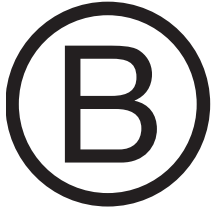


**Certified**



**Corporation™**

**bcorporation.net**

**the change we seek™**

## **Term Sheet for Class of 2010 B Corporations™<sup>1</sup>**

Corporations in States with Constituency Statutes, LLCs, and Partnerships

### **Introduction**

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This document outlines the terms for certification as a B Corporation™.

B Lab envisions a new sector of the economy which harnesses the power of business to solve social and environmental problems. This sector is comprised of a new type of corporation – the B Corporation™ - that creates benefit for all stakeholders, not just shareholders. B Corporations™ 1) meet comprehensive and transparent social and environmental performance standards; 2) institutionalize stakeholder interests; and 3) build collective voice through the power of a unifying brand.

The mission of B Lab, a nonprofit organization, is to 1) certify and support B Corporations who achieve a minimum score on the B Ratings System and expand the responsibilities of their corporation to include consideration of the interests of employees, community, and environment; and 2) build mission-aligned capital markets and tax, procurement, and investment incentives for B Corporations.

### **Governance Overview**

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B Lab is governed by an independent Board of Directors and the performance standards used to certify B Corporations are governed by an independent Standards Advisory Council. Membership of both is transparent and available at [www.bcorporation.net](http://www.bcorporation.net). All submissions for B Corporation™ certification will be reviewed by B Lab; acceptance into and continued participation in the B Corp community is at the sole discretion of B Lab and its Board of Directors.

### **Terms**

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B Corporations™ who receive certification in 2010 will:

- Be certified for a two year term beginning the date of certification
- Meet performance standards for B Corp certification:
  - Submit completed Version 2.0 of the B Impact Assessment for review and receive a passing score (80/200)
  - Submit to an audit if randomly selected (B Lab randomly audits 20% of all B Corporations over the 2 year certification period)
  - Attach all required documentation, found in Step 3 of Become a B, to complete their B Impact Assessment™ Submission

## Terms (cont'd)

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- Meet legal standards for B Corp certification:
  - Obtain Board (or other Governing Body) approval to amend their corporate governing documents to institutionalize stakeholder interests within 12 months of certification
  - Schedule a Shareholder's Meeting to be held within 12 months of certification to approve the amendment of the corporate governing documents
  - Submit a copy of the Company's amended governing documents within 12 months of certification
- Abide by intellectual property requirements:
  - Use B Corporation™ intellectual property, including the name 'B Corporation™', and the 'B Corporation™ Seal', consistent with the 'B Corporation™ Brand Usage Guidelines' provided by B Lab.
  - Allow the Company's names and logos to be used by B Lab for the limited purpose of promoting the community of B Corporations
- Sign the B Corporation™ Declaration of Interdependence as a symbol of their commitment to our shared collective purpose
- Pay B Lab an annual certification fee based on the tiered structure below

Annual Sales	Annual Fee
\$0 - \$1,999,999 MM	\$500
\$2 MM - \$4,999,999 MM	\$1,000
\$5 MM - \$9,999,999 MM	\$2,500
\$10 MM - \$19,999,999 MM	\$5,000
\$20 MM - \$99,999,999 MM	\$10,000
\$100 MM +	\$25,000

- Provided that the company takes and passes the most current version of the B Impact Assessment and completes a review with a B Lab staff member every two years, this Term Sheet will automatically renew unless either party chooses to cancel the contract in writing for any reason.

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## Commitment

By signing below, I agree to the above terms.

\_\_\_\_\_  
Director / Officer

\_\_\_\_\_  
Director / Officer, B Lab

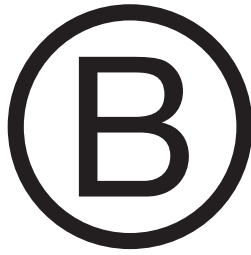
\_\_\_\_\_  
Date

\_\_\_\_\_  
Company

\_\_\_\_\_  
Date

\_\_\_\_\_  
Company

Certified



Corporation™

bcorporation.net

# Declaration of Interdependence

*We envision a new sector of the economy which harnesses the power of private enterprise to create public benefit. This sector is comprised of a new type of corporation — the B Corporation™ — which is purpose-driven and creates benefit for all stakeholders, not just shareholders.*

*As members of this emerging sector and as entrepreneurs and investors in B Corporations™,*

## *We hold these truths to be self-evident:*

*That we must be the change we seek in the world;*

*That all business ought to be conducted as if people and place mattered;*

*That, through their products, practices, and profits, businesses should aspire to do no harm and benefit all.*

*To do so, requires that we act with the understanding that we are each dependent upon another and thus responsible for each other and future generations.*

\_\_\_\_\_  
Director / Officer

\_\_\_\_\_  
Director / Officer, B Lab

\_\_\_\_\_  
Date

\_\_\_\_\_  
Company

\_\_\_\_\_  
Date

**the change we seek™**