# GEMHOLDINGS

## CERTIFICATE OF INCORPORATION

*Commonwealth of Redmont · Registered under the Legal Entity Act*

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Know all persons by these presents that the undersigned, being of lawful capacity and acting as incorporator, does hereby form a Corporation pursuant to the Legal Entity Act of the Commonwealth of Redmont, and does hereby certify as follows:

### Article 1 — Registered Name

The registered name of this Corporation is **GemHoldings** (also referred to as "GH").

### Article 2 — In-Game Company

The name of the in-game company registered in the business plugin is **GemHoldings**.

### Article 3 — Incorporator

This Corporation is incorporated by: **kenny019**.

### Article 4 — Nature of Business

The purpose of GemHoldings is to operate as a private equity and investment firm within the Commonwealth of Redmont, deploying capital into businesses, real estate, and public-facing infrastructure to create durable value in the DemocracyCraft economy. The Corporation is authorized to engage in any lawful act or activity for which a Corporation may be organized under the Laws of the Commonwealth of Redmont. The primary business activities of this entity shall include, but are not limited to:

(a) Acquiring, holding, and managing equity stakes in, or outright ownership of, other businesses, including operational improvement of acquired ventures;

(b) Purchasing, owning, leasing, and managing commercial and industrial real estate, subject to applicable plot ownership caps and zoning rules;

(c) Building, owning, and operating shared economic infrastructure, including payments, events, and marketplace services;

(d) Acting as a transparent market-maker and liquidity provider at posted prices;

(e) Any other lawful business or financial activity as approved by the Board of Directors.

## Article 5 — Share Structure

The Corporation shall have a single class of shares:

- **Class Name:** Common Shares
- **Authorized Shares:** 1,000,000
- **Par Value:** $0.10 per share
- **Voting Rights:** one (1) vote per share on all matters put to shareholders
- **Economic Rights:** full proportional interest in dividends declared and in assets upon dissolution

The initial and sole shareholder of GemHoldings, holding one hundred percent (100%) of the issued shares (1,000,000 Common Shares), is: **kenny019**.

## Article 6 — Capital Contributions

The initial capital contribution of the founding shareholder, **kenny019**, shall be $100,000. In consideration for that contribution, the Corporation shall issue its 1,000,000 Common Shares **to kenny019, the founding shareholder and incorporator**, representing one hundred percent (100%) of the issued shares. No minimum initial capital contribution is required. Additional capital contributions may be made at the discretion of the shareholders as needed to fund the operations of the Company.

Where additional capital is required, the Board of Directors may authorize the issuance of additional shares, provided that: (a) shares are issued at or above fair market value; (b) all issuances are disclosed to existing shareholders by filing in the Company Docket; and (c) any issuance resulting in more than ten percent (10%) dilution of existing voting power is approved by shareholders holding more than fifty percent (>50%) of the voting power.

## Article 7 — Board of Directors

GemHoldings shall be managed by or under the direction of a Board of Directors. The first director of the Corporation is **kenny019**, who shall serve as Chairperson with full authority over the management and affairs of the Company, subject to this Certificate of Incorporation and the Legal Entity Act. There is no fixed maximum number of board seats.

(1) **Appointment, Election & Removal.** Directors are appointed, elected, and removed by a shareholder resolution adopted by a simple majority — more than fifty percent (>50%) — of the total voting power, in accordance with Article 9. Until the first directors are appointed, the incorporator(s) shall serve as the first director(s). A director may resign at any time by notice filed in the Company Docket. The appointment, election, removal, or resignation of any director shall be filed in the Company Docket and shall state the director's name and title.

(2) **Board Quorum.** A quorum for any meeting or resolution of the Board is a majority of the directors then in office — that is, more than fifty percent (>50%) of the directors. Where the Board consists of a single director, that director alone constitutes a quorum.

(3) **Board Resolutions.** Except where this Certificate of Incorporation or the Legal Entity Act requires a higher threshold, an act of the Board requires the affirmative vote of a majority — more than fifty percent (>50%) — of the directors present at a meeting at which a quorum is present, or the written consent of a majority (more than fifty percent, >50%) of the directors then in office.

