

Comparison of Nasdaq and NYSE Corporate Governance Requirements, Quantitative Listing Standards and Fees

CORPORATE GOVERNANCE REQUIREMENTS

ATTRIBUTE	NASDAQ LISTING STANDARDS	NYSE LISTING STANDARDS
1. BOARD OF DIRECTORS		
1.1. Majority of Independent Directors:	<p>A majority of the board of directors (the “Board”) must meet the definition of independence.</p> <p>See phase-in provisions for IPO companies in Section 2.4 below.</p>	<p>A majority of the Board must meet the definition of independence.</p> <p>See phase-in provisions for newly listed issuers in Section 2.4 below.</p>
1.2. Definition of Independence:	<p>Subject to specific exceptions, must have not been an employee of the company for the last three years and have no relationship that, in the opinion of the Board, would interfere with the exercise of independent judgment.</p> <p>A more restrictive definition is applicable to Audit Committee members and Compensation Committee members (see discussion below).</p> <p>See <u>Exhibit A</u> for a more fulsome definition of independence.</p>	<p>Subject to specific exceptions, must have not been an employee of the company for the last three years and have no material relationship (including commercial, industrial, banking, consulting, legal, accounting, charitable and familial relationships, among others) with the company (either directly or as a partner, shareholder or officer of an organization that has a relationship with the company), as affirmatively determined by the Board.</p> <p>A more restrictive definition is applicable to Audit Committee members and at least two additional factors must be considered in assessing the independence of Compensation Committee members (see discussion below).</p> <p>See <u>Exhibit A</u> for a more fulsome definition of independence.</p>
1.3. Disclosure Requirements:	<p>Must disclose its independent directors in its annual proxy statement or Form 10-K.</p>	<p>Board must disclose its basis for determining that a relationship is not material to a determination of independence in its annual proxy statement or Form 10-K. The NYSE permits a Board to adopt categorical standards regarding independence, but such categorical standards must be disclosed. If a director is found to meet such standards, the Board is permitted to make a general disclosure, but a specific disclosure must be made if any director is found to be independent even though he or she is not deemed to meet the company’s adopted standards.</p>

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1.4. Executive Sessions:	The independent directors must have regularly scheduled meetings (at least twice a year) at which only independent directors are present.	<p>Requires that “non-management” directors meet at regularly scheduled executive sessions without management participation. “Non-management” directors are those directors who are not executive officers, even if they are not independent. If the regularly scheduled meetings include non-independent directors, the Board must schedule at least one executive session per year exclusively for independent directors.</p> <p>Also requires the company to disclose in its annual proxy statement or Form 10-K:</p> <ul style="list-style-type: none"> • The name of the director chosen to preside at the executive sessions, or, alternatively, the procedure for selecting the presiding director; and A method for interested parties to communicate directly with either the presiding director or the non-management directors as a group.
1.5. Diversity Requirements:	<p>None.</p> <p>Companies are no longer required to comply with Nasdaq’s board diversity rules, Rules 5605(f) and 5606. On Dec. 11, 2024, the U.S. Court of Appeals for the 5th Circuit vacated the Securities and Exchange Commission’s approval of Nasdaq’s board diversity disclosure rules. Nasdaq has notified its listed companies that, as a result, companies will no longer be required to follow Nasdaq’s board diversity disclosure rules.</p>	None.
2. INDEPENDENT COMMITTEES		
2.1. Requirements:	<p>Each company must have the following committees composed of independent directors:</p> <ul style="list-style-type: none"> • Audit Committee (see below for additional details on assessing independence); • Compensation Committee (see below for additional details on assessing independence). <p>In addition, companies must make certain that director nominees are either selected, or recommended for the Board’s selection, by either a majority of the independent directors, or by a nominations committee comprised solely of independent directors (referred to herein as the “Nominating Committee”).</p> <p>Committee charters must also satisfy specific requirements.</p>	<p>Each company must have the following committees composed of independent directors:</p> <ul style="list-style-type: none"> • Audit Committee (see below for additional details on assessing independence); • Compensation Committee (see below for additional details on assessing independence); and • Nominating Committee. <p>Committee charters must satisfy specific requirements.</p>
2.2. Special Independence Rules for Audit Committees:	<p>The Audit Committee must be composed of at least three (3) members, each of whom:</p> <ul style="list-style-type: none"> • is independent, as discussed above; 	<p>The Audit Committee must be composed of at least three (3) members, each of whom:</p> <ul style="list-style-type: none"> • is independent, as discussed above; and

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	<ul style="list-style-type: none"> meets the criteria for independence set forth in Rule 10A-3(b)(1) of the Securities Exchange Act of 1934, as amended (the “Exchange Act”) (which criteria, commonly referred to as “Super-Independence,” is set forth in Exhibit A); has not participated in the preparation of the financial statements of the company or any current subsidiary of the company at any time during the past three years; and is able to read and understand fundamental financial statements, including a company’s balance sheet, income statement and cash flow statement. <p>Additionally, the company must certify that it has, and will continue to have, at least one member of the Audit Committee who has past employment experience in finance or accounting, requisite professional certification in accounting, or any other comparable experience or background which results in the individual’s financial sophistication, including being or having been a chief executive officer, chief financial officer or other senior officer with financial oversight responsibilities. The Nasdaq rules do not require that the Audit Committee have as one of its members an “Audit Committee financial expert,” as this term is defined in Exhibit A. However, applicable SEC rules require that the company disclose in its next Annual Report on Form 10-K (if applicable) whether or not at least one of the members of the Audit Committee is an “Audit Committee financial expert” and, if so, name him or her.</p>	<ul style="list-style-type: none"> meets the criteria for independence set forth in Rule 10A-3(b)(1) of the Exchange Act (which Super-Independence criteria is set forth in Exhibit A); <p>Each member of the Audit Committee must be financially literate, as such qualification is interpreted by the listed company’s board in its business judgment, or must become financially literate within a reasonable period of time after his or her appointment to the Audit Committee. In addition, at least one (1) member of the Audit Committee must have accounting or related financial management expertise, as the listed company’s board interprets such qualification in its business judgment. While NYSE rules do not require that the Audit Committee have as one of its members an “Audit Committee financial expert,” as this term is defined in Exhibit A, a board may presume that such a person has accounting or related financial management expertise. However, applicable SEC rules require that the company disclose in its next Annual Report on Form 10-K (if applicable) whether or not at least one of the members of the Audit Committee is an “Audit Committee financial expert” and, if so, name him or her.</p>

