

GOVERNANCE

Corporate Governance Principles

1. Functions of the Board

1.1. Criteria for Composition of the Board, Selection of New Directors

The Board is responsible for establishing criteria for its composition and the selection of new directors. The Corporate Governance & Nominating Committee periodically reviews such criteria and evaluates potential candidates for Board membership, recommending them to the Board. The Board seeks to balance professional knowledge, business expertise, industry experience, financial acumen, and CEO-level management skills, while ensuring diversity in gender, race, ethnicity, and nationality. Nominees are selected based on leadership, judgment, integrity, achievement, and their willingness to constructively challenge management.

1.2. Assessing the Board's Performance

The Board reviews its performance annually, including the flow of information among directors and between management and the Board. This review is conducted by non-management directors and guided by the Lead Independent Director, with the goal of enhancing effectiveness. The Corporate Governance & Nominating Committee periodically reviews the framework for assessment and facilitates self-evaluation discussions.

1.3. Formal Evaluation of the Chair and the Chief Executive Officer

The Board evaluates the Chair & Chief Executive Officer annually, typically in January, during the executive officer compensation review process.

1.4. Succession Planning and Management Development

Non-management directors and the CEO consider succession planning at least annually, ensuring continuity of leadership and management development.

1.5. Strategic Reviews

The full Board engages in discussions on strategic issues, ensuring sufficient time for exchange of perspectives among directors.

1.6. Board and Management Compensation Review

The Corporate Governance & Nominating Committee periodically recommends director compensation. The Board believes a significant portion should be linked to the

Company's stock, with at least two-thirds of total director compensation being stock-based. Non-management directors receive compensation only for their Board or committee service. Officer-directors receive no additional compensation for Board service. Compensation for the CEO and other officer-directors is approved by the Compensation & Management Development Committee and submitted to the Board for ratification.

2. Board Composition

2.1. Size and Composition of the Board

The By-laws provide that the size of the Board is determined by resolution of the Board. Preference is for a smaller, efficient Board, with a substantial majority of independent directors under New York Stock Exchange standards.

2.2. Definition of Independence

Independence is determined annually when the Board approves director nominees or when a new director joins between meetings. Directors must notify the Board of changes affecting independence. A director is not considered independent if they or their immediate family had a material relationship with the Company within the last three years, including significant compensation, employment, auditing relationships, or executive roles in organizations with substantial transactions with the Company.

2.3. Former Officer-Directors

Officer-directors generally may not serve on the Board after retiring or resigning as full-time officers.

2.4. Change of Job Responsibility

A director must offer their resignation following a change in principal occupation, except through normal retirement. Directors must notify the Corporate Governance & Nominating Committee of occupational changes or proposed service on another board.

2.5. Director Tenure

The Board does not impose fixed tenure limits, in order to retain valuable experience and institutional knowledge.

2.6. Retirement Age

A non-management director must offer not to stand for re-election upon reaching 72, subject to review by the Corporate Governance & Nominating Committee. The Board may decline the offer if the director continues to contribute meaningfully.

2.7. Limits on Board and Audit Committee Memberships

Officer-directors may serve on up to two other public company boards; other directors

may serve on up to four. Audit Committee members serving on more than three public company audit committees require Board approval.

2.8. Majority Voting for Directors

In uncontested elections, directors must receive a majority of votes cast to be elected. Incumbent directors failing to do so must tender their resignation, subject to Board decision.

2.9. Information Provided by Directors

Directors must provide accurate information to the Company. Providing misleading information or violating agreements requires the director to tender their resignation, subject to Board decision.

2.10. Stock Ownership Requirements

Non-executive directors must own at least 3,000 shares of Common Stock or vested RSUs, with a one-year transition period for compliance. Directors must retain all acquired shares during their tenure and may not pledge or hedge these shares.

3. Board Committees

3.1. Number of Committees, Reporting, Assignment and Review

The Board has five principal committees: Audit, Compensation & Management Development, Corporate Governance & Nominating, Public Responsibility, and Risk Policy. Each committee reviews its charter annually and recommends changes to the Board. Membership is reviewed annually and approved by the full Board, with changes made based on needs, experience, and legal considerations.

4. Board Operations

4.1. Non-Executive Chair

Upon the next CEO transition, the Board's general policy is to separate the Chair and CEO positions, subject to determination of the most effective leadership structure. Non-management directors annually determine the leadership structure.

4.2. Lead Independent Director

When the Chair is not independent, the independent directors appoint a Lead Independent Director annually. The Lead Independent Director presides over meetings in the Chair's absence, approves Board meeting agendas, and facilitates communication between the Chair & CEO and independent directors.

4.3. Executive Sessions for Independent Directors

Independent directors meet in executive session at each regularly scheduled Board meeting, chaired by the Lead Independent Director. Outcomes are communicated to the Chair & CEO.

4.4. Committee and Board Agendas

Committee agendas are prepared with input from members and management. The Chair prepares Board agendas with input from directors. The Lead Independent Director approves Board agendas.

