

DIVIDEND RESOLUTION

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These resolutions (these "**Resolutions**") are adopted as of [RESOLUTION DATE] by the Board of Directors (the "**Board**") of [COMPANY LEGAL NAME], a [STATE] corporation (the "**Company**"), to authorize and declare a dividend on the Company's capital stock.

The directors of the Company are the "**Directors**." The holders of record of the Company's stock entitled to the dividend are the "**Stockholders**."

Recitals. The Board has reviewed the Company's financial condition, including its surplus, retained earnings, cash position, and anticipated obligations, and has determined that it is in the best interests of the Company and its Stockholders to declare and pay a dividend on the terms below, subject to and in accordance with the Company's certificate of incorporation, bylaws, and applicable law governing the lawfulness of distributions. The Board therefore adopts the following Resolutions.

1. Findings of the Board

1.1 Authority. The Board finds that it has the authority under the Company's certificate of incorporation and bylaws, and under applicable law, to declare and pay the dividend described in these Resolutions.

1.2 Financial review. The Board has reviewed the Company's most recent financial statements and has considered the Company's surplus or net profits, as applicable, and its ability to pay the dividend while continuing to satisfy its liabilities as they become due.

1.3 Solvency and lawfulness. The Board finds that, after giving effect to the dividend, the Company will not be rendered insolvent and the dividend will be made out of funds legally available for that purpose. The Board has considered the limits on lawful distributions under the law of the Company's state of incorporation, including any requirement that distributions be made only out of surplus or net profits and not while the Company is insolvent or would be rendered insolvent. [Confirm the specific lawful-source and solvency tests of your state of incorporation with counsel before relying on these findings.]

2. Declaration of Dividend

2.1 Declaration. The Board hereby declares a dividend (the "**Dividend**") on the Company's [CLASS/SERIES OF STOCK, e.g. common stock] outstanding as of the Record Date.

2.2 Type of dividend. The Dividend is a [CASH / STOCK / PROPERTY] dividend.

2.3 Rate. The Dividend is declared at the rate of [\$ PER SHARE] per share (or [%] of par value / [] additional shares per share held, as applicable), for an aggregate Dividend of approximately [\$ AGGREGATE AMOUNT].

3. Record Date and Payment Date

3.1 Record date. The Dividend is payable to Stockholders of record as of the close of business on **[RECORD DATE]** (the "Record Date"). Only Stockholders of record on the Record Date are entitled to the Dividend.

3.2 Payment date. The Dividend will be paid on or about **[PAYMENT DATE]** (the "Payment Date").

3.3 Ex-dividend treatment. Transfers of shares after the Record Date do not carry the right to the Dividend, and the transferor of record on the Record Date remains entitled to the Dividend unless otherwise agreed between the parties to the transfer. **[If shares are publicly traded, coordinate ex-dividend timing with the applicable exchange and transfer agent.]**

4. Funds Legally Available

4.1 Source of payment. The Dividend will be paid from **[SURPLUS / RETAINED EARNINGS / NET PROFITS]** of the Company that are legally available for the payment of dividends under applicable law.

4.2 Reservation. The officers of the Company are directed to reserve and set aside sufficient funds (or, for a stock dividend, a sufficient number of authorized but unissued shares) to pay the Dividend in full on the Payment Date.

4.3 No impairment of capital. The Dividend will not be paid in a manner that unlawfully impairs the Company's capital, and the officers are directed not to pay the Dividend if doing so would violate applicable law as of the Payment Date.

5. Authorization of Officers

5.1 Authority to act. The officers of the Company are authorized and directed, in the name and on behalf of the Company, to take all actions and execute all documents reasonably necessary or appropriate to pay the Dividend in accordance with these Resolutions, including instructing the Company's transfer agent or paying agent.

5.2 Withholding. The officers are authorized to withhold from the Dividend any amounts required to be withheld under applicable tax law and to remit those amounts to the appropriate authorities.

5.3 Notice to Stockholders. The officers are directed to provide notice of the Dividend to the Stockholders in the manner required by the Company's bylaws and applicable law.

6. Conditions and Reservation of Rights

6.1 Conditions. Payment of the Dividend is conditioned on the Company continuing to have funds legally available on the Payment Date. If the officers determine that payment would be unlawful or imprudent, they will promptly notify the Board, which may modify or revoke the Dividend before the Payment Date.

6.2 Revocation. The Board reserves the right, to the extent permitted by applicable law, to revoke or modify the Dividend at any time before it is paid, by further resolution.

7. General Provisions

7.1 Effectiveness. These Resolutions are effective as of the Resolution Date and were adopted by the Board **[AT A MEETING DULY CALLED AND HELD / BY UNANIMOUS WRITTEN CONSENT]** in accordance with the Company's bylaws and applicable law.

7.2 Consistency with governing documents. These Resolutions are subject to the Company's certificate of incorporation and bylaws. In the event of a conflict, the certificate of incorporation and bylaws, and applicable law, control.

7.3 Governing law. These Resolutions are governed by the laws of the State of **[STATE]**, the Company's state of incorporation, without regard to its conflict-of-laws rules.

7.4 Counterparts and electronic signature. If adopted by written consent, these Resolutions may be signed in counterparts and by electronic signature, each of which is an original and all of which together constitute one instrument.

CERTIFICATION / ADOPTION. The undersigned certify that the foregoing Resolutions were duly adopted by the Board and have not been amended or revoked as of the date signed below.

DIRECTOR / CHAIR

SECRETARY

Signature: _____

Signature: _____

Printed name: **[NAME]**

Printed name: **[NAME]**

Title: **[Director / Chair of the Board]**

Title: **[Corporate Secretary]**

Date: _____

Date: _____

ADDITIONAL DIRECTORS (if adopted by written consent):

DIRECTOR

Signature: _____

Printed name: **[NAME]**

Title: **[Director]**

Date: _____

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