

**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549  
FORM 8-K**

**CURRENT REPORT  
Pursuant to Section 13 or 15(d) of the  
Securities Exchange Act of 1934**

**Date of Report (Date of earliest event reported): February 26, 2016**

**MACY'S, INC.**

7 West Seventh Street, Cincinnati, Ohio 45202

(513) 579-7000

-and-

151 West 34<sup>th</sup> Street, New York, New York 10001

(212) 494-1602

Delaware  
(State of Incorporation)

1-13536  
(Commission File Number)

13-3324058  
(IRS Employer  
Identification No.)

Check the appropriate box below if the Form 8-K is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- ☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- ☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- ☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- ☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))



**Item 5.03. Amendments to Articles of Incorporation or Bylaws; Change in Fiscal Year.**

On February 26, 2016, the board of directors (the "Board") of Macy's, Inc. ("Macy's") amended and restated Macy's By-Laws (as so amended and restated, the "By-Laws") to implement proxy access.

Section 13(e) has been added to the By-Laws to allow a stockholder or a group of no more than 20 stockholders that has maintained continuous ownership of 3% or more of Macy's common stock for at least three years to include in Macy's proxy materials for an annual meeting of stockholders a number of director nominees up to the greater of two or 20% of the directors then in office, provided that the stockholder(s) and the stockholder nominee(s) satisfy the requirements specified in the By-Laws. Proxy access will first be available in connection with Macy's 2017 annual meeting of stockholders.

The foregoing summary is qualified in its entirety by reference to the full text of the By-Laws, a copy of which is included as Exhibit 3.1 to this report and incorporated by reference. The March 3, 2016 press release issued by Macy's is attached as Exhibit 99.1.

**Item 8.01. Other Events.**

On February 26, 2016, the Board declared a regular quarterly dividend of \$0.36 per share on Macy's common stock, payable April 1, 2016, to stockholders of record at the close of business on March 15, 2016, and announced its intent to increase the quarterly dividend on Macy's common stock to \$0.3775 per share, effective with the July 1 dividend payment. The Board also increased Macy's share repurchase authorization by \$1.5 billion. The February 26, 2016, press release issued by Macy's is attached as Exhibit 99.2.

The annual meeting of Macy's stockholders has been scheduled for May 20, 2016. The record date for stockholders to vote at the meeting is March 24, 2016.

All statements in this report that are not statements of historical fact are forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Such statements are based upon the current beliefs and expectations of Macy's management and are subject to significant risks and uncertainties. Actual results could differ materially from those expressed in or implied by the forward-looking statements contained in this report because of a variety of factors, including conditions to, or changes in the timing of, proposed transactions, prevailing interest rates and non-recurring charges, competitive pressures from specialty stores, general merchandise stores, off-price and discount stores, manufacturers' outlets, the Internet, mail-order catalogs and television shopping and general consumer spending levels, including the impact of the availability and level of consumer debt, the effect of weather, the final resolution of matters regarding the annual meeting of stockholders, the timing and amount of repurchases of Macy's common shares, if any, changes to Macy's expected liquidity position, the possibility that the repurchase program may be suspended or discontinued, final board approval of the July dividend, and other factors identified in documents filed by the company with the Securities and Exchange Commission. In light of these risks and uncertainties, readers are cautioned not to place undue reliance on forward-looking statements. Except as may be required by applicable law, Macy's disclaims any obligation to update its forward-looking statements for any reason.

**Item 9.01. Financial Statements and Exhibits.**

(d) Exhibits:

Exhibit Number	Description
3.1	Macy's, Inc. Amended and Restated By-Laws.
99.1	Press Release of Macy's, Inc. dated March 3, 2016.
99.2	Press Release of Macy's, Inc. dated February 26, 2016.

Macy's, Inc.



**SIGNATURE**

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

MACY'S, INC.

Dated: March 3, 2016

By: /s/ Dennis J. Broderick

Name: Dennis J. Broderick

Title: Executive Vice President, General Counsel and Secretary

## INDEX TO EXHIBITS

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## Exhibit 3.1

### MACY'S, INC.

#### BY-LAWS

(Amended and Restated as of February 26, 2016)

#### STOCKHOLDERS' MEETINGS

**1. Time and Place of Meetings.** All meetings of the stockholders for the election of Directors or for any other purpose will be held at such time and place, within or without the State of Delaware, as may be designated by the Board or, in the absence of a designation by the Board, the Chairman, the President, or the Secretary, and stated in the notice of meeting. The Board may postpone and reschedule any previously scheduled annual or special meeting of the stockholders.

**2. Annual Meeting.** An annual meeting of the stockholders will be held at such date and time as may be designated from time to time by the Board, at which meeting the stockholders will elect the Directors to succeed those whose terms expire at such meeting and will transact such other business as may properly be brought before the meeting in accordance with By-Law 8.

**3. Special Meetings.** (a) Special meetings of the stockholders may be called only by (i) the Chairman, (ii) the Secretary within 10 calendar days after receipt of the written request of a majority of the Whole Board, and (iii) as provided in By-Law 3(b). Any such request by a majority of the Whole Board must be sent to the Chairman and the Secretary and must state the purpose or purposes of the proposed meeting. Special meetings of holders of the outstanding Preferred Stock, if any, may be called in the manner and for the purposes provided in the applicable Preferred Stock Designation.

(b) Upon the receipt by the Company of a written request executed by the holders of not less than 15% of the outstanding Voting Stock (a "Meeting Request"), the Board will (i) call a special meeting of the stockholders for the purposes specified in the Meeting Request and (ii) fix a record date for the determination of stockholders entitled to notice of and to vote at such meeting, which record date will not be later than 60 calendar days after the date of receipt by the Company of the Meeting Notice; provided, however, that no separate special meeting of stockholders requested pursuant to a Meeting Request will be required to be convened if (A) the Board calls an annual or special meeting of stockholders to be held not later than 90 calendar days after receipt of such Meeting Request and (B) the purposes of such annual or special meeting include (among any other matters properly brought before the meeting) the purposes specified in such Meeting Request. Notwithstanding any provision of the Certificate of Incorporation or these By-Laws to the contrary, this By-Law 3(b) may not be amended or repealed by the Board, and no provision inconsistent therewith may be adopted by the Board, without the affirmative vote of the holders of at least a majority of the Common Stock present or represented by proxy at an annual or special meeting of stockholders and actually voted on the matter.

**4. Notice of Meetings.** Written notice of every meeting of the stockholders, stating the place, date, and hour of the meeting and, in the case of a special meeting, the purpose or purposes for which the meeting is called, will be given not less than 10 nor more than 60 calendar days before the date of the meeting to each stockholder of record entitled to vote at such meeting, except as otherwise provided herein or by law. When a meeting is adjourned to another place, date, or time, written notice need not be given of the adjourned meeting if the place, date, and time thereof are announced at the meeting at which the adjournment is taken; provided, however, that if the adjournment is for more than 30 calendar days, or if after the adjournment a new record date is fixed for the adjourned meeting, written notice of the place, date, and time of the adjourned meeting must be given in conformity herewith. At any adjourned meeting, any business may be transacted which properly could have been transacted at the original meeting.

**5. Inspectors.** The Board may appoint one or more inspectors of election to act as judges of the voting and to determine those entitled to vote at any meeting of the stockholders, or any adjournment thereof, in advance of such meeting. The Board may designate one or more persons as alternate inspectors to replace any inspector who fails to act. If no inspector or alternate is able to act at a meeting of stockholders, the presiding officer of the meeting may appoint one or more substitute inspectors.

**6. Quorum.** Except as otherwise provided by law or in a Preferred Stock Designation, the holders of a majority of the stock issued and outstanding and entitled to vote thereat, present in person or represented by proxy, will constitute a quorum at all meetings of the stockholders for the transaction of business thereat. If, however, such quorum is not present or represented at any meeting of the stockholders, the stockholders entitled to vote thereat, present in person or represented by proxy, will have the power to adjourn the meeting from time to time, without notice other than announcement at the meeting, until a quorum is present or represented.

**7. Voting.** Except as otherwise provided by law, by the Certificate of Incorporation, or in a Preferred Stock Designation, each stockholder will be entitled at every meeting of the stockholders to one vote for each share of stock having voting power standing in the name of such stockholder on the books of the Company on the record date for the meeting and such votes may be cast either in person or by written proxy. Every proxy must be duly executed and filed with the Secretary. A stockholder may revoke any proxy that is not irrevocable by attending the meeting and voting in person or by filing an instrument in writing revoking the proxy or another duly executed proxy bearing a later date with the Secretary. The vote upon any question brought before a meeting of the stockholders may be by voice vote, unless otherwise required by the Certificate of Incorporation or these By-Laws or unless the Chairman or the holders of a majority of the outstanding shares of all classes of stock entitled to vote thereon present in person or by proxy at such meeting otherwise determine. Every vote taken by written ballot will be counted by the inspectors of election. When a quorum is present at any meeting, the affirmative vote of the holders of a majority of the stock present in person or represented by proxy at the meeting and entitled to vote on the subject matter and which has actually been voted will be the act of the stockholders, except in the

election of Directors or as otherwise provided in these By-Laws, the Certificate of Incorporation, a Preferred Stock Designation, or by law.

