan, or program affecting _____ Company which the parties should determine to be to their joint benefit, interest, and advantage, and to the best interests of all stockholders of _____ Company, and to that end to elect or retain or replace any officer, executive, or employee of said corporation;

Now, therefore, the parties do hereby agree with each other as follows:

1. **Delivery of Shares to Trustees, Term of Trust.** Upon the signing of this agreement, the Beneficiaries shall deliver to the Trustees the certificate or certificates representing all the shares of _____ Company now owned or controlled by them, said certificates to be endorsed in blank or accompanied by proper instruments of assignment and transfer thereof in blank. Said shares will be held by the Trustees for a period of ten years from _____, 20____ (unless this trust is sooner terminated, as hereinafter provided) in trust, however, for the Beneficiaries, their heirs, executors, administrators, successors, and assigns, and at all times subject to the terms and conditions herein set forth.

2. **Additional Shares.** Any and all certificates for additional shares of _____ Company that shall hereafter during said ten-year period be issued to any of the Beneficiaries shall be in like manner endorsed and delivered to the Trustees, to be held by them under the terms hereof.

3. **Voting.** During the term of this Agreement the Trustees or their successors in trust shall have the sole and exclusive voting power of the stock standing in their names as such. They shall have the power to vote the stock at all regular and special meetings of the stockholders and may vote for, do, or assent or consent to any act or proceeding which the shareholders of said corporation might or could vote for, do, or assent or consent to and shall have all the powers, rights, and privileges of a shareholder of said corporation. The Trustees shall consult and confer with each other and shall make every effort to agree on how their votes are cast. The Trustees, as soon as this Agreement becomes effective, shall appoint a chair. In any case where shareholder action is required, the chair may, or upon the request of any two Trustees, shall, call a meeting of the Trustees, on reasonable notice, for the purpose of reaching an agreement on the manner of voting the stock held by the Trustees, or for any other purpose deemed to be in the best interests of _____ Company. The vote of the Trustees shall always be exercised as a unit, as any four of said Trustees shall direct and determine. If any four Trustees fail to agree on any matter on which a vote of the stockholders is called for, then the question in disagreement shall be submitted for arbitration to some disinterested person (i.e., one having no financial interest in _____ Company) chosen by the affirmative vote of four of the Trustees, as sole arbitrator. If four of the Trustees are unable to agree on an arbitrator, then each of the Trustees shall nominate a similarly disinterested person as a candidate and the arbitrator shall be selected by the affirmative vote of four of the Trustees from the panel of such candidates. If any candidate receives the affirmative vote of four of the Trustees, he or she shall be elected sole arbitrator. If no candidate receives the affirmative vote of four of the Trustees, then the candidate receives the vote of four of the Trustees, then those two candidates receiving the lowest number of votes shall be eliminated from the panel (or if there should be a tie among the low candidates, or among all the candidates, if more than two, one of such candidates shall be eliminated by lot) and the

EXHIBIT J-12.*(continued)*

Trustees shall continue the process of voting among those remaining on the panel until one has been selected by the affirmative vote of four of the Trustees. If the voting continues to the point where no candidate receives the vote of four of the Trustees, then those two candidates receiving the highest number of votes respectively from those who voted with the majority and those who voted with the minority on the issue to be submitted to arbitration (ties among the majority and minority candidates to be decided by lot) shall be appointed arbitrators and these two shall appoint a third disinterested person as arbitrator. The decision of the arbitrator or, if more than one, a majority thereof, shall be binding upon the parties hereto and the vote of all the stock in trust shall be cast in accordance with such decision. The Beneficiaries may by unanimous written agreement designate any person as sole arbitrator who shall act during the life of this agreement.

4. **Proxies.** Any Trustee may vote in person or by proxy and a proxy in writing signed by any four of the Trustees shall be sufficient authority to the person named therein to vote all the stock held by the Trustees hereunder at any meeting, regular or special, of the stockholders of _____ Company. If at any such meeting less than four Trustees shall be present either in person or by proxy, then all of the stock held by the Trustees may be voted in accordance with the unanimous decision of those trustees present in person or by proxy.

5. **Appointment of Successor Trustees.** In the event of the death, resignation, removal, or incapacity of any of the Trustees, his or her successor shall be named by an instrument in writing signed by a majority of the remaining Trustees. All Successor Trustees shall be clothed with all the rights, privileges, duties, and powers herein conferred upon the Trustees herein named.

6. **Voting Trust Certificates.** Upon the delivery to the Trustees of said certificates representing the shares of _____ Company, the Trustees will cause the same to be transferred on the books of the corporation to themselves as Trustees and will deliver to each of the Beneficiaries a Trustees' Certificate for the number of shares delivered to said Trustees, substantially in the form hereinafter set out. Upon receipt of certificates for additional shares of _____ Company issued to any of the Beneficiaries, and upon receipt of certificates for such shares issued to other persons and which may be issued to future subscribers for shares of _____ Company, and upon compliance with the terms of this agreement by the owners of such shares, the Trustees will cause said shares to be transferred on the books of said corporation to their names as trustees, and shall deliver to each of the persons so depositing said certificates a Trustees' Certificate for the number of shares so deposited by said person.

