

Comparison of Filing, Corporate Governance and Other Requirements for Domestic Issuer and FPI

	<u>Domestic issuer</u>	<u>FPI</u>	<u>Other related FPI benefits</u>
<u>Filing obligations</u>			•
1. Annual reports	Required (Form 10-K), between 60 and 90 days following the end of the fiscal year covered by the annual report, depending on capitalization and other factors	Required (Form 20-F), within four months after the fiscal year covered by the annual report	<ul style="list-style-type: none"> • Can present financial statements in IFRS (as issued by the IASB) without U.S. GAAP reconciliation • If prepare financial statements in IFRS (as issued by the IASB), temporary XBRL relief until SEC specifies the XBRL taxonomy for IFRS financial statements (this is a time saving and a cost saving) • Only annual internal control reporting required (rather than quarterly reporting) (this is a time saving and a cost saving) • More onerous executive compensation disclosure requirements not applicable (this is a time saving and a cost saving)
2. Quarterly reports	Required (Form 10-Q)	Not required, unless NYSE listed (in which case must file quarterly report under Form 6-K) (this is a time saving and a cost saving)	
3. Current reports	Required (Form 8-K)	Not required, unless disclosure made in the home country or required by the home country exchange (in which case must file the disclosure on Form 6-K)	
4. Proxy statements	Required (Schedules 14A and 14C) for annual and special meetings of shareholders	Not required (this is a time saving and a cost saving)	
5. Section 16 filings	Required (Forms 3, 4 and 5) for insiders	Not required (this is a time saving and a cost saving)	
6. Schedule 13D and 13G filings	Required for 5% holders	Required for 5% holders	
<u>Termination of registration/ deregistration</u>	Under Exchange Act Section 12(g)(4), termination of registration is only permitted if the number of record holders falls below 300; or (ii) the number of record holders falls below 500 and the issuer's assets have been no more than \$10 million at the end of each of its last three fiscal years	Under Exchange Act Rule 12g3-2(b), an FPI, regardless of the number of U.S. holders, may terminate its registration if certain conditions are satisfied	

	<u>Domestic issuer</u>	<u>FPI</u>	<u>Other related FPI benefits</u>
<u>Requirements for financial statements in connection with offering</u>	Financial statements cannot be more than 135 days old	Financial statements go stale more slowly. An FPI can omit interim unaudited financial statements if a registration statement becomes effective less than nine months after the end of the last audited fiscal year (unless the FPI has already published more current interim financial information). After that time, an FPI must provide interim unaudited financial statements (which may be unaudited) covering at least the first six months of the fiscal year, together with comparative financial statements for the same period in the prior year.	
<u>Confidential submissions for registration statements</u>	Permitted	Not permitted, except for (i) an FPI that qualifies as an EGC, (ii) an FPI that is listed or is concurrently listing its securities on a non-U.S. securities exchange, (iii) an FPI that is being privatized by a foreign government, or (iv) an FPI that can demonstrate that the public filing of an initial registration statement would conflict with the law of an applicable foreign jurisdiction; provided that the FPI is not a shell company, blank check company or issuer with no or substantially no business operations	
<u>Corporate governance requirements</u>			
<i>1. SEC and NYSE/Nasdaq rules regarding audit committees</i>	Must comply with SEC and NYSE/Nasdaq rules	May comply with home country practices and requirements of home country exchange, if certain requirements met	
<i>2. NYSE/Nasdaq rules regarding compensation committees</i>	Must comply with SEC and NYSE/Nasdaq rules	May comply with home country practices and requirements of home country exchange	
<i>3. NYSE/Nasdaq rules regarding nominating committees</i>	Must comply with SEC and NYSE/Nasdaq rules	May comply with home country practices and requirements of home country exchange	
<i>4. Dodd-Frank governance and disclosure provisions</i>	Applicable provisions: <ul style="list-style-type: none"> • Sec. 951 (Say on Pay) • Sec. 952 (Compensation Committee Independence) • Sec. 953 (Pay vs. Performance & Pay Disparity) CEO pay ratio disclosure <u>not applicable</u> to FPIs • Sec. 954 (Compensation Clawbacks) • Sec. 955 (Employee and Director Hedging Disclosure) • Sec. 972 (Disclosure of CEO and Chairman Separation) 	Not applicable to FPIs: <ul style="list-style-type: none"> • Sec. 951 (Say on Pay) • Sec. 952 (Compensation Committee Independence), if comply with home country practices and requirements of home country exchange • CEO pay ratio disclosure under Sec. 953 (Pay vs. Performance & Pay Disparity) 	
<u>20% shareholder approval rule (Nasdaq and NYSE)</u> (This applies to private placements, PIPE transactions and registered direct transactions wherein the issuer is offering to sell shares representing 20% or more of pre-transaction total shares outstanding)	Applicable	May comply with home country practices and requirements of home country exchange	