

# ARTICLES OF INCORPORATION OF THE SQUID SOFTWARE FOUNDATION

Pursuant to the Colorado Revised Nonprofit Corporation Act, as amended from time to time (the “Act”), the undersigned corporation adopts the following Articles of Incorporation for such corporation:

**Article 1. Name.** The name of the corporation is: The Squid Software Foundation

**Article 2. Registered Office and Registered Agent.** The address of the corporation's initial registered office in Colorado is 10343 Federal Blvd., Unit J-150, Westminster, CO 80260. The initial registered agent at such address is Alex Rousskov.

**Article 3. Principal Office.** The address of the corporation's initial principal office is 10343 Federal Blvd., Unit J-150, Westminster, CO 80260.

**Article 4. Purposes and Operation.**

- (a)** The purpose of the Corporation is to engage in any lawful act or activity for which nonprofit corporations may be organized under Act, including the creation and maintenance of open source software distributed by the corporation to the public at no charge. Notwithstanding the forgoing, if the Board of Directors of the corporation elects to seek and obtains an exemption for the corporation from federal taxation pursuant to Section 501(a) of the Internal Revenue Code, as amended, or the corresponding provisions of any future federal tax code (the “Code”), and until such time, if ever, that such exemption is denied or lost, the corporation shall be operated exclusively for charitable, scientific, literary, and educational purposes within the meaning of Section 501(c)(3) of the Code.
- (b)** No part of the net earnings of the corporation shall inure to the benefit of, or be distributable to, its directors, officers, members, or other private persons, except that the corporation shall be authorized and empowered to pay reasonable compensation for services rendered and to make payments and distributions in furtherance of its exempt purposes.
- (c)** At any time when the corporation is exempt from taxation under Section 501(a) of the Code, except as otherwise provided by Section 501(h) of the Code, (i) no substantial part of the activities of the corporation shall consist of carrying on propaganda, or otherwise attempting, to influence legislation and (ii) the corporation shall not participate in, or intervene in (including the publishing or distributing of statements), any political campaign on behalf of (or in opposition to) any candidate for public office.
- (d)** If the corporation is exempt from taxation under Section 501(a) of the Code upon the liquidation, dissolution or winding up of the corporation, then (i) its assets shall be distributed for one or more exempt purposes within the meaning of section 501(c)(3) of the Code, or shall be distributed to the federal government, or to a state or local government, for a public purpose and (ii) any such assets not so disposed of shall be disposed of by a Court of competent jurisdiction of the county in which the principal office of the Corporation is then located, exclusively for such purposes or to such organization or organizations, as said Court shall determine, which are organized and operated exclusively for such purposes.

**Article 5. Private Foundation.** Notwithstanding any other provisions in these articles, at all times if

and when the corporation is a private foundation within the meaning of Section 509 of the Code, it shall be subject to the following additional restrictions:

- (a) The corporation shall distribute its income for each tax year at such time and in such manner as not to become subject to the tax on undistributed income imposed by Section 4942 of the Code.
- (b) The corporation shall not engage in any act of self-dealing as defined in Section 4941(d) of the Code.
- (c) The corporation shall not retain any excess business holdings as defined in Section 4943(c) of the Code.
- (d) The corporation shall not make any investments in such manner as to subject it to tax under Section 4944 of the Code.
- (e) The corporation shall not make any taxable expenditures as defined in Section 4945(d) of the Code.

**Article 6. Incorporator.** The name and address of the incorporator are: Alex Rousskov, 10343 Federal Blvd., Unit J-150, Westminster, CO 80260.

**Article 7. Board of Directors.** The corporate powers shall be exercised by or under the authority of, and the business and affairs of the corporation shall be managed under the direction of a Board of Directors. The number of the Directors shall be at least one (1) and shall be as stated by resolution adopted by the Board of Directors from time to time.

**Article 8. Limitation of Liability.** No Director shall be personally liable to the corporation or the members, if any, for monetary damages for breach of fiduciary duty as a Director, except that this Article shall not eliminate or limit the liability of a Director to the corporation or the members, if any, for monetary damages for:

- (a) any breach of the Director's duty of loyalty to the corporation or the members, if any;
- (b) acts or omissions not in good faith or which involve intentional misconduct or a knowing violation of law;
- (c) acts specified in Section 7-128-403 or 7-128-501 of the Act; or
- (d) any transaction from which the Director directly or indirectly derived an improper personal benefit.

If the Act is hereafter amended to authorize the further elimination or limitation of the liability of directors, then the liability of a Director, in addition to the limitation on personal liability provided in this Article, will be further eliminated or limited to the fullest extent permitted by the Act. Any repeal or modification of any portion of this Article will be prospective only and will not adversely affect any right or protection of a Director existing at the time of such repeal or modification.

**Article 9. Indemnification.** The corporation shall indemnify, to the fullest extent permitted by applicable law in effect from time to time, any person, and the estate and personal representative of any such person, against all liability and expense (including attorneys' fees) incurred by reason of the fact that the person is or was a Director or officer of the corporation or, while

serving as a Director or officer of the corporation, such person is or was serving at the request of the corporation as a director, officer, partner, trustee, employee, fiduciary, or agent of, or in any similar managerial or fiduciary position of, another domestic or foreign corporation or other individual or entity or of an employee benefit plan. The corporation shall also indemnify any person who is serving or has served the corporation as Director, officer, employee, fiduciary, or agent, and that person's estate and personal representative, to the extent and in the manner provided in any bylaw, resolution of the members or Directors, contract, or otherwise, so long as such provision is legally permissible.

**Article 10. Term of Existence.** The duration of the corporation shall be perpetual.

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The name and mailing address of the individual who causes this document to be delivered for filing, and to whom the Secretary of State may deliver notice if filing of this document is refused, are Alex Rousskov, 10343 Federal Blvd., Unit J-150, Westminster, CO 80260.