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<p>2.3. Special Independence Rules for Compensation Committees:</p>	<p>The Compensation Committee must be composed of at least two (2) members who are independent, as discussed above.</p> <p>In addition, in affirmatively determining the independence of any director who will serve on the Compensation Committee, the board of directors must consider all factors specifically relevant to determining whether a director has a relationship to the company which is material to that director's ability to be independent from management in connection with the duties of a Compensation Committee member, including, but not limited to:</p> <ul style="list-style-type: none"> the source of compensation of such director, including any consulting, advisory or other compensatory fee paid by the company to such director; and whether such director is affiliated with the company, a subsidiary of the company or an affiliate of a subsidiary of the company. <p>In addition, the Compensation Committee should meet the independence criteria of Rule 16b-3 under the Exchange Act, which requires that a Compensation Committee be composed solely of two (2) or more "Non-Employee Directors" as defined in Exhibit A.</p>	<p>The Compensation Committee must be composed of members who are independent, as discussed above.</p> <p>In addition, in determining the independence of any director who will serve on the Compensation Committee, the Board must consider all factors specifically relevant to determining whether a director has a relationship to the company which is material to that director's ability to be independent from management in connection with the duties of a Compensation Committee member, including, but not limited to:</p> <ul style="list-style-type: none"> the source of compensation of such director, including any consulting, advisory or other compensatory fee paid by the company to such director; and whether such director is affiliated with the company, a subsidiary of the company or an affiliate of a subsidiary of the company. <p>In addition, the Compensation Committee should meet the independence criteria of Rule 16b-3 under the Exchange Act, which requires that a Compensation Committee be composed solely of two (2) or more "Non-Employee Directors" as defined in Exhibit A.</p>
<p>2.4. Phase-in Periods for IPOs:</p>		
<p>2.4.1. Phase-in for board independence requirement:</p>	<p>The company shall have 12 months from the date the securities first trade ("Listing Date") to comply with the majority independent Board requirement.</p>	<p>The company must comply with the requirement that a majority of its Board members be independent by the first anniversary of the Listing Date.</p>

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<p>2.4.2. Phase-in for Audit Committee composition requirement:</p>	<ul style="list-style-type: none"> (1) One (1) member must satisfy the requirements by the Listing Date, (2) A majority of members must satisfy the requirements within 90 days of the effective date of its registration statement*, and (3) All members must satisfy the requirements within one year of the effective date of its registration statement. <p>With respect to the requirement to have at least three (3) members on the Audit Committee, the company must have:</p> <ul style="list-style-type: none"> (1) At least one (1) member by the Listing Date, (2) At least two (2) members within 90 days of the Listing Date, and (3) At least three (3) members within one year of the Listing Date. <p>* <u>Note</u>: the effective date of a company's registration statement is typically one day before the Listing Date, so there is a technical distinction here, but companies should assume the earlier day for compliance.</p>	<p>The company must have</p> <ul style="list-style-type: none"> (1) At least one (1) independent member on its Audit Committee that satisfies the requirements of Rule 10A-3 and, if applicable, Section 303A.02, by the Listing Date, (2) At least a majority of independent members within 90 days of the effective date of its registration statement, and (3) A fully independent committee within one year of the effective date of its registration statement. <p>With respect to the requirement that the Audit Committee have at least three (3) members, the company must have</p> <ul style="list-style-type: none"> (1) At least one (1) member on its Audit Committee by the Listing Date, (2) At least two (2) members within 90 days of the Listing Date, and (3) At least three (3) members within one year of the Listing Date. <p>* <u>Note</u>: the effective date of a company's registration statement is typically one day before the Listing Date, so there is a technical distinction here, but companies should assume the earlier day for compliance.</p>
<p>2.4.3. Phase-in for Compensation Committee composition requirement:</p>	<p>The company shall be permitted to phase in compliance with composition requirements as set forth below:</p> <ul style="list-style-type: none"> (1) One (1) member must satisfy the requirements by the earlier of the date the IPO closes or five business days from the Listing Date, (2) A majority of members must satisfy the requirements within 90 days of the Listing Date, and (3) All members must satisfy the requirements within one year of the Listing Date. <p>With respect to the requirement to have at least two (2) members on the Compensation Committee, the company must have</p> <ul style="list-style-type: none"> (1) At least one (1) member by the Listing Date, and (2) At least two (2) members within one year of the Listing Date. 	<p>The company must have</p> <ul style="list-style-type: none"> (1) At least one (1) independent member by the earlier of the date the IPO closes or five business days from the Listing Date, (2) At least a majority of independent members within 90 days of the Listing Date, and (3) All members must satisfy the requirements within one year of the Listing Date.