**8. Order of Business.** (a) The Chairman, or such other officer of the Company designated by a majority of the Whole Board, will call meetings of the stockholders to order and will act as presiding officer thereof. Unless otherwise determined by the Board prior to the meeting, the presiding officer of the meeting of the stockholders will also determine the order of business and have the authority in his or her sole discretion to regulate the conduct of any such meeting, including without limitation by imposing restrictions on the persons (other than stockholders of the Company or their duly appointed proxies) who may attend any such stockholders' meeting, by ascertaining whether any stockholder or his proxy may be excluded from any meeting of the stockholders based upon any determination by the presiding officer, in his sole discretion, that any such person has unduly disrupted or is likely to disrupt the proceedings thereat, and by determining the circumstances in which any person may make a statement or ask questions at any meeting of the stockholders.

(b) At an annual meeting of the stockholders, only such business will be conducted or considered as is properly brought before the meeting. To be properly brought before an annual meeting, business must be (i) specified in the notice of meeting (or any supplement thereto) given by or at the direction of the Board in accordance with By-Law 4, (ii) otherwise properly brought before the meeting by the presiding officer or by or at the direction of a majority of the Whole Board, or (iii) otherwise properly requested to be brought before the meeting by a stockholder of the Company in accordance with By-Law 8(c).

(c) For business to be properly requested by a stockholder to be brought before an annual meeting, the stockholder must (i) be a stockholder of the Company of record at the time of the giving of the notice for such annual meeting provided for in these By-Laws, (ii) be entitled to vote at such meeting, and (iii) have given timely notice thereof in writing to the Secretary. To be timely, a stockholder's notice must be delivered to or mailed and received at the principal executive offices of the Company not less than 60 calendar days prior to the annual meeting; provided, however, that in the event public announcement of the date of the annual meeting is not made at least 75 calendar days prior to the date of the annual meeting, notice by the stockholder to be timely must be so received not later than the close of business on the 10th calendar day following the day on which public announcement is first made of the date of the annual meeting. A stockholder's notice to the Secretary must set forth as to each matter the stockholder proposes to bring before the annual meeting (A) a description in reasonable detail of the business desired to be brought before the annual meeting and the reasons for conducting such business at the annual meeting, (B) the name and address, as they appear on the Company's books, of the stockholder proposing such business and the beneficial owner, if any, on whose behalf the proposal is made, (C) the class and number of shares of the Company that are owned beneficially and of record by the stockholder proposing such business and by the beneficial owner, if any, on whose behalf the proposal is made, and (D) any material interest of such stockholder proposing such business and the beneficial owner, if any, on whose behalf the proposal is made in such business. Notwithstanding the foregoing provisions of this By-Law 8(c), a stockholder must also comply with all applicable requirements of the Securities Exchange Act of 1934, as amended, and the rules and regulations thereunder with respect to the matters set forth in this By-Law 8(c). For purposes of this By-Law 8(c) and By-Law 13, "public announcement" means disclosure in a press release reported by the Dow Jones News Service, Associated Press, or comparable national news service or in a document publicly filed by the Company with the Securities and Exchange Commission pursuant to Sections 13, 14, or 15(d) of the Securities Exchange Act of 1934, as amended, or furnished to stockholders. Nothing in this By-Law 8(c) will be deemed to affect any rights of stockholders to request inclusion of proposals in the Company's proxy statement pursuant to Rule 14a-8 under the Securities Exchange Act of 1934, as amended.

(d) At a special meeting of stockholders, only such business may be conducted or considered as is properly brought before the meeting. To be properly brought before a special meeting, business must be (i) specified in the notice of the meeting (or any supplement thereto) given by or at the direction of the Chairman or a majority of the Whole Board in accordance with By-Law 4 or (ii) otherwise properly brought before the meeting by the presiding officer or by or at the direction of a majority of the Whole Board.

(e) The determination of whether any business sought to be brought before any annual or special meeting of the stockholders is properly brought before such meeting in accordance with this By-Law 8 will be made by the presiding officer of such meeting. If the presiding officer determines that any business is not properly brought before such meeting, he or she will so declare to the meeting and any such business will not be conducted or considered.

## DIRECTORS

**9. Function.** The business and affairs of the Company will be managed under the direction of its Board.

**10. Number, Election, and Terms.** Subject to the rights, if any, of any series of Preferred Stock to elect additional Directors under circumstances specified in a Preferred Stock Designation and to the minimum and maximum number of authorized Directors provided in the Certificate of Incorporation, the authorized number of Directors may be determined from time to time only (i) by a vote of a majority of the Whole Board or (ii) by the affirmative vote of the holders of at least a majority of the Common Stock present or represented by proxy at an annual or special meeting of stockholders and actually voted on the matter. The Directors, other than those who may be elected by the holders of any series of the Preferred Stock, will be classified with respect to the time for which they severally hold office in accordance with the Certificate of Incorporation.

**11. Vacancies and Newly Created Directorships.** Subject to the rights, if any, of the holders of any series of Preferred Stock to elect additional Directors under circumstances specified in a Preferred Stock Designation, newly created directorships resulting from any increase in the number of Directors and any vacancies on the Board resulting from death, resignation, disqualification, removal, or other cause will be filled solely by the affirmative vote of a majority of the remaining Directors then in office, even though less than a quorum of the Board, or by a sole remaining Director. Any Director elected in accordance with the preceding sentence will hold office for the remainder of the full term of the class of Directors in which the new directorship was created or the vacancy occurred and until such Director's successor is elected and qualified. No decrease in the number of Directors constituting the Board will shorten the term of an incumbent Director.



**12. Removal.** Subject to the rights, if any, of the holders of any series of Preferred Stock to elect additional Directors under circumstances specified in a Preferred Stock Designation, any Director may be removed from office by the stockholders only in the manner provided in the Certificate of Incorporation.

**13. Nominations of Directors; Election.** (a) Subject to the rights, if any, of the holders of any series of Preferred Stock to elect additional Directors under circumstances specified in a Preferred Stock Designation, only persons who are nominated in accordance with the following procedures will be eligible for election at a meeting of stockholders as Directors of the Company.

(b) Nominations of persons for election as Directors of the Company may be made only at an annual meeting of stockholders (i) by or at the direction of the Board or (ii) by any stockholder who is a stockholder of record at the time of giving of notice provided for in this By-Law 13, who is entitled to vote for the election of Directors at such meeting, and who complies with the procedures set forth in this By-Law 13. All nominations by stockholders must be made pursuant to timely notice in proper written form to the Secretary.

(c) To be timely, a stockholder's notice must be delivered to or mailed and received at the principal executive offices of the Company not less than 60 calendar days prior to the annual meeting of stockholders; provided, however, that in the event that public announcement of the date of the annual meeting is not made at least 75 calendar days prior to the date of the annual meeting, notice by the stockholder to be timely must be so received not later than the close of business on the 10th calendar day following the day on which public announcement is first made of the date of the annual meeting. To be in proper written form, such stockholder's notice must set forth or include (i) the name and address, as they appear on the Company's books, of the stockholder giving the notice and of the beneficial owner, if any, on whose behalf the nomination is made; (ii) a representation that the stockholder giving the notice is a holder of record of stock of the Company entitled to vote at such annual meeting and intends to appear in person or by proxy at the annual meeting to nominate the person or persons specified in the notice; (iii) the class and number of shares of stock of the Company owned beneficially and of record by the stockholder giving the notice and by the beneficial owner, if any, on whose behalf the nomination is made; (iv) a description of all arrangements or understandings between or among any of (A) the stockholder giving the notice, (B) the beneficial owner on whose behalf the notice is given, (C) each nominee, and (D) any other person or persons (naming such person or persons) pursuant to which the nomination or nominations are to be made by the stockholder giving the notice; (v) such other information regarding each nominee proposed by the stockholder giving the notice as would be required to be included in a proxy statement filed pursuant to the proxy rules of the Securities and Exchange Commission had the nominee been nominated, or intended to be nominated, by the Board; and (vi) the signed consent of each nominee to serve as a director of the Company if so elected. At the request of the Board, any person nominated by the Board for election as a Director must furnish to the Secretary that information required to be set forth in a stockholder's notice of nomination which pertains to the nominee. The presiding officer of any annual meeting will, if the facts warrant, determine that a nomination was not made in accordance with the procedures prescribed by this By-Law 13, and if he or she should so determine, he or she will so declare to the meeting and the defective nomination will be disregarded. Notwithstanding the foregoing provisions of this By-Law 13, a stockholder must also comply with all applicable requirements of the Securities Exchange Act of 1934, as amended, and the rules and regulations thereunder with respect to the matters set forth in this By-Law 13.

(d) At every meeting of stockholders for the election of directors, duly called and held at which a quorum is present, each director nominee shall be elected by the affirmative vote of the majority of the votes cast by the holders of stock present or represented by proxy at the meeting and entitled to vote in the election at the meeting; provided, however, that in a contested election, where the number of nominees exceeds the number of directors to be elected, directors shall be elected by a plurality of the votes so cast on such nominees' election at the meeting. For purposes of this Section 13(d), the "affirmative vote of the majority of the votes cast" shall mean that the number of votes cast "for" a nominee's election exceeds the number of votes cast "against" that nominee's election.

