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Regulatory Compliance Checklist
Corporate Governance for Public Companies

Board of Directors

- Do all independent directors meet required criteria and has the Board analyzed all required relationships?
- Does the Board have all required committees and does their membership meet applicable requirements?
- Is the "tone at the top" what the Board thinks it is and does it permeate the Company?
- Does the Board hold appropriate executive sessions?
- How do shareholders communicate with the Board?
- Does the Board perform effective self-evaluations?
- How does the Board oversee risk management?
- Is the Board adequately protected through indemnification and insurance arrangements?
- Are the Board meeting mechanics effective in areas such as notices, delivery of materials and minutes?
- Is succession planning appropriately handled?
- How does the Board remain educated? Do they contain any provisions required by state law?

Audit Committee

- Is the committee performing all required duties and oversight?
- Does the committee have a compliant charter and is it workable and followed?
- Has the committee set up and monitored required whistleblower procedures?
- Are non-audit fees permissible and appropriately pre-approved?
- Does the committee have an audit committee financial expert?
- Are tax services provided by the outside auditor to the Company or its individual directors or officers permissible?
- Does the committee have a policy regarding the hiring of current and former employees of the outside auditor?
- Does the committee have appropriate executive sessions? Do the company interviewers ask any impermissible questions or elicit information that an employer may not lawfully request?

Compensation Committee

- Is the committee performing all required duties and oversight?
- Does the committee have a compliant charter and is it workable and followed?
- What is the committee's compensation philosophy?
- How does the committee design, determine and analyze executive compensation?
- Are consultants used appropriately?
- Is peer group data selected and used appropriately?
- What information gathering devices does the committee use to get a complete picture of compensation?
- How is compensation risk mitigated?
- Have equity plans and amendments received all requisite approvals?
- Are equity grants properly and timely documented?
- Has the committee justified controversial practices such as perks, severance and gross-ups?
- To what degree is the committee involved with the Company's "CD&A"?

Nominating and Governance Committee

- Is the committee performing all required duties and oversight?
- Does the committee have a compliant charter and is it workable and followed?
- Has the Board adopted and kept updated appropriate governance guidelines?
- How are directors nominated?
- Does the Company have clear policies and procedures for shareholders wishing to make recommendations or formal nominations?
- Does the Company have "advance notice" bylaws?

- Is the Company prepared for shareholder nominees if access to Company proxy statements becomes mandatory?
- Has the committee considered why Board members are qualified to serve?
- Has the Company analyzed the impact of broker non-votes on director elections?

Approval of Related Person Transactions

- Is the Company's process/policy adequate?
- Is the process/policy harmonized with the Company's code of ethics and committee charters?

Prohibited Loans

- Has the Company made any loans to directors or officers?

Insider Trading

- Does the Company have an effective policy to prevent insider trading?

Code of Ethics

- Does the Company have a compliant code?
- Does the Company have effective mechanisms to deal with complaints under, or violations of, the code?
- Are Company officers, directors and employees educated about the code?

Website

- Does the Company's Web site have required governance and SEC documents?
- Does the Web site content expose the Company to greater than normal risk?
- Is the Company compliant with proxy rules regarding posting of annual meeting materials?

Disclosure Controls and Procedures

- Are the Company's controls and procedures adequate?
- Does the Company have an effective disclosure committee?
- Does the Company utilize sub-certifications?

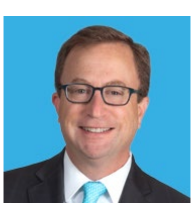
Section 16 Compliance

- Does the Company assist insiders to ensure timely reporting and avoidance of short-swing profits?
- Does the Company utilize time saving techniques such as powers of attorney?

Consideration of Governance Trends

- Should the Company consider or prepare itself for other trends such as:
  - Say-on-pay?
  - Clawbacks?
  - Stock retention guidelines for directors and officers?
  - Destaggering the board of directors?
  - Separation of Chair and CEO roles?
  - Majority voting?
  - Shareholder nominees and proposals?

For more information on corporate governance for public companies, please contact:



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