

Text added in Amendment No. 2 underlined
Deleted text in Amendment No. 2 in [brackets]

NYSE AMEX LLC COMPANY GUIDE

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Section 101(e) a “Reverse Merger” means any transaction whereby an operating company becomes an Exchange Act reporting company by combining directly or indirectly with a shell company which is an Exchange Act reporting company, whether through a reverse merger, exchange offer, or otherwise. However, a Reverse Merger does not include the acquisition of an operating company by a listed company which qualified for initial listing as an acquisition company under Section 119. In determining whether a company is a shell company, the Exchange will consider, among other factors: whether the Company is considered a “shell company” as defined in Rule 12b-2 under the Exchange Act; what percentage of the company’s assets are active versus passive; whether the company generates revenues, and if so, whether the revenues are passively or actively generated; whether the company’s expenses are reasonably related to the revenues being generated; how many employees work in the company’s revenue-generating business operations; how long the company has been without material business operations; and whether the company has publicly announced a plan to begin operating activities or generate revenues, including through a near-term acquisition or transaction.

For purposes of this Section 101(e),

In order to qualify for initial listing, a company that is formed by a Reverse Merger (a “Reverse Merger Company”) must comply with one of the initial listing standards set forth in Section 101 (a)—(d) and the applicable requirements of Section 102. In addition to satisfying all of the Exchange’s other initial listing requirements, a Reverse Merger Company shall be eligible to submit an application for initial listing only if the combined entity has, immediately preceding the filing of the initial listing application:

- (1) traded for at least one year in the U.S. over-the-counter market, on another national securities exchange or on a regulated foreign exchange following the consummation of the Reverse Merger and (i) in the case of a domestic issuer, has filed with the Commission a Form 8-K containing all of the information required

by Item 2.01(f) of Form 8-K, including all required audited financial statements, after the consummation of the Reverse Merger, or (ii) in the case of a foreign private issuer, has filed all of the information described in (i) above on Form 20-F;

- (2) maintained [on both an absolute and an average basis for a sustained period] a [minimum] closing stock price equal to the stock price requirement applicable to the initial listing standard under which the Reverse Merger Company is qualifying to list for a sustained period of time, but in no event for less than 30 of the most recent 60 trading days prior to the filing of the initial listing application; and
- (3) timely filed with the Commission all required reports since the consummation of the Reverse Merger, including the filing of at least one annual report containing all required audited financial statements for a full fiscal year commencing on a date after the date of filing with the Commission of the filing described in (1) above.

In addition, a Reverse Merger Company will be required to maintain [through listing, on both an absolute and an average basis,] a [minimum] closing stock price equal to the stock price requirement[, including all requirements based on stock price,] applicable to the initial listing standard under which the Reverse Merger Company is qualifying to list for a sustained period of time, but in no event for less than 30 of the most recent 60 trading days prior to the date of the Reverse Merger Company's listing.

The Exchange may in its discretion impose more stringent requirements than those set forth above if the Exchange believes it is warranted in the case of a particular Reverse Merger Company based on, among other things, an inactive trading market in the Reverse Merger Company's securities, the existence of a low number of publicly held shares that are not subject to transfer restrictions, if the Reverse Merger Company has not had a Securities Act registration statement or other filing subjected to a comprehensive review by the Commission, or if the Reverse Merger Company has disclosed that it has material weaknesses in its internal controls which have been identified by management and/or the Reverse Merger Company's independent auditor and has not yet implemented an appropriate corrective action plan.

A Reverse Merger Company will not be subject to the requirements of this Section 101(e) if it is listing in connection with a firm commitment underwritten public offering where the proceeds to the Reverse Merger Company will be at least \$40,000,000 and the offering is occurring subsequent to or concurrently with the Reverse Merger. In addition, a Reverse Merger Company will not be subject to the requirement of this Section 101(e) that it must maintain a closing stock price equal to the stock price requirement applicable to the initial listing standard under which the Reverse Merger Company is qualifying to list for at least 30 of the most recent 60 days prior to each of the filing of the initial listing

application and the date of the Reverse Merger Company's listing, if it has satisfied the one-year trading requirement contained in paragraph (1) above and has filed at least four annual reports with the Commission which each contain all required audited financial statements for a full fiscal year commencing after filing the information described in paragraph (1) above. However, such companies will be required to (i) comply with the applicable stock price requirement of Section 102(b) at the time of each of the filing of the initial listing application and the date of the Reverse Merger Company's listing and (ii) not be delinquent in their filing obligations with the Commission. In [that] either of the cases described in this paragraph, the Reverse Merger Company will only need to meet the requirements of one of the financial initial listing standards in Section 101(a) in addition to all other applicable non-financial listing standard requirements, including, without limitation, the requirements of Sections 102(a) and 102(b) and the applicable requirements of Chapter 8.

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