(e) Proxy Access for Director Nominations

(i) The Company shall include in its proxy statement for an annual meeting of the stockholders the name, together with the Required Information (as defined below), of any person nominated for election (a "Stockholder Nominee") to the Board by a stockholder that satisfies, or by a group of no more than 20 stockholders that satisfy, the requirements of this proxy access By-Law (an "Eligible Stockholder"), and that expressly elects at the time of providing the notice required by this clause (e) of By-Law 13 (this "proxy access By-Law") (the "Nomination Notice") to have its nominee included in the Company's proxy statement pursuant to this proxy access By-Law. All Nomination Notices must be made pursuant to timely notice in proper written form to the Secretary.

(ii) To be timely, a stockholder's Nomination Notice must be delivered to or mailed and received at the principal executive offices of the Company not less than 120 calendar days nor more than 150 calendar days prior to the anniversary of the date the Company commenced mailing of its proxy statement in connection with the most recent annual meeting of the stockholders; provided, however, that if the scheduled annual meeting date differs from such anniversary date by more than 30 calendar days, notice by such Stockholder, to be timely, must be so delivered or received not earlier than the close of business on the 120<sup>th</sup> calendar day and not later than the close of business on the later of the 60<sup>th</sup> calendar day prior to the date of such annual meeting or, in the event that public announcement of the date of the annual meeting is not made at least 75 calendar days prior to the date of the annual meeting, notice by the stockholder to be timely must be so received not later than the close of business on the 10th calendar day following the day on which public announcement is first made of the date of the annual meeting. In no event shall any adjournment, postponement or deferral of an annual meeting or the announcement thereof commence a new time period (or extend any time period) for the giving of a Nomination Notice as described above.

(iii) For purposes of this proxy access By-Law, the "Required Information" that the Company will include in its proxy statement is (A) the information concerning the Stockholder Nominee and the Eligible Stockholder that is required to be disclosed in the Company's proxy statement by the regulations promulgated under the Securities Exchange Act of 1934, as amended, and the rules and regulations thereunder; and (B) if the Eligible Stockholder so elects, a Statement (as defined below).

To be timely, the Required Information must be delivered to or mailed and received by the Secretary within the time period specified in this proxy access By-Law for providing the Nomination Notice. Nothing in this proxy access By-Law shall limit the Company's ability to solicit against and include in its proxy statement its own statements relating to any Eligible Stockholder or Stockholder Nominee.

(iv) The number of Stockholder Nominees (including Stockholder Nominees that were submitted by an Eligible Stockholder for inclusion in the Company's proxy statement pursuant to this proxy access By-Law but either are subsequently withdrawn or that the Board decides to nominate as Board nominees) appearing in the Company's proxy statement with respect to an annual meeting of the stockholders shall not exceed the greater of 2 or 20% of the number of Directors in office as of the last day on which a Nomination Notice may be delivered pursuant to this proxy access By-Law, or if such amount is not a whole number, the closest whole number below 20%. In the event that one or more vacancies for any reason occur on the Board after the last day on which a Nomination Notice may be delivered pursuant to this proxy access By-Law but before the date of the annual meeting and the Board resolves to reduce the size of the Board in connection therewith, the maximum number of Stockholder Nominees appearing in the Company's proxy statement shall be calculated based on the number of Directors in office so reduced.

For purposes of determining when the maximum number of Stockholder Nominees provided for in this proxy access By-Law has been reached, each of the following persons shall be counted as one of the Stockholder Nominees:

- (A) any individual nominated by an Eligible Stockholder for inclusion in the Company's proxy statement pursuant to this proxy access By-Law whose nomination is subsequently withdrawn,
- (B) any individual nominated by an Eligible Stockholder for inclusion in the Company's proxy statement pursuant to this proxy access By-Law whom the Board decides to nominate for election to the Board and
- (C) any Director in office as of the last day on which a Nomination Notice may be delivered who was included in the Company's proxy materials as a Stockholder Nominee for either of the 2 preceding annual meetings of the stockholders and whom the Board decides to nominate for re-election.

Any Eligible Stockholder submitting more than one Stockholder Nominee for inclusion in the Company's proxy statement pursuant to this proxy access By-Law shall rank such Stockholder Nominees based on the order in which the Eligible Stockholder desires such Stockholder Nominees be selected for inclusion in the Company's proxy statement in the event that the total number of Stockholder Nominees submitted by Eligible Stockholders pursuant to this proxy access By-Law exceeds the maximum number of Stockholder Nominees provided for in this proxy access By-Law. In the event that the number of Stockholder Nominees submitted by Eligible Stockholders pursuant to this proxy access By-Law exceeds this maximum number, the highest ranking Stockholder Nominee who meets the requirements of this proxy access By-Law from each Eligible Stockholder will be selected for inclusion in the Company's proxy statement until the maximum number is reached, going in order of the amount (largest to smallest) of shares of the capital stock of the Company each Eligible Stockholder disclosed as owned in its respective Nomination Notice submitted to the Company and confirmed by the Company. If the maximum number is not reached after each Eligible Stockholder has selected one Stockholder Nominee, this selection process will continue as many times as necessary, following the same order each time, until the maximum number is reached.

(v) For purposes of this proxy access By-Law, an Eligible Stockholder shall be deemed to "own" only those outstanding shares of the capital stock of the Company as to which the stockholder possesses both (A) the full voting and investment rights pertaining to the shares and (B) the full economic interest in (including the opportunity for profit and risk of loss on) such shares; provided that the number of shares calculated in accordance with clauses (A) and (B) shall not include any shares (1) sold by such stockholder or any of its affiliates in any transaction that has not been settled or closed, (2) borrowed by such stockholder or any of its affiliates for any purposes or purchased by such stockholder or any of its affiliates pursuant to an agreement to resell or (3) subject to any option, warrant, forward contract, swap, contract of sale, or other derivative or similar agreement entered into by such stockholder or any of its affiliates, whether any such instrument or agreement is to be settled with shares or with cash based on the notional amount or value of shares of outstanding capital stock of the Company, in any such case which instrument or agreement has, or is intended to have, the purpose or effect of (X) reducing in any manner, to any extent or at any time in the future, such stockholder's or its affiliates' full right to vote or direct the voting of any such shares, and/or (Y) hedging, offsetting or altering to any degree gain or loss arising from the full economic ownership of such shares by such stockholder or affiliate. A stockholder shall "own" shares held in the name of a nominee or other intermediary so long as the stockholder retains the right to instruct how the shares are voted with respect to the election of Directors and possesses the full economic interest in the shares. A person's ownership of shares shall be deemed to continue during any period in which (XX) the person has loaned such shares, provided that the person has the power to recall such loaned shares on three business days' notice; or (YY) the person has delegated any voting power by means of a proxy, power of attorney or other instrument or arrangement that is revocable at any time by the person. The terms "owned," "owning" and other variations of the word "own" shall have correlative meanings. Whether outstanding shares of the capital stock of the Company are "owned" for these purposes shall be determined by the Board or a committee thereof, which determination shall be conclusive and binding on the Company and its stockholders.

(vi) An Eligible Stockholder must have owned (as defined above) continuously for at least 3 years that number of shares of capital stock as shall constitute 3% or more of the outstanding capital stock of the Company (the "Required Shares") as of

- (A) a date within 7 days prior to the date of the Nomination Notice,
- (B) the record date for determining stockholders entitled to vote at the annual meeting, and

- (C) the date of the annual meeting.

For purposes of satisfying the foregoing ownership requirement under this proxy access By-Law, (X) the shares of the capital stock of the Company owned by one or more stockholders, or by the person or persons who own shares of the capital stock of the Company and on whose behalf any stockholder is acting, may be aggregated, provided that the number of stockholders and other persons whose ownership of shares of capital stock of the Company is aggregated for such purpose shall not exceed 20, and (Y) a group of funds under common management and investment control shall be treated as one stockholder or person for this purpose. Whenever the Eligible Stockholder consists of a group of stockholders, each provision in this proxy access By-Law that requires the Eligible Stockholder to provide any written statements, representations, undertakings, agreements or other instruments or to meet any other conditions shall be deemed to require each stockholder that is a member of such group to provide such statements, representations, undertakings, agreements or other instruments and to meet such other conditions (except that the members of such group may aggregate their shareholdings in order to meet the 3% ownership requirement of the “Required Shares” definition), a breach of any obligation, agreement or representation under this proxy access By-Law by any member of such group shall be deemed a breach by the Eligible Stockholder. No person may be a member of more than one group of persons constituting an Eligible Stockholder under this proxy access By-Law. For the avoidance of doubt, if a group of stockholders aggregates ownership or shares in order to meet the requirements under this proxy access By-Law, all shares held by each stockholder constituting their contribution to the foregoing 3% threshold must be held by that stockholder continuously for at least 3 years, and evidence of such continuous ownership shall be provided as specified in clause (e)(vii) of By-Law 13. A stockholder may withdraw from a group of stockholders at any time prior to the annual meeting of the stockholders and if, as a result of such withdrawal, the Eligible Stockholder no longer owns the Required Shares, the nomination shall be disregarded as provided in clause (e)(xii) of this By-Law 13.

