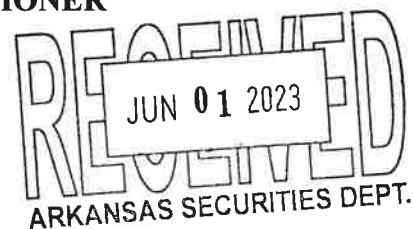


BEFORE THE ARKANSAS SECURITIES COMMISSIONER

CASE NO. S-23-0002

ORDER NO. S-23-0002-23-OR01



**IN THE MATTER OF:
ARKBIT CAPITAL LLC,
BEEFYBIT CAPITAL LLC,
NANOX INVEST LLC, AND
RELATED PERSONS OR ENTITES**

RESPONDENTS

CEASE AND DESIST ORDER

On May 31, 2023, the Staff of the Arkansas Securities Department (“Staff”) filed its Request for a Cease and Desist Order (“Request”) stating that it has received certain information and has in its possession certain evidence indicating that ArkBit Capital LLC (“ARKBIT”), BeefyBit Capital LLC (“BeefyBit”), and NanoX Invest LLC (“NanoX”), and related persons or entities (collectively “Respondents”), have violated provisions of the Arkansas Securities Act (“Act”), Ark. Code Ann. §§ 23-42-101 through 23-42-509, and the Rules of the Arkansas Securities Commissioner (“Rules”). The Arkansas Securities Commissioner (“Commissioner”) has reviewed the Request, and based upon the representations made therein, finds as follows:

FINDINGS OF FACT

The Request contains the following representations of fact:

1. ARKBIT is an Arkansas limited liability company (“LLC”) that claims to have an expertise in cryptocurrency (“crypto”) and to operate a platform for crypto mining and investment through the public website arkbitcapital.com or through its more-recently updated domain at arkbitcapital.io.
2. ARKBIT was brought to the Staff’s attention in January 2023, when the Arkansas Securities Department (“Department”) received a tip about ARKBIT’s business through the Department’s general information email at ASDInfo@arkansas.gov. Through its

investigation into ARKBIT, the Staff discovered at least BeefyBit and NanoX, duplicate entities to ARKBIT.

3. ARKBIT's current principal office address is 124 West Capitol Avenue, Little Rock, Arkansas 72201, and contact telephone number is (501)205-8440. Per ARKBIT's publicly-viewable business entity records on the Arkansas Secretary of State's website at sos.arkansas.gov, ARKBIT can be served through its registered agent Registered Agents Inc. at 701 South Street., Suite 100, Mountain Home, Arkansas 72653.
4. After reviewing the public-facing directory of the building located at that address, the Staff determined that ARKBIT is not a tenant of the building. Calls to ARKBIT's telephone number at (501)205-8440 hear a basic recording indicating that the person is unavailable and have no option to leave a message or receive no answer at all.
5. ARKBIT changed its principal office address with the Arkansas Secretary of State from 361 Southwest Drive, Unit #433, Jonesboro, Arkansas 72401 to the Little Rock address in October 2022. The Staff determined that ARKBIT's previous Jonesboro address was a rented mailbox at a packing and shipping business and not an actual place of business.
6. Thomas Brewer ("Brewer"), an individual of unverifiable identity, is listed as an officer and incorporator/organizer of ARKBIT in the business entity records filed with the Arkansas Secretary of State. Brewer is listed as the founder of the Respondents on each of their respective websites. Brewer also provided the above-referenced Jonesboro, Arkansas as his personal address in the Secretary of State's filing. The Staff, however, was unable to verify Brewer's affiliation with the Jonesboro address.

7. The Respondents further state on their websites that Brewer is a certified public accountant (“CPA”) in Arkansas. According to the Arkansas State Board of Public Accountancy, no one by the name of Thomas Brewer is licensed as a CPA in Arkansas.
8. BeefyBit and NanoX are unregistered and publicly unverifiable LLCs operating websites that are practically identical to ARKBIT and that share haphazardly copied language, information, and documentation attempting to legitimize the entities: BeefyBit through the website beefybitcap.com and NanoX through the website nanoxdefimarket.com. Please see attached Exhibit A.
9. For example, in various locations on BeefyBit’s website, it purports to be an entity registered in BEEFYansas, an evident copy-and-paste error for the state of Arkansas. BeefyBit and NanoX also claim to share the same business address, telephone number, and leadership structure as ARKBIT, among other similarities. Furthermore, the Staff’s review of the Respondents’ websites and affiliated social media accounts shows that the Respondents have seemingly appropriated the photographs and personal information of unrelated individuals from other public social media accounts and websites to feign legitimacy. The Respondents have also created fake YouTube videos of individuals touting their businesses through artificial intelligence.
10. Neither the Respondents nor Brewer have ever been registered with the Arkansas Securities Department (“Department”) in any capacity.
11. The Respondents claim to provide a variety of services and expertise, including, but not limited to, the following:
 - a. They are crypto mining firms that are a “platform for the future of funding that powers data for the new equity blockchain” and “[t]he full-service Crypto

management portfolio trusted by millions.” The Respondents describe their business models as follows:

