

Any shareholders' meeting may be adjourned from time to time by the vote of a majority of the shares present in person or represented by proxy.

#### ***Dividends***

The holders of shares of Common Stock are entitled to receive such dividends, if any, as may be declared from time to time by the Company's Board of Directors in its discretion from funds legally available therefor.

#### ***Right to Receive Liquidation Distributions***

Upon liquidation, dissolution or winding-up, the holders of shares of Common Stock are entitled to receive pro rata all assets remaining available for distribution to holders of such shares.

#### ***No Preemptive or Similar Rights***

Common Stock has no preemptive or other subscription rights, and there are no conversion rights or redemption or sinking fund provisions with respect to such shares of Common Stock.

#### **Anti-Takeover Provisions of the Articles, Bylaws and California Law**

Provisions of the Articles and Bylaws may delay or discourage transactions involving an actual or potential change in control of the Company or change in its management, including transactions in which shareholders might otherwise receive a premium for their shares, or transactions that its shareholders might otherwise deem to be in their best interests. Among other things, the Articles and Bylaws:

- provide that, except for a vacancy caused by the removal of a director as provided in the Bylaws, a vacancy on the Company's Board of Directors may be filled by a person selected by a majority of the remaining directors then in office, whether or not less than a quorum, or by a sole remaining director;
- provide that shareholders seeking to present proposals before a meeting of shareholders or to nominate candidates for election as directors at a meeting of shareholders must provide notice in writing in a timely manner, and also specify requirements as to the form and content of a shareholder's notice, including with respect to a shareholder's notice under Rule 14a-19 of the Exchange Act;
- provide that a shareholder, or group of up to 20 shareholders, that has owned continuously for at least three years shares of Common Stock representing an aggregate of at least 3% of the Company's outstanding shares of Common Stock, may nominate and include in the Company's proxy materials director nominees constituting up to 20% of the Company's Board of Directors, provided that the shareholder(s) and nominee(s) satisfy the requirements in the Bylaws;
- do not provide for cumulative voting rights for the election of directors; and
- provide that special meetings of the shareholders may only be called by (i) the Board of Directors, the Chair of the Board of Directors or the Chief Executive Officer or (ii) one or more holders of shares entitled to cast not less than ten percent (10%) of the votes on the record date established pursuant to the Company's Bylaws, provided that the shareholder(s) satisfy requirements in the Bylaws.

In addition, as a California corporation, the Company is subject to the provisions of Section 1203 of the California General Corporation Law, which requires it to provide a fairness opinion to its shareholders in connection with their consideration of any proposed "interested party" reorganization transaction.

#### **Listing**

The Company's Common Stock is listed on The Nasdaq Stock Market LLC under the trading symbol "AAPL."