(vii) Within the time period specified in this proxy access By-Law for providing the Nomination Notice, an Eligible Stockholder must provide the following information in writing to the Secretary of the Company:

- (A) with respect to the Eligible Stockholder and each stockholder that is a member of a group of stockholders constituting the Eligible Stockholder, if any, the information and representations that would be required to be set forth in a stockholder’s notice of a nomination pursuant to clause (c) of this By-Law 13;
- (B) one or more written statements from the record holder of the shares (and from each intermediary through which the shares are or have been held during the requisite 3-year holding period) verifying that, as of a date within 7 calendar days prior to the date of the Nomination Notice, the Eligible Stockholder owns, and has owned continuously for the preceding 3 years, the Required Shares, and the Eligible Stockholder’s agreement to provide, within 5 business days after the record date for the annual meeting, written statements from the record holder and intermediaries verifying the Eligible Stockholder’s continuous ownership of the Required Shares through the record date;
- (C) the written consent of each Stockholder Nominee to being named in the proxy statement as a nominee and to serving as a Director if elected;
- (D) for each Stockholder Nominee, a written questionnaire with respect to the background and qualification of such person and the background of any other person or entity on whose behalf the nomination is made (which questionnaire shall be in the form provided by the Secretary in the form provided by the Secretary upon written request) and;
- (E) a copy of the Schedule 14N that has been filed with the Securities and Exchange Commission as required by Rule 14a-18 under the Exchange Act, as such rule may be amended;
- (F) a representation that the Eligible Stockholder (including each member of any group of stockholders that together is an Eligible Stockholder under this proxy access By-Law)
  - (1) acquired the Required Shares in the ordinary course of business and not with the intent to change or influence control at the Company, and does not presently have such intent,
  - (2) has not nominated and will not nominate for election to the Board at the annual meeting any person other than the Stockholder Nominee(s) being nominated pursuant to this proxy access By-Law,
  - (3) has not engaged and will not engage in, and has not and will not be a “participant” in another person’s, “solicitation” within the meaning of Rule 14a-1(l) under the Exchange Act in support of the election of any individual as a Director at the annual meeting other than its Stockholder Nominee or a nominee of the Board,
  - (4) will not distribute to any stockholder any form of proxy for the annual meeting other than the form distributed by the Company,
  - (5) is entitled to vote at the annual meeting and intends to appear at the annual meeting in person or by proxy to nominate the Stockholder Nominee(s),
  - (6) intends to continue to own the Required Shares through the date of the annual meeting,
  - (7) will provide facts, statements and other information in all communications with the Company and its stockholders that are or will be true and correct in all material respects and do not and will not omit to state a material fact necessary in order to make the statements made, in light of the circumstances under which

they were made, not misleading, and

- (8) in the case of a nomination by a group of stockholders that together is an Eligible Stockholder, the designation by all group members of one group member for purposes of receiving communications, notices and inquiries from the Company and authorization of all group members of such designated group member to act on behalf of all members with respect to the nomination and matters related thereto, including any withdrawal of the nomination;
- (G) an undertaking that the Eligible Stockholder agrees to
- (1) own the Required Shares through the date of the annual meeting,
  - (2) assume all liability stemming from any legal or regulatory violation arising out of the Eligible Stockholder's communications with the stockholders of the Company or out of the information that the Eligible Stockholder provided to the Company,
  - (3) indemnify and hold harmless the Company and each of its Directors, officers and employees individually against any liability, loss or damages in connection with any threatened or pending action, suit or proceeding, whether legal, administrative or investigative, against the Company or any of its Directors, officers or employees arising out of any nomination, solicitation or other activity by the Eligible Stockholder in connection with its efforts to elect the Stockholder Nominee pursuant to this proxy access By-Law,
  - (4) comply with all other laws and regulations applicable to any solicitation in connection with the annual meeting, and
  - (5) provide to the Company prior to the annual meeting such additional information as necessary with respect thereto, including without limitation any information related to the Stockholder Nominee or his or her nomination which may be required to be (aa) disclosed under the DGCL or applicable listing standards of the any stock exchange or quotation system on which the capital stock of the Company is traded or quoted or (bb) included in a proxy statement filed pursuant to the proxy rules of the Securities and Exchange Commission;
- (H) as to any group of funds whose shares are aggregated for purposes of constituting an Eligible Stockholder, provide documentation reasonably satisfactory to the Company that demonstrates that the funds satisfy clause (e)(vi) of this By-Law 13; and
- (I) the Eligible Stockholder's agreement to provide, not later than 5 business days after the record date for the annual meeting and not later than 7 business days prior to the annual meeting or any adjournment or postponement thereof,
- (1) any such written updates or supplements necessary to ensure that the information previously provided or required to be provided shall be true and correct as of the record date of the annual meeting and as of the date that is 10 business days prior to the annual meeting or any adjournment or postponement thereof, respectively, or
  - (2) a written certificate that no such updates or supplements are necessary and that the information previously provided or required to be provided remains true and correct in all material respects and does not omit to state a material fact necessary in order to make the statements made, in light of the circumstances under which they were made, not misleading, as of both dates.

Notwithstanding the foregoing provisions of this proxy access By-Law, an Eligible Stockholder must comply with all applicable requirements of the Securities Exchange Act of 1934, as amended, and the rules and regulations thereunder with respect to the matters set forth in this proxy access By-Law. The inspector of elections shall not give effect to the Eligible Stockholder's votes with respect to the election of Directors if the Eligible Stockholder does not comply with each of the representations in this clause (e)(vii) of By-Law 13.

(viii) The Eligible Stockholder may provide to the Secretary of the Company, at the time the information required by this proxy access By-Law is provided, a written statement for inclusion in the Company's proxy statement for the annual meeting, not to exceed 500 words, in support of the Stockholder Nominee's candidacy (the "Statement"). Notwithstanding anything to the contrary contained in this proxy access By-Law, the Company may omit from its proxy statement any information or Statement (or portion thereof) that it, in good faith, believes would violate any applicable law or regulation.

(ix) Within the time period specified in this proxy access By-Law for delivering the Nomination Notice, a Stockholder Nominee must deliver to the Secretary of the Company a written representation and agreement that the Stockholder Nominee

- (A) is not and will not become a party to any agreement, arrangement or understanding with, and has not given any commitment or assurance to, any person or entity as to how such person, if elected as a Director of the Company, will act or vote on any issue or question that has not been disclosed to the Company,
- (B) is not and will not become a party to any agreement, arrangement or understanding with any person or entity with respect to any direct or indirect compensation, reimbursement or indemnification in connection with service or action as a Stockholder Nominee that has not been disclosed to the Company, and is not and will not become a

party to any agreement, arrangement, or understanding with any person other than the Company with respect to any direct or indirect compensation, reimbursement, or indemnification in connection with service or action as a Director, and

- (C) will comply with all the Company's corporate governance, conflict of interest, confidentiality and stock ownership and trading policies and guidelines, and any other Company policies and guidelines applicable to Directors, as well as any applicable law, rule or regulation or listing requirement.

At the request of the Company, the Stockholder Nominee must submit all completed and signed questionnaires required of the Company's Directors and officers. At the request of the Company, the Stockholder Nominee must promptly, but in any event within 5 business days after such request, submit all such information as the Company may reasonably request. The Company may request such additional information as necessary to permit the Board to determine if each Stockholder Nominee satisfies this proxy access By-Law, including such additional information as necessary to permit the Board to determine if each Stockholder Nominee is independent under the listing standards of the principal U.S. exchange upon which the Company's capital stock is listed, any applicable rules of the Securities and Exchange Commission and any publicly disclosed standards used by the Board in determining and disclosing the independence of the Company's Directors (the "Applicable Independence Standards"). If the Board determines that the Stockholder Nominee is not independent under the Applicable Independence Standards, the Stockholder Nominee will not be eligible for inclusion in the Company's proxy statement.

(x) Any Stockholder Nominee who is included in the Company's proxy statement for a particular annual meeting of the stockholders but either (A) withdraws from or becomes ineligible or unavailable for election at the annual meeting, or (B) does not receive at least 25% of the votes cast "for" the Stockholder Nominee's election, will be ineligible to be a Stockholder Nominee pursuant to this proxy access By-Law for the next 2 annual meetings.

