

(the "Bylaws"), and the General Corporation Law of the State of Delaware (the "DGCL"). Copies of the Certificate of Incorporation and Bylaws have been incorporated by reference as exhibits herein.

General

The total number of authorized capital stock of the Company is 75,000,000 shares of common stock of the par value of \$0.01 per share (the "Common Stock") and 2,000,000 shares of preferred stock of the par value of \$0.01 per share (the "Preferred Stock"). As of May 16, 2023, there were 46,391,389 shares of Common Stock outstanding (excluding 3,420,502 shares of treasury stock), and no shares of Preferred Stock outstanding.

Common Stock

The holders of shares of our common stock are entitled to one vote per share on all matters to be voted upon by our stockholders and there are no cumulative rights. The holders of shares of our common stock are entitled to receive ratably any dividends that may be declared from time to time by our Board of Directors (the "Board") out of funds legally available for that purpose. In the event of our liquidation, dissolution or winding up, the holders of shares of our common stock are entitled to share ratably in all assets remaining after payment of liabilities. Our common stock has no preemptive or conversion rights or other subscription rights. There are no redemption or sinking fund provisions applicable to our common stock. The outstanding shares of our common stock are fully paid and non-assessable.

Our common stock is listed on the Nasdaq Capital Market under the symbol "KRMD". The stock transfer agent for our securities is Continental Stock Transfer and Trust Company of New York, New York.

Preferred Stock

We are authorized to issue "blank check" preferred stock, which may be issued in one or more series upon authorization of our Board. Our Board is authorized to fix the designation of the series, the number of authorized shares of the series, dividend rights and terms, conversion rights, voting rights, redemption rights and terms, liquidation preferences and any other rights, powers, preferences and limitations applicable to each series of preferred stock. Since no shares of preferred stock are currently outstanding, there are currently no redemption or sinking fund provisions applicable to our preferred stock. The authorized shares of our preferred stock are available for issuance without further action by our stockholders, unless such action is required by applicable law or the rules of any stock exchange on which our securities may be listed. If the approval of our stockholders is not required for the issuance of shares of our preferred stock, our Board may determine not to seek stockholder approval.

A series of our preferred stock could, depending on the terms of such series, impede the completion of a merger, tender offer or other takeover attempt. Our Board will make any determination to issue preferred shares based upon its judgment as to the best interests of our stockholders. Our directors, in so acting, could issue preferred stock having terms that could discourage an acquisition attempt through which an acquirer may be able to change the composition of our Board, including a tender offer or other transaction that some, or a majority, of our stockholders might believe to be in their best interests or in which stockholders might receive a premium for their stock over the then-current market price of the stock.

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Limitation of Liability

Delaware law permits a corporation to adopt a provision in its certificate of incorporation eliminating or limiting, with exceptions, the monetary liability of a director to the corporation or its stockholders for breach of the director's fiduciary duties. The Company's Certificate of Incorporation includes provisions that eliminate the liability of directors to the Company or its stockholders for monetary damages for a breach of fiduciary duties as directors to the fullest extent permitted by Delaware law. Under Delaware law, such a provision may not eliminate or limit a director's monetary liability for: (i) breaches of the director's duty of loyalty to the corporation or its stockholders; (ii) acts or omissions not in good faith or involving intentional misconduct or knowing violation of law; (iii) the payment of unlawful dividends or unlawful stock repurchases or redemptions; or (iv) transactions in which the director received an improper personal benefit.

Anti-Takeover Effects

The Company's Certificate of Incorporation and Bylaws contain provisions which:

- provide that the Board may authorize the issuance from time to time of shares of Preferred Stock in one or more series and in general may fix the designations, powers, rights, and preferences, and the qualifications, limitations and restrictions thereof, of each such series;
- establish advance notice requirements for stockholders to nominate candidates for election as directors or present other business for consideration at meetings of stockholders;
- limiting stockholders' ability to call special meetings of stockholders; and
- pursuant to Section 115 of the DGCL, provide that the sole and exclusive forum for certain "internal corporate claims" will be the Court of Chancery of the State of Delaware (or, if such court does not have jurisdiction, the state or federal courts in the State of Delaware).

Item 2. Exhibits

<u>Exhibit No.</u>	<u>Description</u>
3.1	Certificate of Incorporation effective May 11, 2023 (incorporated by reference to the Company's Form 8-K filed with the SEC on May 17, 2023).
3.2	Bylaws dated May 11, 2023 (incorporated by reference to the Company's Form 8-K filed with the SEC on May 17, 2023).

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SIGNATURE

Pursuant to the requirements of Section 12 of the Securities Exchange Act of 1934, the registrant has duly caused this registration statement to be signed on its behalf by the undersigned, thereto duly authorized.

Date: May 17, 2023

KORU MEDICAL SYSTEMS, INC.

By: /s/ Thomas Adams

Name: Thomas Adams

Title: Interim Chief Financial Officer

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