

least a quarterly basis. If the issuer achieves compliance with the Exchange's maintenance listing requirements before the Plan expires under its terms, the Exchange may choose to consider the Plan ended as of that earlier date.

If an issuer, within one year after the termination of a Plan, is again determined to have failed to meet the Exchange's maintenance listing requirements, the Exchange will review the facts and circumstances (including whether the issuer has fallen into non-compliance with the same standards at issue in its earlier Plan) and will take appropriate action, which could include, but is not limited to, shortening the time periods associated with the submission of any new Plan or immediately commencing proceedings to suspend and/or delist the issue.

These procedures do not prevent the Exchange from suspending trading in an issue immediately, whenever it finds that it is necessary to do so for the protection of investors.

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Tier I Corporate Governance and Disclosure Standards Corporate Governance

RULE 19. The following Rule 19 applies [only] to Tier I issuers:

(a) *Board of Directors.*

Each listed company shall maintain a minimum of two independent directors on its board of directors. For purposes of this section, "independent director" shall mean a person other than an officer or employee of the company or its subsidiaries or any other individual having a relationship which, in the opinion of the board of directors, would interfere with the exercise of independent judgment in carrying out the responsibilities of a director.

(b) *Audit Committee.*

(1) *Audit Committee Composition.* Each listed company shall establish and maintain an Audit Committee, a majority of the members of which shall be independent directors, as defined in section (a) above. In addition to these criteria:

(A) *Each member of the audit committee must meet the criteria for independence set forth in SEC Rule 10A-3 (subject to the exemptions provided in that Rule);*

(B) *Exceptions.*

If a member of an audit committee ceases to meet the independence criteria set forth in SEC Rule 10A-3 for reasons outside the person's reasonable control, that person may remain a member of the committee until the earlier of the next annual shareholders' meeting or one year from the occurrence of the

event that caused the member to no longer meet the independence criteria. The issuer must promptly notify the Exchange if this circumstance occurs.

(2) *Audit Committee Responsibilities and Authority.* The audit committee must have, at a minimum, (A) the responsibilities and authority set forth in SEC Rule 10A-3; and (B) the obligation to conduct an appropriate review of all related party transactions on an ongoing basis and to review potential conflict of interest situations where appropriate. Audit committees for investment companies must also establish procedures for the confidential, anonymous submission of concerns regarding questionable accounting or auditing matters by employees of the investment adviser, administrator, principal underwriter, or any other provider of accounting related services for the investment company, as well as employees of the investment company.

(3) Any issuer that is exempt from the provisions of SEC Rule 10A-3 is not required to meet the requirements set out in sections (b)(1)(A) or (b)(2)(A) above and is not required to meet the additional requirements for audit committees for investment companies set out in the last sentence of section (b)(2).

(c) *Reserved.*

(d) *Reserved.*

(e) *Reserved.*

(f) *Governance-Related Certifications.*

Each issuer's chief executive officer must promptly notify the Exchange after any executive officer of the issuer becomes aware of any material non-compliance by the issuer with applicable standards set out in paragraph (b) of this rule; provided, however, that any issuer that is exempt from the provisions of SEC Rule 10A-3 is not required to meet the requirements of this section (f).

[(a)](g) *Annual Reports.* No change to text.

[(b)](h) *Quarterly Reports.* No change to text.

[(c)](i) *Other Reports.* No change to text.

[(d)] Each listed company shall establish and maintain an Audit Committee, a majority of the members of which shall be independent directors, as defined below.]

[(e)] Each listed company shall maintain a minimum of two independent directors on its board of directors. For purposes of this section, "independent director" shall mean a person other than an officer or employee of the company or its subsidiaries or any other individual having a relationship which, in the opinion of the board of

directors, would interfere with the exercise of independent judgment in carrying out the responsibilities of a director.]

[(f)](j) *Annual Meeting.* No change to text.

[(g)](k) *Proxy Solicitations.* No change to text.

[(h)] Each issuer shall conduct an appropriate review of all related party transactions on an ongoing basis and shall use the company's audit committee or a comparable body for the review of potential conflict of interest situations where appropriate.]

[(i)](l) *Stock Certificates.* No change to text.

[(j)](m) No change to text.

[(k)](n) *Stock Transfer Facilities.* No change to text.

(o) *Reserved.*

. . . Interpretations and Policies

.01 No change to text.

.02 *Reserved.*

.03 *Reserved.*

.04 *Reserved.*

.05 *Transition Periods and Compliance Dates.* Sections (a)-(f) will become effective pursuant to the following schedule:

The audit committee requirements mandated by SEC Rule 10A-3 (and the exception set out in section (b)(1)(B) in this rule) will become effective as set out in Rule 10A-3.

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Tier II Corporate Governance, Disclosure, and Miscellaneous Requirements

RULE 21. The following Rule 21 applies only to Tier II issuers:

(a) *Each issuer shall comply with the governance requirements set out in Rule 19 (a)-(f) of this Article and is subject to Interpretations .02-.05 of that rule.*

(b) *No change to text.*

[(1)] Each listed company shall establish and maintain an Audit Committee, a majority of the members of which shall be independent directors.]

[(2)] Each listed company shall maintain a minimum of two independent directors on its board of directors. For purposes of this section, "independent director" shall mean a person other than an officer or employee of the company or its subsidiaries or any other individual having a relationship which, in the opinion of the board of directors, would interfere with the exercise of independent judgment in carrying out the responsibilities of a director.]

[(d)](c) *Stock Certificates.* No change to text.

[(e)](d) *Changes to Listing Standards.* No change to text.

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