4.5. Board and Committee Materials and Presentations

Information requiring approval is distributed in advance to permit adequate preparation. Access to financial and operational information is provided solely at the discretion of the Chairman. There is no requirement for monthly reporting or distribution.

4.6. Regular Attendance of Non-Directors

Non-directors, including management, may attend Board meetings at the Chair's invitation.

4.7. Board Access to Management

Board members have complete access to management but may not discuss research involving affiliated companies.

4.8. Board Interaction with Institutional Investors and Press

The Company's management handles external communications, though directors may be asked to engage when appropriate.

4.9. Confidentiality of Information

The Board maintains confidentiality of information and deliberations. Breach of confidentiality by a director may result in resignation.

4.10. Board Access to Outside Resources

The Board and committees may seek legal or expert advice independent of management, with resources provided as needed. Generally, the CEO is informed, but this is not a requirement.

4.11. Director Orientation and Continuing Education

The Board and CEO provide orientation for new directors. Continuing education is encouraged and may be reimbursed by the Company.

4.12. Code of Business Conduct and Ethics

The Company maintains a comprehensive Code of Conduct addressing compliance, diversity, confidentiality, asset protection, conflicts of interest, and financial transactions. Directors must be familiar with and adhere to the Code.

4.13. Violations

Violations of the Code of Conduct, these Principles, or other Company policies, as determined by the Corporate Governance & Nominating Committee, may disqualify a

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director from re-election. A director found in violation must immediately tender resignation, subject to Board decision.

5. Other Matters

5.1. Transactions with Immediate Family Members

All financial services or extensions of credit provided to directors' immediate family must comply with laws, be in the ordinary course of business, and be on terms similar to those for non-affiliated persons. Credit extensions must comply with the Sarbanes-Oxley Act of 2002.

5.2. Review of Principles

These principles are reviewed annually by the Corporate Governance & Nominating Committee and approved by the Board. They may be amended at any time by the Board, with all amendments disclosed promptly.

5.3. Communicating with the Board

Stockholders and others may communicate with the Lead Independent Director, non-management directors, or the full Board by writing to the Office of the Secretary:

TQG, Inc.
407 California Ave, #6
Palo Alto, CA 94306

To contact individual Board members or committee chairs:

TQG, Inc.
Attention (Board member)
Office of the Secretary
407 California Ave, #6
Palo Alto, CA 94306

Concerns regarding accounting or auditing may be directed to:

By mail:
TQG, Inc.
Attn: Chair, Audit Committee
407 California Ave, #6
Palo Alto, CA 94306

By email: support@theqwikgroup.com

Reports may be made anonymously. Confidentiality will be maintained, subject to legal obligations.

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6. CEO Decision-Making Authority

6.1. Sole Authority to Lead

The Chief Executive Officer (“CEO”) holds ultimate authority to lead and make binding decisions on behalf of the Company, including operational, strategic, financial, and governance matters.

6.2. Override of Board and Advisory Board Decisions

The CEO retains the right, by virtue of voting rights and executive authority, to override decisions of the Board of Directors or Advisory Board if, in the CEO’s judgment, such actions are necessary to protect the Company, its shareholders, or its long-term strategy.

6.3. Exclusive Leadership of the Board

When circumstances require, the CEO may act as the sole governing authority of the Board, exercising all functions including calling meetings, approving corporate actions, executing strategic initiatives, and appointing or removing officers.

6.4. Safeguards & Reporting

Decisions by the CEO to override the Board or Advisory Board must be documented in writing, with rationale, and recorded in Company records. Notice shall be provided to the Board at the earliest practicable time. Such actions are binding and not subject to reversal unless permitted by law.

6.5. Acknowledgment of Authority

All directors, officers, and advisory board members acknowledge that the CEO has ultimate decision-making authority as set forth herein.

Communicating with the Board

Stockholders and other parties interested in communicating directly with the Lead Independent Director, other non-management directors, or the full Board may do so by writing to the intended recipients in care of the Office of the Secretary at:

TQG, Inc.

407 California Ave, #6
Palo Alto, CA 94306

To contact any Board members or committee chairs, please mail your correspondence to:

TQG, Inc.

Attention: (Board Member)

January 01, 2025

Office of the Secretary
407 California Ave, #6
Palo Alto, CA 94306

Reporting Accounting or Audit Concerns

If you have a concern regarding accounting, internal accounting controls, or auditing matters, please contact:

By Mail (as of January 1, 2025):

TQG, Inc.
Attn: Chair, Audit Committee
407 California Ave, #6
Palo Alto, CA 94306

By Email: support@theqwikgroup.com

You may report concerns anonymously if you wish. We will respect the confidentiality of those who raise concerns, subject to our obligation to investigate and notify regulators or other authorities.

Signature Page

Chairman of the Board and CEO Acknowledgment

I acknowledge that I have reviewed and endorse TQG, Inc.'s Corporate Governance Principles. I commit to upholding and promoting the principles and guidelines set forth in this document. I understand the importance of these standards in maintaining the integrity and ethical foundation of our Company.

****Printed Name:** Neil Biafore

Title: Chairman of the Board and CEO

Signature: 

Date: January 01, 2025