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2.4.4. Phase-in for Nominating Committee composition requirement:	<p>The company shall be permitted to phase in compliance with composition requirements as set forth below:</p> <ul style="list-style-type: none"> (1) One (1) member must satisfy the requirements by the earlier of the date the IPO closes or five business days from the Listing Date, (2) A majority of members must satisfy the requirements within 90 days of the Listing Date, and (3) All members must satisfy the requirements within one year of the Listing Date. 	<p>The company must have</p> <ul style="list-style-type: none"> (1) At least one (1) independent member by the earlier of the date the IPO closes or five business days from the Listing Date, (2) At least a majority of independent members on each committee within 90 days of the Listing Date, and (3) Fully independent committees within one year of the Listing Date.
3. ADDITIONAL CORPORATE GOVERNANCE MATTERS		
3.1. Corporate Governance Guidelines:	Not required but considered best practice.	<p>Companies must adopt and disclose corporate governance guidelines that must address:</p> <ul style="list-style-type: none"> • Director qualification standards. This should at a minimum reflect the director independence standards described above and may also include other policies such as: <ul style="list-style-type: none"> ○ a limitation on the number of boards on which a director can sit; and ○ director tenure, retirement and succession. • Director responsibilities, including attendance at board meetings and advance review of meeting materials. • Director access to management and, as necessary and appropriate, independent advisors. • Director compensation, including general principles for determining the form and amount of compensation. • Director orientation and continuing education. • Management succession, including policies for: <ul style="list-style-type: none"> ○ selection of the CEO; ○ performance review; and ○ succession following an emergency or retirement. • Annual performance self-evaluation of the board. <p>The guidelines must be posted on the company's website, and the company must disclose in its proxy statement or Form 10-K that the guidelines are available on the site and the website address.</p>

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3.2. Code of Conduct/Business Conduct and Ethics:	Companies must adopt a code of conduct that applies to all directors, officers and employees. Requires that the code address specified matters, including such standards as are reasonably necessary to promote the ethical handling of conflicts of interest, full and fair disclosure, and compliance with laws, rules and regulations. The code must also contain an enforcement mechanism, whistleblower protection for persons reporting under the code, clear and objective standards for compliance and a fair process by which to determine violations. The code must also require that any waiver of the code for executive officers or directors be approved by the Board and must be disclosed on a Form 8-K.	Companies must adopt a code of business conduct and ethics that applies to all directors, officers and employees. Requires that the code address specified matters, including conflicts of interest, corporate opportunities, confidentiality, fair dealing, protection and proper use of listed company assets, compliance with laws, rules and regulations (including insider trading laws) and encouraging the reporting of any illegal or unethical behavior. The code must also require that any waiver of the code for executive officers or directors be approved by the Board or a committee thereof and must be disclosed on a Form 8-K or press release. The code must also contain compliance standards and procedures that will facilitate the effective operation of the code.
3.3. Company Certifications:	The company must promptly notify Nasdaq after any executive officer becomes aware of any noncompliance with Nasdaq's corporate governance requirements.	<p>The CEO must:</p> <ul style="list-style-type: none"> • Certify annually that he or she is not aware of any violation by the company of any NYSE corporate governance standards, and • Notify the NYSE in writing promptly after any executive officer becomes aware of any noncompliance with any provision of the NYSE's corporate governance standards. <p>Companies must submit an executed Written Affirmation annually to the NYSE regarding directors and committee members and independence.</p>
3.4. Internal Audit Function:	None required but considered best practice.	<p>The company must have an internal audit function that provides management and the Audit Committee with ongoing assessments of the company's risk management processes and internal controls.</p> <p>The company can have an internal department or can outsource the requirements to a third party that is not its independent auditor.</p> <p>However, there is a transition period for companies listing as part of an IPO. These companies must have an internal audit function in place by one year from their Listing Date.</p>
3.5. Related Party Transactions:	The Audit Committee or other independent body of the Board must conduct an appropriate review and oversight of all related party transactions (defined as transactions required to be disclosed under Item 404 of Regulation S-K) for potential conflict of interest situations on an ongoing basis.	The Audit Committee or another independent body of the Board must conduct a reasonable prior review and oversight of all related party transactions (defined as transactions required to be disclosed under Item 404 of Regulation S-K) for potential conflicts of interest. Such body should prohibit a transaction if it determines the transaction to be inconsistent with the interests of the company and its shareholders.

