

Comparison of Listing Fees

Fee	Nasdaq SmallCap Market	OTCBB	Bulletin Board Exchange (BBX)
Entry/Initial Listing Fee	<ul style="list-style-type: none"> • Up to 1 million shares: \$9,500¹ • 1+ to 5 million shares: \$19,000¹ • 5+ to 10 million shares: \$30,875¹ • 10+ to 15 million shares: \$40,375¹ • Over 15 million shares: \$47,500¹ 	N/A ²	<ul style="list-style-type: none"> • \$5,000 for the first class of securities listed³ and a \$1,000 non-refundable application fee. • Fee for each additional class of securities listed based on greater of \$1000 or \$0.001/share, not to exceed \$5000. • The maximum initial listing fee to be paid per issuer cannot exceed \$10,000. • Separate fees for <i>Convertible Debentures</i>: The greater of \$1,000 or \$50 per million dollars face amount, not to exceed \$5,000.
Annual Fee	<ul style="list-style-type: none"> • \$8,000 for the first class of securities and \$2,000 for each subsequent class. 	N/A ²	<ul style="list-style-type: none"> • \$4,000 for the first class of securities and \$1,000 for each additional class.
Listing of Additional Shares Fee	<ul style="list-style-type: none"> • No fee for up to 49,999 total shares per quarter. • 50,000 to 199,999 total shares per quarter: \$2,000 flat fee • 200,000 or more total shares per quarter: \$0.01 per share • Quarterly fee cap: \$22,500 • Annual fee cap: \$45,000 	N/A ²	<ul style="list-style-type: none"> • \$0.005 per share, up to a maximum of \$8,750 per quarter and \$17,500 annually. • No fee is assessed if the value of the listing of additional shares is under \$500.
Delisting Appeal/Hearing Fee	<ul style="list-style-type: none"> • \$4,000 for written hearings. • \$5,000 for oral hearings. 	N/A	Same as Nasdaq.

¹ Entry fees for the Nasdaq SmallCap Market include a one-time listing fee of \$5,000, \$1,000 of which is a non-refundable processing fee.

² The OTCBB is not an issuer listing service and therefore does not charge issuers a listing or maintenance fee for being quoted on the service.

³ \$2,500 of the initial listing fee will be waived for all applicants from the time BBX begins accepting applications until 6 months after the launch.

Comparison of Listing Requirements

Requirements for Listing	Nasdaq SmallCap Market		OTC Bulletin Board (OTCBB)	Bulletin Board Exchange (BBX)
	Initial Listing ¹	Continued Listing ¹		
Stockholders' Equity	\$5 million	\$2.5 million	N/A	N/A
Market Capitalization	or \$50 million	or \$35 million	N/A	N/A
Net Income (in latest fiscal year or 2 of the last 3 fiscal years)	or \$750,000	or \$500,000	N/A	N/A
Public Float (number of shares)²	1 million	500,000	N/A	200,000
Operating History	1 year or \$50 million market capitalization	N/A	N/A	N/A ³
Market Value of Public Float	\$5 million	\$1 million	N/A	N/A
Minimum Bid Price	\$4	\$1	N/A	N/A
Shareholders (round lot holders)⁴	300	300	N/A	100
Market Makers	3	2	1 ⁵	1
SEC Rule 10b-17 Applicability⁶	Yes	Yes	Yes	Yes

¹ For initial or continued listing on the Nasdaq SmallCap Market, an issuer must satisfy one of the following requirements: stockholders' equity, market capitalization or net income.

² Public float is defined as shares not held directly or indirectly by any officer or director of the issuer or by any other person who is the beneficial owner of 10 percent or more of the total shares outstanding.

³ While the BBX has no specific operating history requirement for issuers, operating history may be used as a factor in imposing qualitative public interest standards.

⁴ Round lot holders are considered holders of 100 shares or more.

⁵ The OTCBB is a quotation medium for subscribing Market Makers, not an issuer listing service. Only Market Makers can apply to quote securities on the OTCBB.

⁶ Pursuant to the Exchange Act Rule 10b-17, issuers must send notification of stock splits, reverse splits, dividends, and rights or other subscription offerings at least ten calendar days prior to the record date.