The Trustees' Certificate shall be substantially in the following form:

Trustees' Certificate

This is to certify that the undersigned Trustees have received a certificate or certificates issued in the name of _____, evidencing the ownership of shares of _____ Company, a _____ corporation, and that said shares are held subject to all the terms and conditions of that certain agreement, dated _____, 20____, by and between _____, _____, _____, _____, and _____, as Trustees, and certain shareholders of _____ Company. During the period of ten years from and after _____, 20____, the said Trustees, or their successors, shall, as provided in said agreement, possess and be entitled to exercise the right to vote and otherwise represent all of said shares for all purposes, it being agreed that no voting right shall pass to the holder hereof by virtue of the ownership of this certificate.

This certificate is assignable with the right of issuance of a new certificate of like tenor only upon the surrender to the undersigned or their successors of this

EXHIBIT J-12.

(continued)

certificate properly endorsed. Upon the termination of said Trust this certificate shall be surrendered to the Trustees by the holder hereof upon delivery to such holder of a stock certificate representing a like number of said shares.

In witness whereof, the undersigned Trustees have executed this Certificate this _____ day of _____, 20____.

Trustees

Said Trustee's Certificate, subject to the conditions hereof, may be transferred by endorsement by the person to whom issued, or by his or her attorney in fact, or by the administrator, executor, or guardian of his or her estate, and delivery of the same to said Trustees; but said transfer shall not be evidence to or be binding upon said Trustees until the certificate is surrendered to them and the transfer is so entered upon their "Trustees' Certificate Book," which shall be kept by them to show the names of the parties by whom and to whom transferred, the numbers of the certificates, the number of shares, and the date of transfer. No new Trustees' Certificate shall be issued until the former Trustees' Certificate for the shares represented thereby shall have been surrendered to and canceled by said Trustees, and they shall preserve the certificates so canceled as vouchers. In case any Trustees' Certificate shall be claimed to be lost or destroyed, a new Trustees' Certificate may be issued in lieu thereof, upon such proof of loss and such security as may be required by said Trustees.

7. **Restrictions on Transfer of Voting Trust Certificates.** Each of the Beneficiaries agrees that during the term of this agreement said Trustees' Certificates will not be sold or transferred except in accordance with Paragraph _____ of the Organization Agreement of _____ Company, dated _____, 20____, relating to the sale of shares of _____ Company, so long as said Organization Agreement remains in effect. Said Trustees' Certificates shall be regarded as stock of the _____ Company within the meaning of any provision of the Bylaws of said corporation imposing conditions or restrictions upon the sale of stock of said corporation.

8. **Dividends.** Before declaring any dividend the Board of Directors of _____ Company shall request the Trustees to certify to the Board the names of all persons who are the owners and holders of Trustees' Certificates, and the number of shares to which each of such persons is or may then be entitled as shown by the books of the Trustees and no dividend shall be declared and paid by said corporation until reasonable opportunity has been given the Trustees to submit such certificate. Said corporation is hereby irrevocably authorized and directed (a) to accept such certificate of the Trustees as true; and (b) to pay any and all dividends upon the shares enumerated in such certificate directly to the holders of the Trustees' Certificates.

In the event that any dividend paid in capital stock of the Company shall be received by the Trustees, the respective holders of Trustees' Certificates issued hereunder shall be entitled to the delivery of new or additional Trustees' Certificates to the amount of the stock received by the Trustees as such dividend upon the number of such shares of the Company represented by their respective Trustees' Certificates theretofore outstanding.

9. **Termination.** Except as herein otherwise provided the trust hereby created shall not be revoked and the powers herein delegated to the Trustees shall be irrevocable during said period of ten years from and after _____, 20____. This

EXHIBIT J-12.

(continued)

trust, however, shall terminate upon the vote of any four of the Trustees and their declaration in writing that said trust is terminated. Unless the Trustees by unanimous vote otherwise determine, this trust shall also terminate if and when less than 50% of the outstanding shares of _____ Company remain subject to this Trust Agreement. Upon the termination of said trust the certificates representing all of the shares so held under this agreement and then remaining in the hands of the Trustees or their successors shall be assigned to the parties then entitled thereto as shown by Trustees' Certificates then outstanding, upon surrender to the Trustees of the Trustees' Certificates representing said shares.

10. **Compensation of Trustees.** The Beneficiaries may pay a reasonable compensation to the Trustees for their service hereunder and all expenses and costs incurred by them in executing said trusts, and the Beneficiaries do agree to save and hold harmless said Trustees from any and all liability arising out of the holding by them of any of the shares of said _____ Company hereunder.

11. **Exculpatory Clause.** The Trustees shall not be liable or incur any responsibility by reason of their acts of omission or commission in the premises except for wilful misconduct or gross negligence in the execution of the trusts hereby created.

12. **Extension of Term.** At any time within one year prior to the time of expiration of this agreement, one or more Beneficiaries hereunder may, by agreement in writing and with the written consent of all of the Trustees, extend the duration of this agreement for an additional period not exceeding ten years; provided, however, that no such extension agreement shall affect the rights or obligations of persons not parties thereto.

13. **Counterparts.** This agreement may be executed in several counterparts, each of which so executed shall be deemed to be the original, and such counterparts shall together constitute one and the same instrument.

In witness whereof, the parties have hereunto set their hands or have caused their corporate names to be hereunto affixed by their officers thereunto duly authorized, the day and year first above written.

Trustees

_____ holding _____ shares
 _____ holding _____ shares
 _____ holding _____ shares
 _____ holding _____ shares
 _____ holding _____ shares

Stockholders of _____ Company
 Beneficiaries*

*Adapted from West's Modern Legal Forms § 3012.1.