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<p>3.6. Stockholder Approvals:</p>	<p>Stockholder approval is generally required for issuing securities under certain circumstances in connection with:</p> <ul style="list-style-type: none"> • Acquisitions of stock or assets of another company. • Equity-based compensation of officers, directors, employees or consultants. • A change in control of the company. • Private placements. <p>In particular, stockholder approval is required for the following:</p> <ul style="list-style-type: none"> • Issuing securities in an acquisition if any director, officer or substantial stockholder has a 5% or more interest (or such persons collectively have a 10% or greater interest) in the company or assets being acquired or the consideration to be paid and the issuance could result in an increase in outstanding common stock or voting power of 5% or more. • Issuing securities in an acquisition if: <ul style="list-style-type: none"> ○ the common stock to be issued will have voting power of 20% or more of the voting power outstanding before the issuance; or ○ the number of shares of common stock to be issued will be 20% or more of the number of shares of common stock outstanding before the issuance. • Stock option plans, stock purchase plans and other equity compensation arrangements by which officers, directors, employees or consultants can acquire stock and any material amendments to those plans and arrangements, subject to certain specified exceptions (such as inducement awards). • Issuing securities that will result in a change of control. • Issuing securities in a transaction that is not a public offering where the sale or issuance of common stock or securities convertible into or exchangeable for common stock is at a price less than the last closing price (or average of the last five closing prices on Nasdaq) and in an amount that, alone or together with sales by directors, officers or substantial holders, equals 20% or more of the number of shares or voting power outstanding before the issuance. 	<p>Stockholder approval is required for the following:</p> <ul style="list-style-type: none"> • Equity compensation plans and any material revisions to those plans, subject to certain limited exceptions (such as inducement awards). • Issuing securities that would result in a change of control. • Issuing common stock or securities convertible into, or exchangeable for, common stock if: <ul style="list-style-type: none"> ○ the common stock will have voting power of 20% or more of the common stock outstanding before the issuance; or ○ the number of shares of common stock to be issued is 20% or more of the number of shares of common stock outstanding before the issuance. • Issuing common stock or securities convertible into, or exchangeable for, common stock in an acquisition if the shares issued as consideration in a transaction in which a director, officer or substantial security holder (a "Related Party") has a 5% or greater interest (or such persons collectively have a 10% or greater interest) in the company or assets being acquired or the consideration to be paid and that could result in an issuance that exceeds either 5% of the number of shares of common stock or 5% of the voting power outstanding before the issuance. • Issuing common stock or securities convertible into, or exchangeable for, common stock to any Related Party, any of their affiliates or subsidiaries or any entity in which they have a substantial interest in an amount that exceeds either 1% of the number of shares of common stock or 1% of the voting power outstanding before the issuance. <p>Stockholder approval is not required for, among other things:</p> <ul style="list-style-type: none"> • A public offering of the stock for cash. • If the transaction(s) resulting in 1% or 20% ownership listed above are at least at a price equal to the official closing price right before the signing of a binding agreement, or the average official closing price for the five trading days immediately before the signing of a binding agreement, unless the transaction resulting in

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		ownership in excess of 20% is in connection with an acquisition of the stock or assets of another company.
3.7. Voting Rights:	<p>The company cannot reduce or restrict unequally the voting rights of existing stockholders by any corporate action or the issuance of securities.</p> <p>Examples of actions or issuances that would reduce or restrict voting rights include:</p> <ul style="list-style-type: none"> • Adopting capped voting rights or time phased voting plans. • Issuing supervoting stock or stock with voting rights less than the per share voting rights of existing common stock through an exchange offer. <p>Companies with a dual class voting structure are permitted to list on Nasdaq and would not be restricted from issuing additional supervoting shares.</p>	<p>The company cannot reduce or restrict unequally the voting rights of existing stockholders by any corporate action or the issuance of securities.</p> <p>Examples of actions or issuances that would reduce or restrict voting rights include:</p> <ul style="list-style-type: none"> • Adopting capped voting rights or time phased voting plans. • Issuing supervoting stock or stock with voting rights less than the per share voting rights of existing common stock through an exchange offer. <p>Companies with a dual class voting structure are permitted to list on the NYSE and would not be restricted from issuing additional supervoting shares.</p>
3.8. Equity Recoupment Policy:	Requires companies to adopt and comply with a clawback policy to recover any incentive-based compensation that was given to executives in error.	Requires companies to adopt and comply with a clawback policy to recovery any incentive-based compensation that was given to executives in error.

LISTING STANDARDS AND FEES

Nasdaq

Nasdaq currently has three listing tiers for public companies. Each of the tiers has different quantitative standards and requirements for listing. The tiers are:

- The Nasdaq Global Select Market
- The Nasdaq Global Market
- The Nasdaq Capital Market

Within each tier, Nasdaq provides several alternatives for each listing requirement to enable a company to list on that tier. Any company can apply to list on any of the three Nasdaq tiers as long as it satisfies the listing requirements. The tables below substantially reproduce the initial quantitative listing requirements for the Nasdaq Global Select Market and the Nasdaq Global Market, which are publicly available and posted by Nasdaq on its website. We believe the company will at least qualify for one of these two tiers so we did not provide the initial listing requirements for the Nasdaq Capital Market.

Nasdaq Global Select Market Initial Listing Requirements

Companies must meet all of the criteria under at least one of the four financial requirements below and the applicable liquidity requirements.

Financial Requirements	Standard 1: Earnings	Standard 2: Capitalization with Cash Flow	Standard 3: Capitalization with Revenue	Standard 4: Assets with Equity
Pre-Tax Earnings (income from continuing operations before income taxes)	Aggregate in prior three fiscal years \geq \$11 million and each of the prior three fiscal years \geq \$0 and each of the two most recent fiscal years \geq \$2.2 million	—	—	—
Cash Flows	—	Aggregate in prior three fiscal years \geq \$27.5 million and each of the prior three fiscal years \geq \$0	—	—
Market Capitalization	—	Average \geq \$550 million over prior 12 months	Average \geq \$850 million over prior 12 months	\$160 million
Revenue	—	Previous fiscal year \geq \$110 million	Previous fiscal year \geq \$90 million	—
Total Assets	—	—	—	\$80 million
Stockholders' Equity	—	—	—	\$55 million
Bid Price	\$4	\$4	\$4	\$4

Liquidity Requirements*	
Round Lot Shareholders or Total Stockholders	450 or 2,200
Unrestricted Publicly Held Shares (shares held by non affiliates)	1,250,000
Market Value of Unrestricted Publicly Held Shares	\$45 million

* The company must also have four registered and active Market Makers unless it satisfies the requirements of the Nasdaq Global Market Income Standard or Equity Standard as set forth below, in which case it must have three registered and active Market Makers.

Nasdaq Global Market Initial Listing Standards

Companies must meet all of the criteria under at least one of the four standards below.

