

Corporate Governance Structural Comparisons

The left hand column includes current, new and suggested core **governance standards** of the NYSE, TSX and Sarbanes-Oxley (SOX)

Governance Standards and Benchmarks	Measure Your Board
Active Board: <ul style="list-style-type: none"> • Disclose corporate governance guidelines (including orientation and ongoing education among other explicit inclusions) (NYSE new) 	Does not do this <input type="checkbox"/> Does this <input type="checkbox"/> Is considering doing this <input type="checkbox"/>
<ul style="list-style-type: none"> • Disclose code of conduct and ethics (NYSE new) 	Does not do this <input type="checkbox"/> Does this <input type="checkbox"/> Is considering doing this <input type="checkbox"/>
<ul style="list-style-type: none"> • Non-U.S. co's disclose differences in governance (NYSE new) 	Does not do this <input type="checkbox"/> Does this <input type="checkbox"/> Is considering doing this <input type="checkbox"/>
<ul style="list-style-type: none"> • Board evaluation at least annually (NYSE new) 	Does not do this <input type="checkbox"/> Does this <input type="checkbox"/> Is considering doing this <input type="checkbox"/>
Independent Board: <ul style="list-style-type: none"> • Majority of board independent (NYSE new) 	Does not do this <input type="checkbox"/> Does this <input type="checkbox"/> Is considering doing this <input type="checkbox"/>
<ul style="list-style-type: none"> • Meaning no relationship directly or through co. (NYSE new; was less restrictive) 	Does not do this <input type="checkbox"/> Does this <input type="checkbox"/> Is considering doing this <input type="checkbox"/>
<ul style="list-style-type: none"> • And not employee (of co. or auditor), cross Compensation Committee interlock, of self or family member in past 5 years (NYSE new) 	Does not do this <input type="checkbox"/> Does this <input type="checkbox"/> Is considering doing this <input type="checkbox"/>
<ul style="list-style-type: none"> • Board determines and discloses independence (NYSE new) 	Does not do this <input type="checkbox"/> Does this <input type="checkbox"/> Is considering doing this <input type="checkbox"/>
<ul style="list-style-type: none"> • Regular meetings of independent directors (NYSE new) 	Does not do this <input type="checkbox"/> Does this <input type="checkbox"/> Is considering doing this <input type="checkbox"/>
<ul style="list-style-type: none"> • Regular meetings without mgt., chaired by disclosed non-executive (NYSE new) 	Does not do this <input type="checkbox"/> Does this <input type="checkbox"/> Is considering doing this <input type="checkbox"/>
Active Audit Committee: <ul style="list-style-type: none"> • Written charter on scope, auditor accountability and independence (approved by board, revisited annually) (NYSE; TSX new), including: 	Does not do this <input type="checkbox"/> Does this <input type="checkbox"/> Is considering doing this <input type="checkbox"/>
<ul style="list-style-type: none"> • Purposes: board oversight of financial statement integrity, legal compliance, auditor's qualification & independence, internal audit), and 	Does not do this <input type="checkbox"/> Does this <input type="checkbox"/> Is considering doing this <input type="checkbox"/>
<ul style="list-style-type: none"> • Duties: retain/ terminate auditor, review auditor report, discuss f/s & MD&A, earnings disclosures, outside advisers, risk management, auditor practices including employee hiring, reporting to board, and annual performance evaluation (NYSE new), and 	Does not do this <input type="checkbox"/> Does this <input type="checkbox"/> Is considering doing this <input type="checkbox"/>
<ul style="list-style-type: none"> • Role re: internal auditor, disclosure (TSX suggested) 	Does not do this <input type="checkbox"/> Does this <input type="checkbox"/> Is considering doing this <input type="checkbox"/>

• Approve appointment of auditor , including approving any non-audit services (NYSE new)	Does not do this <input type="checkbox"/> Does this <input type="checkbox"/> Is considering doing this <input type="checkbox"/>
• Review appointment of CFO and key financial executives (OSC new)	Does not do this <input type="checkbox"/> Does this <input type="checkbox"/> Is considering doing this <input type="checkbox"/>
• Review comparative annual financial statements (OSC new, CBCA: before board)	Does not do this <input type="checkbox"/> Does this <input type="checkbox"/> Is considering doing this <input type="checkbox"/>
• Reconcile pro-forma financials to GAAP (NYSE new)	Does not do this <input type="checkbox"/> Does this <input type="checkbox"/> Is considering doing this <input type="checkbox"/>
• Review and consider MD&A (or board) (OSC new)	Does not do this <input type="checkbox"/> Does this <input type="checkbox"/> Is considering doing this <input type="checkbox"/>
• Review quarterly financial statements (OSC new)	Does not do this <input type="checkbox"/> Does this <input type="checkbox"/> Is considering doing this <input type="checkbox"/>
• Review interim financial statements (or board) (OSC)	Does not do this <input type="checkbox"/> Does this <input type="checkbox"/> Is considering doing this <input type="checkbox"/>
• Review disclosures including guidances on unreleased financial statements before public (or board) (OSC new)	Does not do this <input type="checkbox"/> Does this <input type="checkbox"/> Is considering doing this <input type="checkbox"/>
• Review prospectus financial statements (OSC)	Does not do this <input type="checkbox"/> Does this <input type="checkbox"/> Is considering doing this <input type="checkbox"/>
• Review and approve all related party transactions (Nasdaq)	Does not do this <input type="checkbox"/> Does this <input type="checkbox"/> Is considering doing this <input type="checkbox"/>
• Review changes in accounting policies (OSC new)	Does not do this <input type="checkbox"/> Does this <input type="checkbox"/> Is considering doing this <input type="checkbox"/>
• Discuss quality and acceptability of accounting practices with auditor (TSX suggested)	Does not do this <input type="checkbox"/> Does this <input type="checkbox"/> Is considering doing this <input type="checkbox"/>
• Quarterly meet with auditors and internal auditors (NYSE new)	Does not do this <input type="checkbox"/> Does this <input type="checkbox"/> Is considering doing this <input type="checkbox"/>
• Direct communication with internal and external auditors (TSX)	Does not do this <input type="checkbox"/> Does this <input type="checkbox"/> Is considering doing this <input type="checkbox"/>
• Regularly meet with auditors, no mgt. (TSX suggested)	Does not do this <input type="checkbox"/> Does this <input type="checkbox"/> Is considering doing this <input type="checkbox"/>
• Oversee mgt. reporting on internal controls (TSX)	Does not do this <input type="checkbox"/> Does this <input type="checkbox"/> Is considering doing this <input type="checkbox"/>
• Disclose in MD&A if mgt. discussed critical accounting estimates (SEC new)	Does not do this <input type="checkbox"/> Does this <input type="checkbox"/> Is considering doing this <input type="checkbox"/>
• Report for annual proxy statements, if discussed critical accounting estimates with auditor (SEC)	Does not do this <input type="checkbox"/> Does this <input type="checkbox"/> Is considering doing this <input type="checkbox"/>
• Disclose auditor fees , non-audit services (SOX)	Does not do this <input type="checkbox"/> Does this <input type="checkbox"/> Is considering doing this <input type="checkbox"/>
• Rotate lead audit partner at least every 5 years (SOX)	Does not do this <input type="checkbox"/> Does this <input type="checkbox"/> Is considering doing this <input type="checkbox"/>
• " Whistle-blower " provision: Audit Committee must have way for employees to anonymously / confidentially report concerns or complaints	Does not do this <input type="checkbox"/> Does this <input type="checkbox"/> Is considering doing this <input type="checkbox"/>