Simply put, [ARKBIT/BeefyBit/NanoX] is a cryptocurrency mining firm. We validate transactions on blockchain networks – like Bitcoin – for rewards paid in cryptocurrencies. Everyday [sic] [ARKBIT/BeefyBit/NanoX] earns new crypt coins which it can monetize for revenue and cash flow. [ARKBIT/BeefyBit/NanoX] offers shareholders with fixed marginal profits;

- b. They own “state-of-the-art green energy-powered data center facilities in Arkansas which produce newly minted digital currencies like Bitcoin continuously on the cloud;” and
 - c. They expose their users to decentralized finance (DeFi) in the users’ portfolios and the opportunity to earn significant profits on crypto assets without having to contend with the complications of holding the asset directly.
12. ARKBIT also offers public access through its app on Google Play. In the app, ARKBIT claims that users can stay up to date with the latest news, trends, and analysis on cryptos, blockchain technology, and digital assets.
 13. Regarding investment opportunities, the Respondents offer investors the opportunity to grow their portfolio by receiving daily profits of up to 4% on their crypto assets by investing in one of eight (8) Adaptive Smart Contracts (“Smart Contracts”).
 14. The Respondents state that their Smart Contracts are highly programmable and designed to automatically execute new ways to build long profitability for investors and the companies, based on an infinite number of variables.
 15. Investors can select one or more of the following Smart Contracts:
 - a. Novice, which requires an investment from \$50-\$4,999 with a 1.6% daily return on investment (“ROI”).

- b. Plus, which requires an investment from \$5,000-\$9,999 with a 1.9% daily ROI.
 - c. Proficient, which requires an investment from \$10,000-\$24,999 with a 2.2% ROI.
 - d. Supreme, which requires an investment from \$25,000-\$49,999 with a 2.5% ROI.
 - e. Exclusive, which requires an investment of \$50,000 with a 2.5% ROI.
 - f. Elite, which requires an investment of \$75,000 with a 3% ROI.
 - g. Premium, which requires an investment of \$100,000 with a 3.5% ROI.
 - h. Ultimate, which requires an investment of \$150,000 with a 4% ROI.
16. The Respondents assert that after an investor activates an account and deposits an initial investment, the investor only needs to wait for the daily profit to be deposited and watch their earnings grow. There is nothing more for an investor to do.
17. In addition to investments and creating a portfolio, the Respondents also offer investors the ability to join an affiliate program where they can earn a commission by referring and recruiting new investors to their platforms. Commissions are stated to range from 6%-7%.
18. The Respondents claim to be led by the same group of supposed professionals with extensive backgrounds in the industry. The Staff found no evidence that the individuals listed on the Respondents' websites, along with the accompanying photographs and biographies, were true representations of anyone actually affiliated with the Respondents in any capacity. The Staff believes that the images used on the Respondents' websites are stock images pulled from the internet, that all background information on the individuals is fake, and that the individuals do not exist.
19. The Respondents provide potential investors with their governing documents on their websites. The Staff discovered that the Respondents' governing documents appear to be copies of Hut 8 Mining Corporation's (Nasdaq: HUT) ("Hut 8") governing documents.

Please see attached Exhibit B. When compared, the documents are substantively identical with only minor technical changes. The Staff has found no evidence that Hut 8 is affiliated with the Respondents.

20. On page seven of the Respondents' white papers found on their respective websites, the Respondents state that they are "registered in the Arkansas [sic], USA. The availability of all registration documents and permits allowing [ARKBIT/BeefyBit/NanoX] to solicit private investment serves as a good indicator of the legality of [ARKBIT/BeefyBit/NanoX]'s operation." As referenced above, the Staff determined that ARKBIT's only registration is with the Arkansas Secretary of State as a limited liability company. The formation of an LLC and subsequent business registration with a state of origin, in this case Arkansas, is not a registration with the Department and does not grant ARKBIT the ability to conduct securities-related business in Arkansas. This claim by BeefyBit and NanoX, two LLCs for which no public formation information could be found, is also false.