Requirements	Income Standard	Equity Standard	Market Value Standard	Total Assets / Total Revenue Standard
Income from continuing operations before income taxes (in latest fiscal year or in two of last three fiscal years)	\$1 million	—	—	—
Stockholders' Equity	\$15 million	\$30 million	—	—
Market Value of Listed Securities	—	—	\$75 million	—
Total Assets and Total Revenue (in latest fiscal year or in two of last three fiscal years)	—	—	—	\$75 million and \$75 million
Publicly Held Shares	1.1 million	1.1 million	1.1 million	1.1 million
Market Value of Publicly Held Shares ¹	\$8 million	\$18 million	\$20 million	\$20 million
Bid Price	\$4	\$4	\$4	\$4
Shareholders (round lot holders)	400	400	400	400
Market Makers	3	3	4	4
Operating History	—	2 years	—	—

Nasdaq Global Select and Global Market entry and annual fees (effective January 1, 2025):

Entry Fees	
Flat Entry Fee	\$295,000 for any Company other than an Acquisition Company first listing a class of equity securities on the Nasdaq Global or Global Select Market.
Listing of additional class of equity securities	\$25,000 non-refundable initial application fee for any company that lists an additional class of equity securities

Annual Fees	
Total Shares Outstanding ²	Annual Fee
Up to 10 million	\$56,000
10+ to 50 million	\$70,000
50+ to 75 million	\$86,000
75+ to 100 million	\$115,000
100+ to 125 million	\$143,000
125+ to 150 million	\$164,000
Over 150 million	\$193,000

¹ In December 2024, Nasdaq [proposed](#) to modify the listing requirement to require that companies listing in connection with an IPO, including through the issuance of ADRs, satisfy the applicable market value of unrestricted publicly held shares requirement with proceeds from the offering, excluding resale shares from the calculation.

² For equity securities other than, in part, ADRs, Close-end Funds and Limited Partnerships.

NYSE

Initial Listing Requirements

	Minimum Requirements
Minimum Distribution and Size Standards (must satisfy <u>each</u> of these four criteria)	
1. Round Lot Holders (number of holders with at least 100 shares each), including beneficial owners of “street name” shares	400 in US
2. Publicly Held Shares (non affiliate shares)	1,100,000 shares
3. Market Value of Publicly Held Shares	\$40 million
4. Stock Price (IPO Price)	\$4
Minimum Financial Standards (must satisfy <u>one</u> of the following two tests):	
1. Earnings Test (must satisfy one of two alternative sets of standards; certain emerging growth companies (EGCs) must satisfy a third alternative)	
Aggregate pre-tax earnings from continuing operations over the last three years AND Minimum pre-tax earnings in each of the two most recent years AND Pre-tax earnings in the third year must be positive	\$10,000,000 \$2,000,000
OR	
Aggregate pre-tax earnings from continuing operations over the last three years, as adjusted for items listed in Section 102.01C of the NYSE Listed Company Manual AND Minimum pre-tax earnings in the most recent fiscal year AND Minimum pre-tax earnings in the fiscal year before that	\$12,000,000 \$5,000,000 \$2,000,000
OR	
A company that is an EGC and elects to report only two years of audited financial statements in its initial registration statement can qualify under this alternative by having: Aggregate pre-tax earnings from continuing operations over the last two years AND Minimum pre-tax earnings in each of the two most recent years	\$10,000,000 \$2,000,000
OR:	
2. Global Market Capitalization Test	
Global market capitalization	\$200,000,000

NYSE listing and annual fees (effective January 1, 2025)

Listing Fees	
Flat Fee	\$325,000, including \$25,000 initial application fee and additional \$5,000 per additional class of common shares listed
Additional Listing Fees for prior listed classes*	\$0.0048 per share up to and including 75,000,000 shares; \$0.00375 per share from anything above 75,000,000 shares and up to and including 300,000,000 shares; and \$0.0019 for everything over 300,000,000 shares.
Additional Listing Fee for new classes	\$0.004 per share for one or more classes of preferred stock, warrants, or rights, whether initially listed or added later

* In establishing at which tier of the Listing of Additional Shares Fee Schedule a company will pay fees with respect to additional shares of a previously listed class, the Exchange will include the shares covered on its initial listing application in calculating the fees for additional shares of that class. Treasury stock, restricted stock and shares issued in conjunction with the exercise of an over-allotment option, if applicable, are covered on the initial listing application.

Annual Fees**	
Common Stock (primary)	Minimum Fee: \$82,000 Per Share Fee: \$0.001285 per share
Additional class of Common Stock	Minimum Fee: \$20,000 Per Share Fee: \$0.001285 per share
Preferred Stock (primary)	Minimum Fee: \$82,000 Per Share Fee: \$0.001285 per share
Additional class of Preferred Stock	Minimum Fee: \$5,000 Per Share Fee: \$0.001285 per share
Each class of warrants or rights	Minimum Fee: \$5,000 Per Share Fee: \$0.001285 per share

* Annual Fee for each class of equity security listed is equal to the greater of the minimum fee or the fee calculated on a per share basis