(xi) The Company shall not be required to include, pursuant to this proxy access By-Law, any Stockholder Nominees in its proxy statement for any meeting of the stockholders

- (A) for which the Secretary of Company receives a notice that a stockholder has nominated a person for election to the Board (whether or not withdrawn) pursuant to the advance notice requirements for stockholder nominees for Director set forth in this By-Law 13 and such stockholder does not expressly elect at the time of providing the notice to have its nominee included in the Company's proxy statement pursuant to this clause (e) of By-Law 13,
- (B) if the Eligible Stockholder who has nominated such Stockholder Nominee has engaged in or is currently engaged in, or has been or is a "participant" in another person's, "solicitation" within the meaning of Rule 14a-1(1) under the Exchange Act in support of the election of any individual as a Director at the meeting other than its Stockholder Nominee(s) or a nominee of the Board,
- (C) who is not independent under the Applicable Independence Standards, as determined by the Board,
- (D) whose election as a member of the Board would cause the Company to be in violation of these Bylaws, the Certificate of Incorporation, the listing standards of the principal exchange upon which the Company's capital stock is traded, or any applicable law, rule or regulation,
- (E) who is or has been, within the past three years, an officer or director of a competitor, as defined in Section 8 of the Clayton Antitrust Act of 1914,
- (F) who is a named subject of a pending criminal proceeding (excluding traffic violations and other minor offenses) or has been convicted in such a criminal proceeding within the past 10 years,
- (G) who is subject to any order of the type specified in Rule 506(d) of Regulation D promulgated under the Securities Act of 1933, as amended,
- (H) if such Stockholder Nominee or the applicable Eligible Stockholder shall have provided information to the Company in respect to such nomination that was untrue in any material respect or omitted to state a material fact necessary in order to make the statement made, in light of the circumstances under which it was made, not misleading, as determined by the Board, or
- (I) if the Eligible Stockholder or applicable Stockholder Nominee otherwise breaches or contravenes any of the agreements or representations made by such Eligible Stockholder or Stockholder Nominee or fails to comply with its obligations pursuant to this proxy access By-Law. In addition, any Eligible Stockholder (or any member of a group constituting an Eligible Stockholder) whose Stockholder Nominee is elected as a Director at an annual meeting of stockholders will not be eligible to nominate or participate in the nomination of a Stockholder Nominee for the following 2 annual meetings, other than the nomination of any such previously elected Stockholder Nominee.

(xii) Notwithstanding anything to the contrary set forth herein, the Board or the person presiding at the meeting shall declare a nomination by an Eligible Stockholder to be invalid, and such nomination shall be disregarded notwithstanding that proxies in respect of such vote may have been received by the Company, if (A) the Stockholder Nominee(s) and/or the applicable Eligible Stockholder shall have breached its or their obligations, agreements or representations under this proxy access By-Law, as determined by the Board or the person presiding at the annual meeting of the stockholders, or (B) the Eligible Stockholder (or a qualified representative thereof) does not appear at the annual meeting of the stockholders to present any nomination pursuant to this proxy access By-Law.

(xiii) The Eligible Stockholder (including any person who owns shares of capital stock of the Company that constitute part of the Eligible Stockholder's ownership for purposes of satisfying clause (e)(vi) of this By-Law 13) shall file with the Securities and Exchange Commission any solicitation or other communication with the Company's stockholders relating to the annual meeting at which the Stockholder Nominee will be nominated, regardless of whether any such filing is required under Regulation 14A of the Exchange Act or whether any exemption from filing is available for such solicitation or other communication under Regulation 14A of the Exchange Act.

(xiv) In the event that any information or communications provided by the Eligible Stockholder or any Stockholder Nominees to the Company or its stockholders is not, when provided, or thereafter ceases to be, true, correct and complete in all material respects (including omitting a material fact necessary to make the statements made, in light of the circumstances under which they were made, not misleading), each Eligible Stockholder or Stockholder Nominee, as the case may be, shall promptly notify the Secretary and provide the information that is required to make such information or communication true, correct, complete and not misleading; it being understood that providing any such notification shall not be deemed to cure any such defect or limit the Company's right to omit a Stockholder Nominee from its proxy statement pursuant to this proxy access By-Law.

(xv) The Board (and any other person or body authorized by the Board) shall have the power and authority to interpret this proxy access By-Law and to make any and all determinations necessary or advisable to apply this proxy access By-Law to any persons, facts or circumstances, including the power to determine (A) whether one or more stockholders or beneficial owners qualifies as an Eligible Stockholder, (B) whether a Nomination Notice complies with this proxy access By-Law and has otherwise met the requirements of this proxy access By-Law, (C) whether a Nomination Nominee satisfies the qualifications and requirements in this proxy access By-Law, and (D) whether any and all requirements of this proxy access By-Law have been satisfied. Any such interpretation or determination adopted in good faith by the Board (or any other person or body authorized by the Board) shall be binding on all persons, including the Company and its stockholders (including any beneficial owners). Any such interpretation or determination adopted in good faith by the Board (or any other person or body authorized by the Board) shall be binding on all persons, including the Company and its stockholders (including any beneficial owners). This proxy access By-Law shall be the exclusive method for stockholders to include nominees for Director election in the Company's proxy statement.

**14. Resignation.** Any Director may resign at any time by giving written notice of his resignation to the Chairman or the Secretary. Any resignation will be effective upon actual receipt by any such person or, if later, as of the date and time specified in such written notice.

**15. Regular Meetings.** Regular meetings of the Board may be held immediately after the annual meeting of the stockholders and at such other time and place either within or without the State of Delaware as may from time to time be determined by the Board. Notice of regular meetings of the Board need not be given.

**16. Special Meetings.** Special meetings of the Board may be called by the Chairman or the President on one day's notice to each Director by whom such notice is not waived, given either personally or by mail, telephone, telegram, telex, facsimile, or similar medium of communication, and will be called by the Chairman or the President in, like manner and on like notice on the written request of five or more Directors. Special meetings of the Board may be held at such time and place either within or without the State of Delaware as is determined by the Board or specified in the notice of any such meeting.

**17. Quorum.** At all meetings of the Board, a majority of the total number of Directors then in office will constitute a quorum for the transaction of business. Except for the designation of committees as hereinafter provided and except for actions required by these By-Laws or the Certificate of Incorporation to be taken by a majority of the Whole Board, the act of a majority of the Directors present at any meeting at which there is a quorum will be the act of the Board. If a quorum is not present at any meeting of the Board, the Directors present thereat may adjourn the meeting from time to time to another place, time, or date, without notice other than announcement at the meeting, until a quorum is present.

**18. Participation in Meetings by Telephone Conference.** Members of the Board or any committee designated by the Board may participate in a meeting of the Board or any such committee, as the case may be, by means of telephone conference or similar means by which all persons participating in the meeting can hear each other, and such participation in a meeting will constitute presence in person at the meeting.

**19. Committees.**

(a) The Board, by resolution passed by a majority of the Whole Board, may designate one or more committees, each such committee to consist of one or more Directors and each to have such lawfully delegable powers and duties as the Board may confer.

(b) Each committee of the Board will serve at the pleasure of the Board or as may be specified in any resolution from time to time adopted by the Board. The Board may designate one or more Directors as alternate members of any such committee, who may replace any absent or disqualified member at any meeting of such committee. In lieu of such action by the Board, in the absence or disqualification of any member of a committee of the Board, the members thereof present at any such meeting of such committee and not disqualified from voting, whether or not they constitute a quorum, may unanimously appoint another member of the Board to act at the meeting in the place of any such absent or disqualified member.

(c) Except as otherwise provided in these By-Laws or by law, any committee of the Board, to the extent provided in the resolution of the Board, will have and may exercise all the powers and authority of the Board in the direction of the management of the business and affairs of the Company. Any such committee designated by the Board will have such name as may be determined from time to time by resolution adopted by the Board. Unless otherwise prescribed by the Board, a majority of the members of any

committee of the Board will constitute a quorum for the transaction of business, and the act of a majority of the members present at a meeting at which there is a quorum will be the act of such committee. Each committee of the Board may prescribe its own rules for calling and holding meetings and its method of procedure, subject to any rules prescribed by the Board, and will keep a written record of all actions taken by it.

(d) All of the members of any committee the primary responsibilities of which include (i) reviewing the professional services to be provided by the Company's independent auditors and the independence of such firm from the Company's management, reviewing financial statements with management or independent auditors, and/or reviewing internal accounting controls, (ii) reviewing and approving salaries and other compensation, whether cash or non-cash, and benefits of the Company's executive officers, or (iii) recommending candidates to the Board for nomination for election to the Board, and a majority of the members of each other directorate committee that the Board may from time to time establish will be Non-Employee Directors. For purposes of these By-Laws, "Non-Employee Director" means any Director who is not a full-time employee of the Company or any subsidiary of the Company. Notwithstanding any provision of the Certificate of Incorporation or these By-Laws to the contrary, this By-Law 19(d) may not be amended or repealed by the Board, and no provision inconsistent therewith may be adopted by the Board, without the affirmative vote of the holders of at least a majority of the Common Stock present or represented by proxy at an annual or special meeting of stockholders and actually voted on the matter.

(e) Without limiting the effect of By-Law 19(d), all of the members of each of the committees referred to in the first sentence of By-Law 19(d) and a majority of the members of each directorate committee that the Board may from time to time establish will be Independent Directors unless and to the extent that a majority of the Independent Directors then serving as members of the Board determines in a specific instance that it would be in the best interests of the Company and its stockholders that this By-Law 19(e) not operate to preclude the services of one or more individuals on one or more such committees. For purposes of this By-Law 19(e), the term "Independent Director" means any Director who satisfies the criteria for Director independence adopted by the Board from time to time.

**20. Compensation.** The Board may establish the compensation for, and reimbursement of the expenses of, Directors for membership on the Board and on committees of the Board, attendance at meetings of the Board or committees of the Board, and for other services by Directors to the Company or any of its majority-owned subsidiaries.

**21. Rules.** The Board may adopt rules and regulations for the conduct of meetings and the oversight of the management of the affairs of the Company.

