

## CIMETRIX INCORPORATED

### NOTICE OF ITEMS PRESENTED BY THE SHAREHOLDERS

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A shareholder may bring business before the annual meeting of the shareholders, but only if the shareholder complies with the following requirements:

1. Nominations of Persons for Election as Directors. A shareholder may nominate a person to serve as a director on the Board of Directors if the shareholder meets the following requirements:
  - a. the person to be nominated to serve as a director meets the “Director Qualifications” set forth on the attached Exhibit A, and otherwise meets the requirements of Nevada law to serve as a director;
  - b. the shareholder who proposes to make the nomination is a shareholder of record (or with respect to any beneficial owner, if different, on whose behalf notice of proposed shareholder business is submitted, only if such beneficial owner was the beneficial owner of shares of the Corporation) on the date of the giving of the Notice (as defined below) and on the record date for the determination of shareholders entitled to vote at such meeting (the “Shareholder Requirement”); and
  - c. the shareholder sends a notice (the “Notice”) addressed to the attention of the Secretary of the Corporation at the Corporation’s principal executive offices (delivered by hand, first class United States mail (postage prepaid) or by reputable overnight delivery service) within the “Notice Time Window” set forth on the attached Exhibit A (the “Timely Notice Requirement”). The Notice will contain the following information about the business to be brought before the annual meeting by the shareholder (the “Shareholder Information”):
    - i. the name and record address of the shareholder;
    - ii. the class and series and number of shares of each class and series of stock of the Corporation which are owned beneficially or of record by the shareholder;
    - iii. a description of any agreements made by the shareholder and any other person(s) (including their names) in connection with the proposal being made by the shareholder (including without limitation in the case of the nomination of a director, an agreement by the director of how he or she will act on an issue or question if elected);

- iv. a description of any actual or potential benefit or detriment of the shareholder related to the shareholder's proposal; and
  - v. a representation that the shareholder is a holder of record entitled to vote at such meeting and that such shareholder intends to appear in person or by proxy at the annual meeting to bring the proposal before the meeting.
- 2. Business other than Nominations of Persons for Election as Directors. A shareholder may bring business before the annual meeting of the shareholders that is other than the nomination of a person as a director on the Board of Directors if the shareholder delivers the Notice and:
  - a. meets the Shareholder Requirement;
  - b. meets the Timely Notice Requirement; and
  - c. in the Notice provides all of the Shareholder Information, together with a brief description of the business desired to be brought before the annual meeting and the reasons for conducting such business at the annual meeting.
- 3. For business to be properly brought before an annual meeting by a shareholder, such business must be a proper matter for shareholder action pursuant to this notice and under Chapters 78 or 92A of the Nevada Revised Statutes.
- 4. A shareholder providing a Notice shall further update and supplement the Notice, if necessary, from time to time, so that the information provided or required to be provided in the Notice shall be true and correct in all material respects, and such update and supplement shall be received by the Secretary of the Corporation not later than five (5) business days following the occurrence of any event, development or occurrence which would cause the information provided to be not true and correct in all material respects.

Except as otherwise provided by law, the presiding officer of any annual or special meeting shall have the power and duty (i) to determine whether a nomination or any business proposed to be brought before such meeting was made or proposed, as the case may be, in accordance with the procedures set forth in this notice, and (ii) if any proposed nomination or business was not made or proposed in compliance with this notice, to declare that such nomination shall be disregarded or that such proposed business shall not be transacted.

## **EXHIBIT A**

### Director Qualifications:

- The nominating shareholder has provided the name, age and dated of birth, business address and residence address of the nominee for director in the Notice;
- The nominating shareholder has provided in the Notice the principal occupation and employment of the nominee during the past five (5) years;
- The nominee has not in the last five (5) years been convicted in a criminal proceeding or has been subject to a judgment, order, finding or decree of any federal, state or other government, regulatory or self-regulatory entity, concerning any violation of federal, state or other law, or any proceeding in bankruptcy (and the nominating shareholder provides a representation to that effect in the Notice);
- The nominee consents to serve as a director, if elected, and acknowledges that if he or she is elected to serve as a director of the Corporation he or she will owe fiduciary duties as a director to the Corporation and all of its shareholders and not to any sub-category of shareholders nor to any persons or groups with special or other interests not shared by all of the shareholders generally (which consent and acknowledgement by the nominee shall be included in the Notice); and
- The nominee would not be subject to a “bad actor disqualification” pursuant to Rule 506(d) under the Securities Act of 1933, as amended.

### Timely Notice Requirement:

The Notice must be provided not later than the close of business on the 90th day preceding the anniversary of the annual meeting from the prior year, and no earlier than the close of business on the 180th day in advance of the anniversary of the annual meeting from the prior year. If for some reason the Corporation did not hold an annual meeting during the prior year, the Notice may be provided at any time during the year of the annual meeting for which the business is to be brought by the shareholder, so long as the Notice is delivered not later than fifteen (15) days after the Corporation delivers notice of the annual meeting to the shareholders.