EXHIBIT A**COMPARISON OF INDEPENDENCE REQUIREMENTS**

INDEPENDENCE	NASDAQ LISTING STANDARDS	NYSE LISTING STANDARDS
Relationships	<p>Directors meeting any of the following criteria are precluded from being considered independent:</p> <ul style="list-style-type: none"> • a person who at any time during the past three years was employed by the company or any parent or subsidiary of the company (referred to herein together as the company), unless such prior employment was as an interim executive officer for less than a year; • a person whose family member (defined as a person's spouse, parents, children, siblings, mothers and fathers-in-law, sons and daughters-in-law, brothers and sisters-in-law, and anyone (other than domestic employees) who shares such person's home) at any time during the past three years was employed as an executive officer by the company; • a person who is a family member of an individual who is, or at any time during the past three years was, employed by the company as an executive officer; • a person who accepted, or whose family member accepted, payments from the company in excess of \$120,000 during any twelve consecutive months within the past three years (other than: compensation for board or committee service; compensation paid for former service as an interim executive officer as long as such interim employment did not last longer than one year; compensation paid to a family member who is an employee of the company (other than an executive officer); and benefits under a tax-qualified retirement plan or non-discretionary compensation; • a person who is, or whose family member is, a partner in, or a controlling shareholder or executive officer of, any organization to which the company made or from which the company received payments for property or services in the current or any of the past three fiscal years that exceed 5% of the recipient's consolidated gross revenues for that year, or \$200,000, whichever is more (other than payments arising solely from investments in the company's securities or payments under nondiscretionary charitable contribution matching programs); • a person who is, or whose family member is, employed as an executive officer of another entity where at any time during the past three years any of the executive officers of the company serve on the other entity's compensation committee; or 	<p>Directors meeting any of the following criteria are precluded from being considered independent:</p> <ul style="list-style-type: none"> • a person who is, or has been within the last three years, an employee, or whose immediate family member is, or has been within the last three years, an executive officer, of the company (service as an interim chairman or CEO is not a disqualifying relationship); • a person who receives, or whose immediate family member (defined as a person's spouse, parents, children, siblings, mothers- and fathers-in-law, sons- and daughters-in-law, brothers and sisters-in-law and anyone, other than domestic employees, who shares such person's home) receives, direct compensation of more than \$120,000 in any 12-month period, other than compensation received as director and committee fees, pensions or other forms of deferred compensation for prior service (provided such compensation is not contingent in any way on continued service) (payment for service as an interim chairman or CEO, or payment to an immediate family member holding a non-executive officer position need not be considered); • a person who is affiliated with or employed by, or whose immediate family member is affiliated with or employed in a professional capacity by, a present or former internal or external auditor of the company; • a person who is employed, or whose immediate family member is employed, as an executive officer of another company where any of the listed company's present executives serve on that company's compensation committee (i.e., an interlocking compensation committee arrangement); or • a person who is an executive officer or an employee, or whose immediate family member is an executive officer, of a company that makes payments to, or receives payments from, the listed company for property or services in an annual amount exceeding the greater of \$1 million, or 2% of such other company's consolidated gross revenues. Charitable organizations otherwise fitting this standard are not covered, but disclosure must be made in the listed company's annual proxy statement or on or through its website (which disclosure must be referenced in the annual proxy).

INDEPENDENCE	NASDAQ LISTING STANDARDS	NYSE LISTING STANDARDS
	<ul style="list-style-type: none"> a person who is, or whose family member is, a current partner of the company's outside auditor or who was a partner or employee of the company's outside auditor who worked on the company's audit at any time during any of the past three years. 	
Look-Back Period	Each of the independence criteria listed above applies a three-year "lookback" period in determining if an individual (or an immediate family member of an individual) has a relationship that precludes the finding of independence. No individual who had a precluded relationship during the "look-back" period may be determined to be independent (even if such individual no longer has such relationship).	Each of the independence criteria listed above applies a three-year "lookback" period in determining if an individual (or an immediate family member of an individual) has a relationship that precludes the finding of independence. No individual who had a precluded relationship during the "look-back" period may be determined to be independent (even if such individual no longer has such relationship). However, in applying the look-back, companies need not consider individuals who are no longer immediate family members as a result of legal separation or divorce or who have died or become incapacitated.
Stock Ownership	The ownership of stock, by itself, will not preclude a board finding of independence, and purposely was not included in the list of preclusive relationships.	The NYSE does not consider ownership of even a significant amount of stock, by itself, to preclude the finding of independence.
Cure	A company that fails to comply with the independent majority requirement (for the board or a committee thereof) due to either one vacancy or one director ceasing to be independent due to circumstances beyond their reasonable control is given until the earlier of (a) its next annual shareholders meeting or (b) one year from the occurrence of the disqualifying event to regain compliance; provided, however, that if the annual shareholders meeting occurs no later than 180 days following the event that caused the failure to comply with this requirement, the company shall instead have 180 days from such event to regain compliance. A company relying on this cure provision must immediately notify Nasdaq.	The NYSE does not provide any cure provisions for companies that fail to meet the majority independent director requirement.

General Independence Standards

(1) Nasdaq Definition of “Independence” (Nasdaq Listing Rule 5605(a)(2))

An “independent” director means a person other than an executive officer or employee of the company or any other individual having a relationship which, in the opinion of the company’s board of directors, would interfere with the exercise of independent judgment in carrying out the responsibilities of a director. For the purposes of this rule, “Family Member” means a person’s spouse, parents, children, siblings, mothers and fathers-in-law, sons and daughters-in-law, brothers and sisters-in-law, and anyone (other than domestic employees) who shares such person’s home. The following persons shall not be considered independent:

- (A) a director who is, or at any time during the past three years³ was, employed by the company;
- (B) a director who accepted or who has a Family Member who accepted any compensation from the company in excess of \$120,000 during any period of twelve consecutive months within the three years preceding the determination of independence, other than the following⁴: (i) compensation for board or board committee service; (ii) compensation paid to a Family Member who is an employee (other than an Executive Officer) of the company; or (iii) benefits under a tax-qualified retirement plan, or non-discretionary compensation; provided, however, that in addition to the requirements contained in this paragraph (B), audit committee members are also subject to additional, more stringent requirements under Rule 5605(c)(2);
- (C) a director who is a Family Member of an individual who is, or at any time during the past three years was, employed by the company as an Executive Officer;
- (D) a director who is, or has a Family Member who is, a partner in, or a controlling Shareholder or an Executive Officer of, any organization to which the company made, or from which the company received, payments for property or services in the current or any of the past three fiscal years that exceed 5% of the recipient’s consolidated gross revenues for that year, or \$200,000, whichever is more, other than the following: (i) payments arising solely from investments in the company’s securities; or (ii) payments under non-discretionary charitable contribution matching programs;
- (E) a director of the company who is, or has a Family Member who is, employed as an Executive Officer of another entity where at any time during the past three years any of the Executive Officers of the company serve on the compensation committee of such other entity;
- (F) a director who is, or has a Family Member who is, a current partner of the company’s outside auditor, or was a partner or employee of the company’s outside auditor who worked on the company’s audit at any time during any of the past three years; or
- (G) in the case of an investment company, in lieu of paragraphs (A)–(F), a director who is an “interested person” of the company as defined in Section 2(a)(19) of the Investment Company Act of 1940, other than in his or her capacity as a member of the board of directors or any board committee.

Please note that the ownership of stock does not by itself preclude a finding of independence. In interpretive guidance, Nasdaq has stated, “[b]ecause Nasdaq does not believe that ownership of company stock by itself would preclude a board finding of independence, it is not included in the aforementioned objective factors.”

(2) NYSE Definition of “Independent” (NYSE Listed Company Manual Section 303A.02).

- (a) No director qualifies as “independent” unless the board of directors affirmatively determines that the director has no material relationship with the listed company (either directly or as a partner, shareholder or officer of an organization that has a relationship with the company). It is not possible to anticipate, or explicitly to provide for, all circumstances that might signal potential conflicts of interest, or that might bear on the materiality of a director’s relationship to a listed company (references to “listed company” would include any parent or subsidiary in a consolidated group with the listed company). Accordingly, it is best that boards making “independence” determinations broadly consider all relevant facts and circumstances. In particular, when assessing the materiality of a director’s relationship with

³ The three year look-back periods referenced in these rules commence on the date the relationship ceases. For example, a director employed by the Company is not independent until three years after such employment terminates.

⁴ Non-preferential payments made in the ordinary course of providing business services, payments arising solely from investments in the company’s securities and loans permitted under Section 13(k) of the Exchange Act will not preclude a finding of director independence as long as the payments are non-compensatory in nature. Depending on the circumstances, a loan or payment could be compensatory if, for example, it is not on terms generally available to the public.

the listed company, the board should consider the issue not merely from the standpoint of the director, but also from that of persons or organizations with which the director has an affiliation. Material relationships can include commercial, industrial, banking, consulting, legal, accounting, charitable and familial relationships, among others. However, as the concern is independence from management, the Exchange does not view ownership of even a significant amount of stock, by itself, as a bar to an independence finding.

- (b) In addition, a director is not independent if:
- (i) The director is, or has been within the last three years, an employee of the listed company, or an immediate family member is, or has been within the last three years, an executive officer, of the listed company. Employment as an interim Chairman or CEO or other executive officer shall not disqualify a director from being considered independent following that employment;
 - (ii) The director has received, or has an immediate family member who has received, during any twelve-month period within the last three years, more than \$120,000 in direct compensation from the listed company, other than director and committee fees and pension or other forms of deferred compensation for prior service (provided such compensation is not contingent in any way on continued service). Compensation received by a director for former service as an interim Chairman or CEO or other executive officer need not be considered in determining independence under this test. Compensation received by an immediate family member for service as an employee of the listed company (other than an executive officer) need not be considered in determining independence under this test;
 - (iii) (A) The director is a current partner or employee of a firm that is the listed company's internal or external auditor; (B) the director has an immediate family member who is a current partner of such a firm; (C) the director has an immediate family member who is a current employee of such a firm and personally works on the listed company's audit; or (D) the director or an immediate family member was within the last three years a partner or employee of such a firm and personally worked on the listed company's audit within that time;
 - (iv) The director or an immediate family member is, or has been with the last three years, employed as an executive officer of another company where any of the listed company's present executive officers at the same time serves or served on that company's compensation committee;
 - (v) The director is a current employee, or an immediate family member is a current executive officer, of a company that has made payments to, or received payments from, the listed company for property or services in an amount which, in any of the last three fiscal years, exceeds the greater of \$1 million, or 2% of such other company's consolidated gross revenues

In applying the test in Section 303A.02(b)(v), both the payments and the consolidated gross revenues to be measured shall be those reported in the last completed fiscal year of such other company. The look-back provision for this test applies solely to the financial relationship between the listed company and the director or immediate family member's current employer; a listed company need not consider former employment of the director or immediate family member.

Contributions to tax exempt organizations shall not be considered payments for purposes of Section 303A.02(b)(v), provided however that a listed company shall disclose either on or through its website or in its annual proxy statement, or if the listed company does not file an annual proxy statement, in the listed company's annual report on Form 10-K filed with the SEC, any such contributions made by the listed company to any tax exempt organization in which any independent director serves as an executive officer if, within the preceding three years, contributions in any single fiscal year from the listed company to the organization exceeded the greater of \$1 million, or 2% of such tax exempt organization's consolidated gross revenues. If this disclosure is made on or through the listed company's website, the listed company must disclose that fact in its annual proxy statement or annual report, as applicable, and provide the website address. Listed company boards are reminded of their obligations to consider the materiality of any such relationship in accordance with Section 303A.02(a) above.