(4) **Compensation.** Unless otherwise restricted by this Certificate of Incorporation or the Bylaws, the Board may set the compensation of directors.

### Article 8 — Officers

Executive officers shall be appointed and removed by the Board of Directors and shall include at minimum a Chief Executive Officer (CEO). Additional roles such as Chief Financial Officer (CFO), Chief Operating Officer (COO), Head of Acquisitions, and Head of Legal & Compliance may be established at the Board's discretion. Officers act under the supervision of the Board and within the scope of their designated roles.

### Article 9 — Shareholder Meetings, Information & Resolutions

(1) **Calling a Resolution.** Any shareholder, manager, or director may call for a resolution to be put to the shareholders.

(2) **Quorum.** A quorum for a shareholder resolution is shareholders holding at least fifty percent (50%) of the total voting power. Explicit, affirmative abstentions count towards the quorum.

(3) **Voting Period & Posting.** A resolution must be open for vote for at least forty-eight (48) hours and must be posted where the relevant shareholders can access it and cast their votes; posting in the Company Docket always satisfies this requirement.

(4) **Passage.** Except where this Certificate of Incorporation or the Legal Entity Act requires a higher threshold, a shareholder resolution passes upon the affirmative vote of a simple majority — more than fifty percent (>50%) — of the voting power cast. Votes are counted by voting power, not by the number of shareholders.

(5) **Elevated Thresholds.** The matters listed in Article 14 (Amendments) require the elevated approval thresholds stated therein.

(6) **Quorum Failure.** Where a resolution fails for lack of quorum, the persons eligible to vote shall be notified and the resolution may be reposted after seventy-two (72) hours; for ten (10) days thereafter, the quorum requirement shall be suspended for that resolution, as provided by the Legal Entity Act.

(7) **Filing.** Any resolution or outcome that the law requires to be filed shall be filed in the Company Docket.

(8) **Shareholder Meetings.** Shareholder meetings shall be conducted in the company Discord, by text or voice. A meeting may be called by the Board or by any shareholder, with at least forty-eight (48) hours notice given in the company Discord stating the time and agenda. The quorum in Article 9(2) applies, and a summary of any meeting, including the outcome of any votes, shall be posted in the company Discord; outcomes that the law requires to be filed shall be filed in the Company Docket.

(9) **Shareholder Updates.** The Corporation shall keep shareholders informed through the company Discord, including notice of any material event — such as share issuances, changes to the Board or officers, or major acquisitions or disposals — within seventy-two (72) hours of its occurrence.

### Article 10 — Profit and Loss Distribution

All profits and losses shall be allocated to shareholders in proportion to their shareholdings. As a matter of current policy, profits shall be reinvested in the Company and no distributions shall be made until the Board of Directors determines otherwise. Distributions, when declared, shall be at such times and amounts as the Board determines in its discretion. No distribution shall be made that would render the Company unable to pay its debts as they become due in the ordinary course of business.

### Article 11 — Transfer of Shares & Shareholder Exit Events

(1) **Voluntary Transfers & Right of First Refusal.** A shareholder may transfer their shares subject to the following: (a) the transferring shareholder must first offer the shares to existing shareholders on the same terms, with not less than forty-eight (48) hours notice; (b) if no existing shareholder exercises this right, the transfer to a third party may proceed; (c) all transfers must be filed in the Company Docket in accordance with the Legal Entity Act before taking effect.

(2) **Divestment (Buy-Sell).** A shareholder wishing to divest shall give notice to the Board. The shares shall first be offered under the right of first refusal in Article 11(1), and the Corporation may instead elect, by Board resolution, to buy back the shares at fair value, subject to the buyback thresholds in Article 14.

