

NYSE and NASDAQ “Executive Session” Rules:

NYSE:

Section 303A.03 requires that the nonmanagement directors meet at regularly scheduled executive sessions without management. If this group includes directors who are not independent, then the issuer should at least once a year schedule an executive session including only independent directors. “Nonmanagement directors” are all those who are not Section 16 “officers” as defined in Rule 16a-1(f), and includes directors who are not independent.

Nasdaq:

Rule 4350(c)(2) requires that independent directors must have regularly scheduled meetings at which only independent directors are present (“executive sessions”). It is contemplated that executive sessions will occur at least twice a year, and perhaps more frequently, in conjunction with regularly scheduled Board meetings.