21. The Staff's review of Department records found that the investment opportunities offered by the Respondents were not registered pursuant to the Act. Additionally, the Staff found no record of a filing evidencing a proof of exemption in accordance with the Act and no notice filing pursuant to federal law in connection with a covered security.

APPLICABLE LAW

22. Ark. Code Ann. § 23-42-102(17)(A)(xi) defines "security" to include investment contracts.

23. Ark. Code Ann. § 23-42-102(10) defines "issuer" to mean every person who issues or proposes to issue any security.

24. Ark. Code Ann. § 23-42-501 states that it is unlawful for any person to offer or sell any security in this state unless it is registered under the Act; the security or transaction is exempted under Ark. Code Ann. § 23-42-503 or § 23-42-504; or it is a covered security.
25. Ark. Code Ann. § 23-42-507(2) states that it is unlawful for any person, in connection with the offer, sale, or purchase of any security, directly or indirectly, to make any untrue statement of a material fact or to omit to state a material fact necessary in order to make the statement made, in light of the circumstances under which they are made, not misleading.
26. Ark. Code Ann. § 23-42-507(3) states that it is unlawful for any person, in connection with the offer, sale, or purchase of any security, directly or indirectly, to engage in any act, practice, or course of business which operates or would operate as a fraud or deceit upon any person.
27. Ark. Code Ann. § 23-42-209(a) states that whenever it appears to the Commissioner, upon sufficient grounds or evidence satisfactory to the Commissioner, that any person has engaged or is about to engage in any act or practice constituting a violation of any provision of the Act, the Commissioner may summarily order the person to cease and desist from the act or practice.

CONCLUSIONS OF LAW

28. The Smart Contracts offered by the Respondents where investors would invest monetary value into an investment plan, a common enterprise, with a reasonable expectation of profits to be derived from the Respondents' efforts, and through no efforts of the investor, are securities in the form of investment contracts under Ark. Code Ann. § 23-42-102(17)(A)(xi).

29. The Respondents acted as issuers under Ark. Code Ann. § 23-42-102(10), by engaging in the business of issuing investment contracts in the form of Smart Contracts as described above.
30. The securities offered by the Respondents were not registered with the Department, exempt from registration with the Department, or covered securities under federal law. Therefore, the Respondents violated Ark. Code Ann. § 23-42-501 when they offered securities to the public through their websites.
31. The Respondents violated Ark. Code Ann. § 23-42-507(2) by making false and misleading statements of material facts including, but not limited to, the following: promising guaranteed returns to investors on investments in the Smart Contracts; asserting they are legitimate entities and businesses; claiming to have expertise in crypto markets, mining, and investment; indicating they are led by a group of nonexistent professionals with fabricated extensive backgrounds in the financial industry; purporting to have an office location at 124 West Capitol Avenue, Little Rock, Arkansas 72201; stating that Brewer was a CPA in Arkansas when he is not; and claiming that the Respondents are registered or otherwise able to sell securities in Arkansas.
32. The Respondents violated Ark. Code Ann. § 23-42-507(3) by operating websites that published false and misleading statements, documents, and other information for the purpose of soliciting investors.
33. The Respondents' conduct, acts, and practices violate the Act and threaten immediate and irreparable public harm on an ongoing basis. Therefore, a cease and desist order is in the public's interest and is appropriate under Ark. Code Ann. § 23-42-209(a).

ORDER

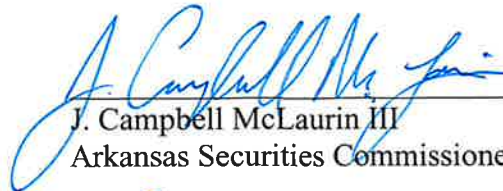
IT IS THEREFORE ORDERED that the Respondents ArkBit Capital LLC, BeefyBit Capital LLC, and NanoX Invest LLC, and related persons or entities, immediately CEASE AND DESIST from the following activity and from all other activity in violation of the Act and Rules:

1. Respondents shall immediately cease and desist from further violations of Ark. Code Ann. § 23-42-501 and refrain from acting as issuers of unregistered, nonexempt securities until such securities are properly registered or shown to be exempt from registration pursuant to the Act.
2. Respondents shall immediately cease and desist from further violations of Ark. Code Ann. § 23-42-507(2) and (3) and refrain from perpetrating securities fraud.