## NOTICES

**22. Generally.** Except as otherwise provided by law, these By-Laws, or the Certificate of Incorporation, whenever by law or under the provisions of the Certificate of Incorporation or these By-Laws notice is required to be given to any Director or stockholder, it will not be construed to require personal notice, but such notice may be given in writing, by mail, addressed to such Director or stockholder, at the address of such Director or stockholder as it appears on the records of the Company, with postage thereon prepaid, and such notice will be deemed to be given at the time when the same is deposited in the United States mail. Notice to Directors may also be given by telephone, telegram, telex, facsimile, or similar medium of communication or as otherwise may be permitted by these By-Laws.

**23. Waivers.** Whenever any notice is required to be given by law or under the provisions of the Certificate of Incorporation or these By-Laws, a waiver thereof in writing, signed by the person or persons entitled to such notice, whether before or after the time of the event for which notice is to be given, will be deemed equivalent to such notice. Attendance of a person at a meeting will constitute a waiver of notice of such meeting, except when the person attends a meeting for the express purpose of objecting, at the beginning of the meeting, to the transaction of any business because the meeting is not lawfully called or convened.

## OFFICERS

**24. Generally.** The officers of the Company will be elected by the Board and will consist of a Chairman (who, unless the Board specifies otherwise, will also be the Chief Executive Officer), a President, a Secretary, and a Treasurer. The Board of Directors may also choose any or all of the following: one or more Vice Chairmen, one or more Assistants to the Chairman, one or more Vice Presidents (who may be given particular designations with respect to authority, function, or seniority), and such other officers as the Board may from time to time determine. Notwithstanding the foregoing, by specific action the Board may authorize the Chairman to appoint any person to any office other than Chairman, President, Secretary, or Treasurer. Any number of offices may be held by the same person. Any of the offices may be left vacant from time to time as the Board may determine. In the case of the absence or disability of any officer of the Company or for any other reason deemed sufficient by a majority of the Board, the Board may delegate the absent or disabled officer's powers or duties to any other officer or to any Director.

**25. Compensation.** The compensation of all officers and agents of the Company who are also Directors of the Company will be fixed by the Board or by a committee of the Board. The Board may fix, or delegate the power to fix, the compensation of other officers and agents of the Company to an officer of the Company.

**26. Succession.** The officers of the Company will hold office until their successors are elected and qualified. Any officer may be removed at any time by the affirmative vote of a majority of the Whole Board. Any vacancy occurring in any office of the Company may be filled by the Board or by the Chairman as provided in By-Law 24.

**27. Authority and Duties.** Each of the officers of the Company will have such authority and will perform such duties as are customarily incident to their respective offices or as may be specified from time to time by the Board.

## STOCK

**28. Certificates.** The Board may provide by resolution or resolutions that some or all of any or all classes or series of the stock of the Company shall be uncertificated shares. Certificates, if any, representing shares of stock of the Company will be in such form as is determined by the Board, subject to applicable legal requirements. Each such certificate will be numbered and its issuance recorded in the books of the Company, and such certificate will exhibit the holder's name and the number of shares and will be signed by, or in the name of, the Company by the Chairman and the Secretary or an Assistant Secretary, or the Treasurer or an Assistant Treasurer, and will also be signed by, or bear the facsimile signature of, a duly authorized officer or agent of any properly designated transfer agent of the Company. Any or all of the signatures and the seal of the Company, if any, upon such certificates may be facsimiles, engraved, or printed. Such certificates may be issued and delivered notwithstanding that the person whose facsimile signature appears thereon may have ceased to be such officer at the time the certificates are issued and delivered.

**29. Classes of Stock.** Except with respect to uncertificated shares, the designations, preferences, and relative participating, optional, or other special rights of the various classes of stock or series thereof, and the qualifications, limitations, or restrictions thereof, will be set forth in full or summarized on the face or back of the certificates which the Company issues to represent its stock or, in lieu thereof, such certificates will set forth the office of the Company from which the holders of certificates may obtain a copy of such information.

**30. Lost, Stolen, or Destroyed Certificates.** The Secretary may direct a new certificate or certificates to be issued in place of any certificate or certificates theretofore issued by the Company alleged to have been lost, stolen, or destroyed, upon the making of an affidavit of that fact, satisfactory to the Secretary, by the person claiming the certificate of stock to be lost, stolen, or destroyed. As a condition precedent to the issuance of a new certificate or certificates, the Secretary may require the owners of such lost, stolen, or destroyed certificate or certificates to give the Company a bond in such sum and with such surety or sureties as the Secretary may direct as indemnity against any claims that may be made against the Company with respect to the certificate alleged to have been lost, stolen, or destroyed or the issuance of the new certificate.

**31. Record Dates.** (a) In order that the Company may determine the stockholders entitled to notice of or to vote at any meeting of stockholders or any adjournment thereof, the Board may fix a record date, which will not be more than 60 nor less than 10 calendar days before the date of such meeting. If no record date is fixed by the Board, the record date for determining stockholders entitled to notice of or to vote at a meeting of stockholders will be at the close of business on the calendar day next preceding the day on which notice is given, or, if notice is waived, at the close of business on the calendar day next preceding the day on which the meeting is held. A determination of stockholders of record entitled to notice of or to vote at a meeting of the stockholders will apply to any adjournment of the meeting; provided, however, that the Board may fix a new record date for the adjourned meeting.

(b) In order that the Company may determine the stockholders entitled to receive payment of any dividend or other distribution or allotment of any rights or the stockholders entitled to exercise any rights in respect of any change, conversion, or exchange of stock, or for the purpose of any other lawful action, the Board may fix a record date, which record date will not be more than 60 calendar days prior to such action. If no record date is fixed, the record date for determining stockholders for any such purpose will be at the close of business on the calendar day on which the Board adopts the resolution relating thereto.

(c) The Company will be entitled to treat the person in whose name any share of its stock is registered as the owner thereof for all purposes, and will not be bound to recognize any equitable or other claim to, or interest in, such share on the part of any other person, whether or not the Company has notice thereof, except as expressly provided by applicable law.

## INDEMNIFICATION

**32. Damages and Expenses.** (a) Without limiting the generality or effect of Article Ninth of the Certificate of Incorporation, the Company will to the fullest extent permitted by applicable law as then in effect indemnify any person (an "Indemnitee") who is or was involved in any manner (including without limitation as a party or a witness) or is threatened to be made so involved in any threatened, pending, or completed investigation, claim, action, suit, or proceeding, whether civil, criminal, administrative, or investigative (including without limitation any action, suit, or proceeding by or in the right of the Company to procure a judgment in its favor) (a "Proceeding") by reason of the fact that such person is or was or had agreed to become a Director, officer, employee, or agent of the Company, or is or was serving at the request of the Board or an officer of the Company as a director, officer, employee, or agent of another corporation, partnership, joint venture, trust, or other entity, whether for profit or not for profit (including the heirs, executors, administrators, or estate of such person), or anything done or not by such person in any such capacity, against all expenses (including attorneys' fees), judgments, fines, and amounts paid in settlement actually and reasonably incurred by such person in connection with such Proceeding. Such indemnification will be a contract right and will include the right to receive payment in advance of any expenses incurred by an Indemnitee in connection with such Proceeding, consistent with the provisions of applicable law as then in effect. No change in applicable law or amendment or repeal of any provision of the Certificate of Incorporation or By-Laws will adversely affect any right or protection existing hereunder, or arising out of facts occurring, prior to such change, amendment, or repeal.

(b) The right of indemnification provided in this By-Law 32 will not be exclusive of any other rights to which any person seeking indemnification may otherwise be entitled, and will be applicable to Proceedings commenced or continuing after the adoption of this By-Law 32, whether arising from acts or omissions occurring before or after such adoption.

(c) In furtherance, but not in limitation of the foregoing provisions, the following procedures, presumptions, and remedies will apply with respect to advancement of expenses and the right to indemnification under this By-Law 32:

(i) All reasonable expenses incurred by or on behalf of an Indemnitee in connection with any Proceeding will be



advanced to the Indemnitee by the Company within 30 calendar days after the receipt by the Company of a statement or statements from the Indemnitee requesting such advance or advances from time to time, whether prior to or after final disposition of such Proceeding. Such statement or statements will describe in reasonable detail the expenses incurred by the Indemnitee and, if and to the extent required by law at the time of such advance, will include or be accompanied by an undertaking by or on behalf of the Indemnitee to repay such amounts advanced as to which it may ultimately be determined that the Indemnitee is not entitled. If such an undertaking is required by law at the time of an advance, no security will be required for such undertaking and such undertaking will be accepted without reference to the recipient's financial ability to make repayment.