⁷ As of June 2000, issuers of all securities quoted on the OTCBB are subject to periodic reporting of financial information to the SEC or applicable regulators. Issuers who file with the SEC via EDGAR are not required to submit hard copy filings with the OTCBB or the NASD. However, the OTCBB must receive hard copy filings for issuers which do not file via EDGAR or those which file with other regulatory agencies.

Make/Remain Current in Periodic Filing Requirements with the SEC or Applicable Regulatory Agency	Yes	Yes	Yes ⁷	Yes
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Comparison of Key Corporate Governance Standards

Requirement or Standard	Nasdaq SmallCap Market ¹	OTCBB	Bulletin Board Exchange (BBX)
Annual Shareholder Meetings, Proxy Solicitations and Quorum	<ul style="list-style-type: none"> • Issuers are required to hold annual meetings of shareholders and to solicit proxies for such meetings. • Annual meetings must be held within <i>12 months</i> of the end of the first fiscal year after the company becomes listed. • Quorum of at least one-third of all shareholders. 	N/A ²	Same as Nasdaq standard.
Independent Directors³	<ul style="list-style-type: none"> • Requires the appointment of at least <i>three</i> independent directors (non-controlling and non-affiliated) for each issuer, or a majority of independent directors for SEC Small Business “SB” filers. 	N/A ²	<ul style="list-style-type: none"> • Issuers must appoint at least <i>one</i> independent director. • Issuers are given a grace period of <i>12 months</i> upon launch of the new market to retain the independent director.
Audit Committee/Conflict of Interest	<ul style="list-style-type: none"> • All of the members of the audit committee must be independent directors, or, for SB filers, a majority of the members must be independent. 	N/A ²	<ul style="list-style-type: none"> • Issuers are required to create an audit committee, a majority of which cannot be comprised of non-independent directors. • Issuers will have <i>12 months</i> to create the audit committee. • As with the Nasdaq, an issuer would use its audit committee to review related-party transactions. Additionally, the issuer would be required to adopt an audit committee

			charter.
Voting Rights	<ul style="list-style-type: none"> • Issuer cannot disenfranchise voting rights of existing shareholders. 	N/A ²	Same as Nasdaq standard.
Auditor Peer Review	<ul style="list-style-type: none"> • All issuers must engage auditors that are subject to peer review consistent with the American Institute of Certified Public Accountants (AICPA) procedures. 	N/A ²	Same as Nasdaq standard.
Highlight of General Shareholder Approval Requirements	<ul style="list-style-type: none"> • Shareholder approval is required of transactions that involve: 1) the grant of stock options to officers or directors; 2) large, below-market issuances of stock; and 3) acquisitions, or changes of control. 	N/A ²	Same as Nasdaq standard.
Distribution of Annual Reports and Availability of Quarterly Reports to Shareholders	<ul style="list-style-type: none"> • Issuer is required to distribute annual reports and make available quarterly reports upon request. Issuer's 10K filing can be used as the annual report. 	N/A ²	Same as Nasdaq standard.

¹These corporate governance standards *do not* reflect the proposed rule changes that the Nasdaq Stock Market filed on June 6, 2002.

²The OTCBB does not impose any corporate governance standards in addition to those already required by applicable state or federal laws. Issuers are only required to remain current in periodic filing requirements with the SEC or applicable regulatory agency.

³A director will not be considered "independent" if, among other things, he or she has: 1) been employed by the corporation or its affiliates in the current or past three years; 2) accepted any compensation from the corporation or its affiliates in excess of \$60,000 during the previous fiscal year (except for board service, retirement plan benefits, or non-discretionary compensation); 3) an immediate family member who is, or has been in the past three years, employed by the -corporation or its affiliates as an executive officer; 4) been a partner, controlling shareholder or an executive officer of any for-profit business to which the corporation made, or which it received, payments that exceed five percent of the organization's consolidated gross revenues for that year, or \$200,000, whichever is more, in any of the past three years; or 5) been employed as an executive of another entity where any of the company's executives serve on that entity's compensation committee.