A hearing on this order shall be held if requested by the Respondents in writing within thirty (30) days of the entry of this order, or if otherwise ordered by the Commissioner. Such request should be addressed to the Commissioner and submitted to the following address:

Arkansas Securities Commissioner
1 Commerce Way
Suite 402
Little Rock, Arkansas 72202

If no hearing is requested and none is ordered by the Commissioner, this order will remain in effect until it is modified or vacated by the Commissioner. Ark. Code Ann. § 23-42-209(a)(2)(B).



J. Campbell McLaurin III
Arkansas Securities Commissioner

June 1, 2023

Date



Cloud Mine your Crypto Wealth with one click at ARKBIT

Grow your portfolio by receiving
daily profits up to 4% on your crypto assets...

- White Paper
- Live stream
- Investors Governance

Build a crypto portfolio in minutes

SIGN UP TO LEVEL UP



Cloud Mine your Crypto Wealth with one click at BEEFYBIT

Grow your portfolio by receiving
daily profits up to 4% on your crypto assets...



White Paper



Live stream



Investors Governance

Build a crypto portfolio in minutes

SIGN UP TO LEVEL UP



Cloud Invest your Crypto Wealth with one click at Nanoxdefimarket

Grow your portfolio by receiving
daily profits on your crypto assets...

Build a crypto portfolio in minutes

SIGN UP TO LEVEL UP





Incorporation Number BC0912667

**ARTICLES
OF
HUT 8 MINING CORP.**

BUSINESS CORPORATIONS ACT
BRITISH COLUMBIA

AUDIT COMMITTEE CHARTER

Section 1 Mandate

The mandate of the Audit Committee (the "Committee") of the board of directors (the "Board") of the Company is to:

- (a) assist the Board in fulfilling its oversight responsibilities in respect of:
 - (i) the quality and integrity of the Company's financial statements, financial reporting processes and systems of internal controls and disclosure controls regarding risk management, finance, accounting, and legal and regulatory compliance;
 - (ii) the independence and qualifications of the Company's external auditors;
 - (iii) the review of the periodic audits performed by the Company's external auditors and the Company's internal accounting department; and
 - (iv) the development and implementation of policies and processes in respect of corporate governance matters;
- (b) provide and establish open channels of communication between the Company's management, internal accounting department, external auditor and directors;
- (c) prepare all filings and disclosure documents required to be prepared by the Committee and/or the Board pursuant to all applicable federal, provincial and state securities legislation and the rules and regulations of all securities commissions having jurisdiction over the Company;
- (d) review and confirm the adequacy of procedures for the review of all public disclosure of financial information extracted or derived from the Company's financial statements, and to periodically assess the adequacy of those procedures; and
- (e) establish procedures for:
 - (i) the receipt, retention and treatment of complaints or concerns received by the Company regarding accounting, internal accounting controls or auditing matters, including, but not limited to, concerns about questionable accounting or auditing practices; and
 - (ii) the confidential, anonymous submission by employees of the Company of such complaints or concerns.

The Committee will primarily fulfil its mandate by performing the duties set out in Article 7 hereof.

The Board and management of the Company will ensure that the Committee has adequate funding to fulfil its mandate.

While the Committee has the responsibilities and powers set forth in this Charter, it is not the duty of the Committee to plan or conduct audits, or to determine that the Company's financial statements are complete and accurate or are in accordance with generally accepted accounting principles, accounting

standards or applicable laws and regulations. This is the responsibility of Company's management, internal accounting department and external auditors. Because the primary function of the Committee is oversight, the Committee will be entitled to rely on the expertise, skills and knowledge of the Company's management, internal accounting department, external auditors and other external advisors and the integrity and accuracy of information provided to the Committee by such persons in carrying out its oversight responsibilities. Nothing in this Charter is intended to change or in any way limit the responsibilities and duties of Company's management, internal accounting department or external auditors.

Section 2 Composition

The Committee will be comprised of members of the Board, the number of which will be determined from time to time by resolution of the Board. The composition of the Committee will be determined by the Board such that the membership and independence requirements set out in the rules and regulations, in effect from time to time, of any securities commissions (including, but not limited to, the Securities and Exchange Commission and the British Columbia Securities Commission) and any exchanges upon which the Company's securities are listed (including, but not limited to, the Toronto Stock Exchange and the NYSE American) are satisfied (the said securities commissions and exchanges are hereinafter collectively referred to as the "Regulators").