(3) **Demise or Incapacitation.** If a shareholder permanently leaves or is permanently banned from the server, or is inactive and unreachable for sixty (60) or more consecutive days, the Corporation and the remaining shareholders (pro rata) may purchase that shareholder's shares at fair value within thirty (30) days of the Board posting notice in the Company Docket. Any shares not purchased pass to the shareholder's designated successor or, where none exists, are cancelled with their fair value owed by the Corporation to the departed shareholder.

(4) **Drag-Along Rights.** If shareholders holding at least seventy-five percent (75%) of the total voting power approve a sale of all shares of the Corporation to a third party, all remaining shareholders shall be required to sell on the same price and terms.

(5) **Tag-Along Rights.** If a transfer to a third party would convey more than fifty percent (50%) of the total voting power, every other shareholder is entitled to join the sale on the same price and terms, pro rata to their holding.

(6) **Fair Value.** Fair value is the price agreed between the parties or, failing agreement, a value set by the Board in good faith based on the Corporation's net assets and the most recent share issuance or transfer price.

(7) **Filing.** Every transfer, buy-back, or succession under this Article shall be filed in the Company Docket in accordance with the Legal Entity Act before taking effect.

## Article 12 — Liability

The debts, obligations, and liabilities of GemHoldings, whether arising in contract, tort, or otherwise, shall be solely those of the Company. No shareholder, director, officer, employee, or other agent shall be personally obligated for any such debt, obligation, or liability solely by reason of being such a shareholder, director, officer, employee, or agent.

## Article 13 — Regulatory Compliance

GemHoldings shall at all times comply with all applicable laws and regulations of the Commonwealth of Redmont, including but not limited to:

(a) The Legal Entity Act;

(b) The Commercial Standards Act, including prohibitions on market manipulation, insider trading, embezzlement, fraud, and price fixing;

(c) The Property Standards Act, including plot ownership caps, zoning, and tenant and disclosure rules;

(d) The Credit Standards Act, including written disclosure requirements for all credit extended to consumers;

(e) The Financial Reporting Act, requiring accuracy in any audit or financial reports issued.

## Article 14 — Amendments

Amendments to this Certificate of Incorporation shall require the affirmative vote of shareholders holding more than fifty percent (>50%) of the total voting power. The following matters shall require the affirmative vote of shareholders holding at least seventy-five percent (75%) of the total voting power: dissolution or winding up; any merger or consolidation; any issuance resulting in more than ten percent (10%) dilution of existing voting power; and any buyback affecting more

than ten percent (10%) of outstanding shares. Where an amendment would adversely affect the rights of a share class, it shall additionally require the approval of a majority (more than fifty percent, >50%) of that class. Any approved amendment shall be filed in the Company Docket and shall become effective upon such filing.

**Article 15 — Bylaws**

GemHoldings may adopt, amend, or repeal bylaws governing its internal affairs to the extent not inconsistent with this Certificate or the Legal Entity Act, as authorized by Part III, Section 5 of the Legal Entity Act. In the event of any conflict between the Bylaws and this Certificate, this Certificate shall control. Bylaws may be adopted, amended, or repealed by the Board of Directors by a majority — more than fifty percent (>50%) — vote of the Board.

**Article 16 — Existence**

GemHoldings shall have perpetual existence unless dissolved in accordance with the provisions of the Legal Entity Act of the Commonwealth of Redmont.

**Article 17 — Dissolution**

The dissolution of GemHoldings shall be governed by the default provisions of the Legal Entity Act, unless otherwise determined by shareholders. The dissolution process shall be initiated by the Board adopting a dissolution resolution posted in the Company Docket, approved by shareholders holding at least seventy-five percent (75%) of the total voting power per Article 14, followed by winding up of affairs and the filing of a Certificate of Dissolution in the Company Docket.

**Article 18 — Execution**

In witness whereof, the undersigned incorporator has executed this Certificate of Incorporation as of the date set forth below, and certifies that the facts stated herein are true.

**Name:** kenny019

**Title:** Incorporator, Chairperson of the Board of Directors & Chief Executive Officer

**Date:** 9 June 2026

**Signature:** 

*This document is submitted to the Department of Commerce for registration in accordance with the Legal Entity Act.*