(ii) To obtain indemnification under this By-Law 32, the Indemnitee will submit to the Secretary a written request, including such documentation supporting the claim as is reasonably available to the Indemnitee and is reasonably necessary to determine whether and to what extent the Indemnitee is entitled to indemnification (the "Supporting Documentation"). The determination of the Indemnitee's entitlement to indemnification will be made not less than 60 calendar days after receipt by the Company of the written request for indemnification together with the Supporting Documentation. The Secretary will promptly upon receipt of such a request for indemnification advise the Board in writing that the Indemnitee has requested indemnification. The Indemnitee's entitlement to indemnification under this By-Law 32 will be determined in one of the following ways: (A) by a majority vote of the Disinterested Directors (as hereinafter defined), if they constitute a quorum of the Board, or, in the case of an Indemnitee that is not a present or former officer of the Company, by any committee of the Board or committee of officers or agents of the Company designated for such purpose by a majority of the Whole Board; (B) by a written opinion of Independent Counsel if (1) a Change of Control has occurred and the Indemnitee so requests or (2) in the case of an Indemnitee that is a present or former officer of the Company, a quorum of the Board consisting of Disinterested Directors is not obtainable or, even if obtainable, a majority of such Disinterested Directors so directs; (C) by the stockholders (but only if a majority of the Disinterested Directors, if they constitute a quorum of the Board, presents the issue of entitlement to indemnification to the stockholders for their determination); or (D) as provided in subparagraph (iii) below. In the event the determination of entitlement to indemnification is to be made by Independent Counsel pursuant to clause (B) above, a majority of the Disinterested Directors will select the Independent Counsel, but only an Independent Counsel to which the Indemnitee does not reasonably object; provided, however, that if a Change of Control has occurred, the Indemnitee will select such Independent Counsel, but only an Independent Counsel to which the Board does not reasonably object.

(iii) Except as otherwise expressly provided in this By-Law 32, the Indemnitee will be presumed to be entitled to indemnification under this By-Law 32 upon submission of a request for indemnification together with the Supporting Documentation in accordance with subparagraph (c)(ii) above, and thereafter the Company will have the burden of proof to overcome that presumption in reaching a contrary determination. In any event, if the person or persons empowered under subparagraph (c)(ii) to determine entitlement to indemnification has not been appointed or has not made a determination within 60 calendar days after receipt by the Company of the request thereof or together with the Supporting Documentation, the Indemnitee will be deemed to be entitled to indemnification and the Indemnitee will be entitled to such indemnification unless (A) the Indemnitee misrepresented or failed to disclose a material fact in making the request for indemnification or in the Supporting Documentation or (B) such indemnification is prohibited by law. The termination of any Proceeding described in paragraph (a) of this By-Law 32, or of any claim, issue, or matter therein, by judgment, order, settlement, or conviction, or upon a plea of nolo contendere or its equivalent, will not, of itself, adversely affect the right of the Indemnitee to indemnification or create a presumption that the Indemnitee did not act in good faith and in a manner which the Indemnitee reasonably believed to be in or not opposed to the best interests of the Company or, with respect to any criminal Proceeding, that the Indemnitee had reasonable cause to believe that his conduct was unlawful.

(iv) (A) In the event that a determination is made pursuant to subparagraph (c)(ii) that the Indemnitee is not entitled to indemnification under this By-Law 32, (1) the Indemnitee will be entitled to seek an adjudication of his or her entitlement to such indemnification either, at the Indemnitee's sole option, in (x) an appropriate court of the State of Delaware or any other court of competent jurisdiction or (y) an arbitration to be conducted by a single arbitrator pursuant to the rules of the American Arbitration Association; (2) any such judicial proceeding or arbitration will be de novo and the Indemnitee will not be prejudiced by reason of such adverse determination; and (3) in any such judicial proceeding or arbitration the Company will have the burden of proving that the Indemnitee is not entitled to indemnification under this By-Law 32.

(B) If a determination is made or deemed to have been made, pursuant to subparagraph (c)(ii) or (iii) of this By-Law 32, that the Indemnitee is entitled to indemnification, the Company will be obligated to pay the amounts constituting such indemnification within five business days after such determination has been made or deemed to have been made and will be conclusively bound by such determination unless (1) the Indemnitee misrepresented or failed to disclose a material fact in making the request for indemnification or in the Supporting Documentation or (2) such indemnification is prohibited by law. In the event that advancement of expenses is not timely made pursuant to subparagraph (c)(i) of this By-Law 32 or payment of indemnification is not made within five business days after a determination of entitlement to indemnification has been made or deemed to have been made pursuant to subparagraph (c)(ii) or (iii) of this By-Law 32, the Indemnitee will be entitled to seek judicial enforcement of the Company's obligation to pay to the Indemnitee such advancement of expenses or indemnification. Notwithstanding the foregoing, the Company may bring an action, in an appropriate court in the State of Delaware or any other court of competent jurisdiction, contesting the right of the Indemnitee to receive indemnification hereunder due to the occurrence of any event described in subclause (1) or (2) of this clause (B) (a "Disqualifying Event"); provided, however, that in any such action the Company will have the burden of proving the occurrence of such Disqualifying Event.

(C) The Company will be precluded from asserting in any judicial proceeding or arbitration commenced pursuant to the provisions of this subparagraph (c)(iv) that the procedures and presumptions of this By-Law 32 are not valid, binding, and enforceable and will stipulate in any such court or before any such arbitrator that the Company is bound by all the provisions of this By-Law 32.

(D) In the event that the Indemnitee, pursuant to the provisions of this subparagraph (c)(iv), seeks a judicial

adjudication of, or an award in arbitration to enforce, his rights under, or to recover damages for breach of, this By-Law 32, the Indemnitee will be entitled to recover from the Company, and will be indemnified by the Company against, any expenses actually and reasonably incurred by the Indemnitee if the Indemnitee prevails in such judicial adjudication or arbitration. If it is determined in such judicial adjudication or arbitration that the Indemnitee is entitled to receive part but not all of the indemnification or advancement of expenses sought, the expenses incurred by the Indemnitee in connection with such judicial adjudication or arbitration will be prorated accordingly.

(v) For purposes of this paragraph (c):

(A) "Change in Control" means the occurrence of any of the following events on or after May 14, 2010:

(1) The Company is merged, consolidated, or reorganized into or with another corporation or other legal entity, and as a result of such merger, consolidation, or reorganization less than a majority of the combined voting power of the then-outstanding securities of such corporation or entity immediately after such transaction are held in the aggregate by the holders of the Voting Stock immediately prior to such transaction;

(2) The Company sells or otherwise transfers all or substantially all of its assets to another corporation or other legal entity and, as a result of such sale or transfer, less than a majority of the combined voting power of the then-outstanding securities of such other corporation or entity immediately after such sale or transfer is held in the aggregate by the holders of Voting Stock immediately prior to such sale or transfer;

(3) There is a report filed on Schedule 13D or Schedule 14D-1 (or any successor schedule, form, or report or item therein), each as promulgated pursuant to the Securities Exchange Act of 1934, as amended (the "Exchange Act"), disclosing that any person (as the term "person" is used in Section 13(d)(3) or Section 14(d)(2) of the Exchange Act) has become the beneficial owner (as the term "beneficial owner" is defined under Rule 13d-3 or any successor rule or regulation promulgated under the Exchange Act) of securities representing 30% or more of the combined voting power of the Voting Stock;

(4) The Company files a report or proxy statement with the Securities and Exchange Commission pursuant to the Exchange Act disclosing in response to Form 8-K or Schedule 14A (or any successor schedule, form, or report or item therein) that a change in control of the Company has occurred or will occur in the future pursuant to any then-existing contract or transaction; or

(5) If, during any period of two consecutive years or such longer period, if any, commencing immediately prior to a meeting of the stockholders at which Directors are elected and concluding immediately after the next succeeding meeting of stockholders at which Directors are elected, individuals who at the beginning of any such period constitute the Directors cease for any reason to constitute at least a majority thereof; provided, however, that for purposes of this clause (5) each Director who is first elected, or first nominated for election by the Company's stockholders, by a vote of at least two-thirds of the Directors (or a committee of the Board) then still in office who were Directors at the beginning of any such period will be deemed to have been a Director at the beginning of such period.

Notwithstanding the foregoing provisions of clauses (3) or (4) of this paragraph (c)(v)(A), unless otherwise determined in a specific case by majority vote of the Board, a "Change in Control" will not be deemed to have occurred for purposes of such clauses (3) or (4) solely because (x) the Company, (y) an entity in which the Company, directly or indirectly, beneficially owns 50% or more of the voting securities (a "Subsidiary"), or (z) any employee stock ownership plan or any other employee benefit plan of the Company or any Subsidiary either files or becomes obligated to file a report or a proxy statement under or in response to Schedule 13D, Schedule 14D-1, Form 8-K, or Schedule 14A (or any successor schedule, form, or report or item therein) under the Exchange Act disclosing beneficial ownership by it of shares of Voting Stock, whether in excess of 30% or otherwise, or because the Company reports that a change in control of the Company has occurred or will occur in the future by reason of such beneficial ownership.

(B) "Disinterested Director" means a Director of the Company who is not or was not a party to the Proceeding in respect of which indemnification is sought by the Indemnitee.

(C) "Independent Counsel" means a law firm or a member of a law firm that neither presently is, nor in the past five years has been, retained to represent (1) the Company or the Indemnitee in any matter material to either such party or (2) any other party to the Proceeding giving rise to a claim for indemnification under this By-Law 32. Notwithstanding the foregoing, the term "Independent Counsel" will not include any person who, under the applicable standards of professional conduct then prevailing under the law of the State of Delaware, would be precluded from representing either the Company or the Indemnitee in an action to determine the Indemnitee's rights under this By-Law 32.