Section 3 Term of Office

The members of the Committee will be appointed or re-appointed by the Board on an annual basis. Each member of the Committee will continue to be a member thereof until such member's successor is appointed, or until such member resigns or is removed by the Board. The Board may remove or replace any member of the Committee at any time. However, a member of the Committee will automatically cease to be a member of the Committee upon either ceasing to be a director of the Board or ceasing to meet the requirements established, from time to time, by any Regulators. Vacancies on the Committee will be filled by the Board.

Section 4 Committee Chair

The Board, or if it fails to do so, the members of the Committee, will appoint a chair from the members of the Committee. If the chair of the Committee is not present at any meeting of the Committee, an acting chair for the meeting will be chosen by majority vote of the Committee from among the members present. In the case of a deadlock in respect of any matter or vote, the chair will refer the matter to the Board for resolution. The Committee may appoint a secretary who need not be a member of the Board or Committee.

Section 5 Meetings

The time and place of meetings of the Committee and the procedures at such meetings will be determined, from time to time, by the members thereof, provided that:

- (a) a quorum for meetings will be two members, present in person or by telephone or other telecommunication device that permits all persons participating in the meeting to speak to and hear each other. The Committee will act on the affirmative vote of a majority of members present at a meeting at which a quorum is present. The Committee may also act by unanimous written consent in lieu of meeting;
- (b) the Committee may meet as often as it deems necessary, but will not meet less than once annually;

Incorporation Number 811394952

**ARTICLES
OF
ARKBIT CAPITAL, LLC.**

BUSINESS CORPORATIONS ACT
ARKANSAS SECRETARY OF STATE

**CHARTER OF THE AUDIT COMMITTEE
OF THE BOARD OF DIRECTORS OF
ARKBIT CAPITAL, LLC.**

Effective Sept 21, 2022

Section 1 Mandate

The mandate of the Audit Committee (the "Committee") of the board of directors (the "Board") of the Company is to:

- (a) assist the Board in fulfilling its oversight responsibilities in respect of:
 - (i) the quality and integrity of the Company's financial statements, financial reporting processes and systems of internal controls and disclosure controls regarding risk management, finance, accounting, and legal and regulatory compliance;
 - (ii) the independence and qualifications of the Company's external auditors;
 - (iii) the review of the periodic audits performed by the Company's external auditors and the Company's internal accounting department; and
 - (iv) the development and implementation of policies and processes in respect of corporate governance matters;
- (b) provide and establish open channels of communication between the Company's management, internal accounting department, external auditor and directors;
- (c) prepare all filings and disclosure documents required to be prepared by the Committee and/or the Board pursuant to all applicable federal, provincial and state securities legislation and the rules and regulations of all securities commissions having jurisdiction over the Company;
- (d) review and confirm the adequacy of procedures for the review of all public disclosure of financial information extracted or derived from the Company's financial statements, and to periodically assess the adequacy of those procedures; and
- (e) establish procedures for:
 - (i) the receipt, retention and treatment of complaints or concerns received by the Company regarding accounting, internal accounting controls or auditing matters, including, but not limited to, concerns about questionable accounting or auditing practices; and
 - (ii) the confidential, anonymous submission by employees of the Company of such complaints or concerns.

The Committee will primarily fulfil its mandate by performing the duties set out in Article 7 hereof.

The Board and management of the Company will ensure that the Committee has adequate funding to fulfil its mandate.

While the Committee has the responsibilities and powers set forth in this Charter, it is not the duty of the Committee to plan or conduct audits, or to determine that the Company's financial statements are complete and accurate or are in accordance with generally accepted accounting principles, accounting

standards or applicable laws and regulations. This is the responsibility of Company's management, internal accounting department and external auditors. Because the primary function of the Committee is oversight, the Committee will be entitled to rely on the expertise, skills and knowledge of the Company's management, internal accounting department, external auditors and other external advisors and the integrity and accuracy of information provided to the Committee by such persons in carrying out its oversight responsibilities. Nothing in this Charter is intended to change or in any way limit the responsibilities and duties of Company's management, internal accounting department or external auditors.

Section 2 Composition

The Committee will be comprised of members of the Board, the number of which will be determined from time to time by resolution of the Board. The composition of the Committee will be determined by the Board such that the membership and independence requirements set out in the rules and regulations, in effect from time to time, of any securities commissions (including, but not limited to, the Securities and Exchange Commission and the Arkansas Securities Commission) and any exchanges upon which the Company's securities are listed are satisfied (the said securities commissions and exchanges are hereinafter collectively referred to as the "Regulators").