An "immediate family member" includes a person's spouse, parents, children, siblings, mothers and fathers-in-law, sons and daughters-in-law, brothers and sisters-in-law, and anyone (other than domestic employees) who shares such person's home. When applying the look-back provisions in Section 303A.02(b), listed companies need not consider individuals who are no longer immediate family members as a result of legal separation or divorce, or those who have died or become incapacitated.

In addition, references to the "listed company" or "company" include any parent or subsidiary in a consolidated group with the listed company or such other company as is relevant to any determination under the independent standards set forth in this Section 303A.02(b).

Additional Compensation Committee Composition Standards**(1) Definition of “Super-Independent” for Compensation Committee Purposes**

There is a higher standard for independence for directors who serve on the Compensation Committee. Under both Nasdaq and NYSE rules, in addition to making a general Independence finding, the Board must find a director to be independent for compensation committee purposes only after considering all factors specifically relevant to determining whether a director has a relationship to the listed company that is material to that director's ability to be independent from management in connection with the duties of a compensation committee member, including, but not limited to:

- (A) the source of compensation of such director, including any consulting, advisory or other compensatory fee paid by the listed company to such director; and
- (B) whether such director is affiliated with the listed company, a subsidiary of the listed company or an affiliate of a subsidiary of the listed company.

However, unlike the enhanced Audit Committee independence requirement, being affiliated with the company is not a bar to Compensation Committee membership.

(2) Definition of Non-employee Director for Purposes of Section 16 and Rule 16b-3

The following requirements must be met to be considered a “Non-Employee Director” for purposes of Rule 16b-3.

- Cannot be a current employee of the company.
- Any director who receives compensation as a consultant (a consultant includes attorneys, accountants and others who receive compensation indirectly through firms that provide services to the company) from the company, its parent or subsidiary may not be a Non-Employee Director. Note: there are some exceptions that we could look into if this becomes relevant.
- Does not possess an interest in any other transaction for which disclosures would be required pursuant to Item 404(a) of Regulation S-K.

Additional Audit Committee Composition Standards**(1) SEC Definition of “Super-Independent” for Audit Committee Members (Nasdaq Listing Rule 5605(c)(2)(iii) and SEC Rule 10A-3(b)(1)).**

There is a higher standard for independence for directors who serve on the Audit Committee. Under the Nasdaq, NYSE and SEC rules, a director serving on the Audit Committee will not be considered independent for Audit Committee purposes if:

- (a) The director accepts directly or indirectly any consulting, advisory, or other compensatory fee from the company or any subsidiary thereof (other than in his or her capacity as a member of the Board, the Audit Committee or any other Board committee), provided that, unless the rules of the national securities exchange or national securities association provide otherwise, compensatory fees do not include the receipt of fixed amounts of compensation under a retirement plan (including deferred compensation) for prior service with the company (provided that such compensation is not contingent in any way on continued service). Under SEC rules, prohibited payments would include payments to spouses, minor children or stepchildren, or children or stepchildren sharing a home with a director, as well as payments to any entity of which the Audit Committee member is a partner, member or principal or occupies a similar position and which provides accounting, consulting, legal, investment banking, financial or other advisory or similar services to the company; or
- (b) The director is an Affiliate of the company. An “Affiliate” means that a person directly, or indirectly (other than as a director of the company), through one or more intermediaries, Controls the company (or any of its subsidiaries) or is Controlled by the company (or any of its subsidiaries), or is in common Control with the company (or any of its subsidiaries). “Control” is the possession, direct or indirect, of the power to direct or cause the direction of the management and policies of the company, through the ownership or voting of securities, by contract, or otherwise (which is a facts and circumstances analysis). The SEC has adopted a safe harbor whereby a person who is not an executive officer or a stockholder owning, directly, or indirectly, 10% or more of any class of voting equity securities of the company will be deemed not to Control the company. The SEC has stated that the safe harbor is designed to simplify the determination of those who are not Affiliates, eliminating the need to engage in additional facts and circumstances analysis for any director who qualifies for the safe harbor. Where a director does not satisfy the safe harbor requirements, the company must analyze the facts and circumstances relating to whether the director (other than in his or her capacity as a director of the company) is an Affiliate. Rule 10A-3 also clarifies that the existence of the safe harbor does not create a presumption that a person who owns 10% or more of any class of voting equity securities of the company is an Affiliate.

(2) Definition of “Financial Expert” (Item 407(d)(5)(ii) of Regulation S-K)

The SEC rules define an “Audit Committee Financial Expert” as a person who has the following attributes:

- an understanding of generally accepted accounting principles and financial statements;
- the ability to assess the general application of such principles in connection with the accounting for estimates, accruals and reserves;
- experience preparing, auditing, analyzing or evaluating financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of issues that can reasonably be expected to be raised by the issuer's financial statements, or experience actively supervising one or more persons engaged in such activities;
- an understanding of internal control over financial reporting; and
- an understanding of the Audit Committee functions.

and the person must have acquired such attributes through any one or more of the following:

- Education and experience as a principal financial officer, principal accounting officer, controller, public accountant or auditor or experience in one or more positions that involve the performance of similar functions;
- Experience actively supervising a principal financial officer, principal accounting officer, controller, public accountant, auditor or person performing similar functions;
- Experience overseeing or assessing the performance of companies or public accountants with respect to the preparation, auditing or evaluation of financial statements; or
- Other relevant experience.
- SEC rules also require the company to disclose whether the person or persons identified as the Audit Committee Financial Expert(s) is/are independent of management.