(d) If any provision or provisions of this By-Law 32 are held to be invalid, illegal, or unenforceable for any reason whatsoever: (i) the validity, legality, and enforceability of the remaining provisions of this By-Law 32 (including without limitation all portions of any paragraph of this By-Law 32 containing any such provision held to be invalid, illegal, or unenforceable, that are not themselves invalid, illegal, or unenforceable) will not in any way be affected or impaired thereby and (ii) to the fullest extent possible, the provisions of this By-Law 32 (including without limitation all portions of any paragraph of this By-Law 32 containing any such provision held to be invalid, illegal, or unenforceable, that are not themselves invalid, illegal, or unenforceable) will be construed so as to give effect to the intent manifested by the provision held invalid, illegal, or unenforceable.

**33. Insurance, Contracts, and Funding.** The Company may purchase and maintain insurance to protect itself and any Indemnitee against any expenses, judgments, fines, and amounts paid in settlement or incurred by any Indemnitee in connection with any Proceeding referred to in By-Law 32 or otherwise, to the fullest extent permitted by applicable law as then in effect. The Company

may enter into contracts with any person entitled to indemnification under By-Law 32 or otherwise, and may create a trust fund, grant a security interest, or use other means (including without limitation a letter of credit) to ensure the payment of such amounts as may be necessary to effect indemnification as provided in By-Law 32.

## **GENERAL**

**34. Fiscal Year.** The fiscal year of the Company will end on the Saturday closest to January 31st of each year or such other date as may be fixed from time to time by the Board.

**35. Seal.** The Board may adopt a corporate seal and use the same by causing it or a facsimile thereof to be impressed or affixed or reproduced or otherwise.

**36. Reliance Upon Books, Reports, and Records** Each Director, each member of a committee designated by the Board, and each officer of the Company will, in the performance of his or her duties, be fully protected in relying in good faith upon the records of the Company and upon such information, opinions, reports, or statements presented to the Company by any of the Company's officers or employees, or committees of the Board, or by any other person or entity as to matters the Director, committee member, or officer believes are within such other person's professional or expert competence and who has been selected with reasonable care by or on behalf of the Company.

**37. Time Periods.** In applying any provision of these By-Laws that requires that an act be done or not be done a specified number of days prior to an event or that an act be done during a period of a specified number of days prior to an event, calendar days will be used unless otherwise specified, the day of the doing of the act will be excluded, and the day of the event will be included.

**38. Amendments.** Except as otherwise provided by law or by the Certificate of Incorporation or these By-Laws, these By-Laws or any of them may be amended in any respect or repealed at any time, either (i) at any meeting of stockholders, provided that any amendment or supplement proposed to be acted upon at any such meeting has been described or referred to in the notice of such meeting, or (ii) at any meeting of the Board, provided that no amendment adopted by the Board may vary or conflict with any amendment adopted by the stockholders.

**39. Certain Defined Terms.** Terms used herein with initial capital letters that are not otherwise defined are used herein as defined in the Certificate of Incorporation.

# macy's inc.

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**FOR IMMEDIATE RELEASE**

**MACY'S, INC. ADOPTS PROXY ACCESS BY-LAWS AMENDMENT**

CINCINNATI, Ohio, March 3, 2016 – Macy's, Inc. today announced that its board of directors has amended the company's by-laws to implement "proxy access," reflecting its ongoing commitment to corporate governance best practices.

"Our board proactively initiated and adopted proxy access consistent with its philosophy of dialogue, transparency and responsiveness to the views of all shareholders," said Terry J. Lundgren, chairman and chief executive officer of Macy's, Inc.

The amended by-laws allow a stockholder or group of no more than 20 stockholders that has maintained continuous ownership of three percent or more of Macy's, Inc.'s common stock for at least three years to include in the Macy's, Inc. proxy materials for an annual meeting of stockholders a number of director nominees up to the greater of two or 20 percent of the directors then in office, provided that the stockholder(s) and the stockholder nominees(s) satisfy the requirements specified in the amended by-laws.

Proxy access will be first available in connection with the 2017 annual meeting of stockholders.

Macy's, Inc., with corporate offices in Cincinnati and New York, is one of the nation's premier retailers, with fiscal 2015 sales of \$27.079 billion. The company operates about 870 stores in 45 states, the District of Columbia, Guam and Puerto Rico under the names of Macy's, Bloomingdale's, Bloomingdale's Outlet, Macy's Backstage and Bluemercury, as well as the macys.com, bloomingdales.com and bluemercury.com websites. Bloomingdale's in Dubai is operated by Al Tayer Group LLC under a license agreement.

All statements in this press release that are not statements of historical fact are forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Such statements are based upon the current beliefs and expectations of Macy's management and are subject to significant risks and uncertainties. Actual results could differ materially from those expressed in or implied by the forward-looking statements contained in this release because of a variety of factors, including conditions to, or changes in the timing of, proposed transactions, prevailing interest rates and non-recurring charges, competitive pressures from specialty stores, general merchandise stores, off-price and discount stores, manufacturers' outlets, the Internet, mail-order catalogs and television shopping and general consumer spending levels, including the impact of the availability and level of consumer debt, the effect of weather and other factors identified in documents filed by the company with the Securities and Exchange Commission. In light of these risks and uncertainties, readers are cautioned not to place undue reliance on forward-looking statements. Except as may be required by applicable law, Macy's disclaims any obligation to update its forward-looking statements for any reason.

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(NOTE: Additional information on Macy's, Inc., including past news releases, is available at [www.macysinc.com/pressroom](http://www.macysinc.com/pressroom))

# macy's inc.

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**FOR IMMEDIATE RELEASE**

**MACY'S, INC. INCREASES SHARE REPURCHASE AUTHORIZATION BY \$1.5 BILLION, DECLARES REGULAR APRIL DIVIDEND AND ANNOUNCES INTENT TO INCREASE JULY DIVIDEND**

CINCINNATI, Ohio, February 26, 2016 – Macy's, Inc.'s board of directors today announced actions to enhance the company's shareholder returns through an increase of \$1.5 billion in share repurchase authorization and its intent to increase the July dividend by 5 percent. The company also is declaring a regular April dividend.

“Our company continues to generate significant cash flow. We are committed to enhancing shareholder value, in part, through dividends and share repurchases while simultaneously returning our leverage ratio to within our targeted range of 2.5 to 2.8,” said Terry J. Lundgren, chairman and chief executive officer of Macy's, Inc.

**Increased Share Repurchase Authorization**

The board has increased the company's share repurchase authorization by \$1.5 billion. After giving effect to this increase, the remaining authorization outstanding, as of the end of the 2015 fourth quarter on Jan. 30, 2016, is approximately \$2 billion. The company can use the authorization to purchase common shares in the open market, in privately negotiated transactions or otherwise at any time and from time to time without prior notice.

Since resuming its share repurchase program in August 2011, Macy's, Inc. has bought back approximately 152.2 million shares for approximately \$7.3 billion through Jan. 30, 2016.

**April Dividend Declared**

The board today declared a regular quarterly dividend of 36 cents per share on Macy's common stock, payable April 1, 2016, to shareholders of record at the close of business on March 15, 2016.

**July Dividend Increase**

Macy's, Inc.'s board also announced its intent to increase the quarterly dividend on Macy's common stock to 37.75 cents per share from the current 36 cents per share, effective with the July 1 dividend payment. The record date for the July dividend, which the board will set at a future time, is expected to be on or about June 15, 2016.

The July dividend will be the sixth increase in the past five years and represents a more than seven-fold increase from 5 cents per share in 2009 to 37.75 cents per share.

Macy's, Inc., with corporate offices in Cincinnati and New York, is one of the nation's premier retailers, with fiscal 2015 sales of \$27.079 billion. The company operates about 870 stores in 45 states, the District of Columbia, Guam and Puerto Rico under the names of Macy's, Bloomingdale's, Bloomingdale's Outlet, Macy's Backstage and Bluemercury, as well as the macys.com, bloomingdales.com and bluemercury.com websites. Bloomingdale's in Dubai is operated by Al Tayer Group LLC under a license agreement.

All statements in this press release that are not statements of historical fact are forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Such statements are based upon the current beliefs and expectations of Macy's management and are subject to significant risks and uncertainties. Actual results could differ materially from those expressed in or implied by the forward-looking statements contained in this release because of a variety of factors, including conditions to, or changes in the timing of, proposed transactions, prevailing interest rates and non-recurring charges, competitive pressures from specialty stores, general merchandise stores, off-price and discount stores, manufacturers' outlets, the Internet, mail-order catalogs and television shopping and general consumer spending levels, including the impact of the availability and level of consumer debt, the effect of weather, the timing and amount of repurchases of Macy's, Inc. common shares, if any, changes to Macy's, Inc.'s expected liquidity position, the possibility that the repurchase program may be suspended or discontinued, final board approval of the July dividend, and other factors identified in documents filed by the company with the Securities and Exchange Commission. In light of these risks and uncertainties, readers are cautioned not to place undue reliance on forward-looking statements. Except as may be required by applicable law, Macy's disclaims any obligation to update its forward-looking statements for any reason.

(NOTE: Additional information on Macy's, Inc., including past news releases, is available at [www.macysinc.com/pressroom](http://www.macysinc.com/pressroom))