Section 3 Term of Office

The members of the Committee will be appointed or re-appointed by the Board on an annual basis. Each member of the Committee will continue to be a member thereof until such member's successor is appointed, or until such member resigns or is removed by the Board. The Board may remove or replace any member of the Committee at any time. However, a member of the Committee will automatically cease to be a member of the Committee upon either ceasing to be a director of the Board or ceasing to meet the requirements established, from time to time, by any Regulators. Vacancies on the Committee will be filled by the Board.

Section 4 Committee Chair

The Board, or if it fails to do so, the members of the Committee, will appoint a chair from the members of the Committee. If the chair of the Committee is not present at any meeting of the Committee, an acting chair for the meeting will be chosen by majority vote of the Committee from among the members present. In the case of a deadlock in respect of any matter or vote, the chair will refer the matter to the Board for resolution. The Committee may appoint a secretary who need not be a member of the Board or Committee.

Section 5 Meetings

The time and place of meetings of the Committee and the procedures at such meetings will be determined, from time to time, by the members thereof, provided that:

- (a) a quorum for meetings will be two members, present in person or by telephone or other telecommunication device that permits all persons participating in the meeting to speak to and hear each other. The Committee will act on the affirmative vote of a majority of members present at a meeting at which a quorum is present. The Committee may also act by unanimous written consent in lieu of meeting;
- (b) the Committee may meet as often as it deems necessary, but will not meet less than once annually;

- (c) notice of the time and place of every meeting will be given in writing and delivered in

Incorporation Number 811394952

**ARTICLES
OF
BEEFYBIT CAPITAL, LLC.**

BUSINESS CORPORATIONS ACT
BEEFYANSAS SECRETARY OF STATE

**CHARTER OF THE AUDIT COMMITTEE
OF THE BOARD OF DIRECTORS OF
BEEFYBIT CAP L.L.C.**

Effective Sept 21, 2022

Section 1 Mandate

The mandate of the Audit Committee (the "Committee") of the board of directors (the "Board") of the Company is to:

- (a) assist the Board in fulfilling its oversight responsibilities in respect of:
 - (i) the quality and integrity of the Company's financial statements, financial reporting processes and systems of internal controls and disclosure controls regarding risk management, finance, accounting, and legal and regulatory compliance;
 - (ii) the independence and qualifications of the Company's external auditors;
 - (iii) the review of the periodic audits performed by the Company's external auditors and the Company's internal accounting department; and
 - (iv) the development and implementation of policies and processes in respect of corporate governance matters;
- (b) provide and establish open channels of communication between the Company's management, internal accounting department, external auditor and directors;
- (c) prepare all filings and disclosure documents required to be prepared by the Committee and/or the Board pursuant to all applicable federal, provincial and state securities legislation and the rules and regulations of all securities commissions having jurisdiction over the Company;
- (d) review and confirm the adequacy of procedures for the review of all public disclosure of financial information extracted or derived from the Company's financial statements, and to periodically assess the adequacy of those procedures; and
- (e) establish procedures for:
 - (i) the receipt, retention and treatment of complaints or concerns received by the Company regarding accounting, internal accounting controls or auditing matters, including, but not limited to, concerns about questionable accounting or auditing practices; and
 - (ii) the confidential, anonymous submission by employees of the Company of such complaints or concerns.

The Committee will primarily fulfil its mandate by performing the duties set out in Article 7 hereof.

The Board and management of the Company will ensure that the Committee has adequate funding to fulfil its mandate.

While the Committee has the responsibilities and powers set forth in this Charter, it is not the duty of the Committee to plan or conduct audits, or to determine that the Company's financial statements are complete and accurate or are in accordance with generally accepted accounting principles, accounting

standards or applicable laws and regulations. This is the responsibility of Company's management, internal accounting department and external auditors. Because the primary function of the Committee is oversight, the Committee will be entitled to rely on the expertise, skills and knowledge of the Company's management, internal accounting department, external auditors and other external advisors and the integrity and accuracy of information provided to the Committee by such persons in carrying out its oversight responsibilities. Nothing in this Charter is intended to change or in any way limit the responsibilities and duties of Company's management, internal accounting department or external auditors.

Section 2 Composition

The Committee will be comprised of members of the Board, the number of which will be determined from time to time by resolution of the Board. The composition of the Committee will be determined by the Board such that the membership and independence requirements set out in the rules and regulations, in effect from time to time, of any securities commissions (including, but not limited to, the Securities and Exchange Commission and the Arkansas Securities Commission) and any exchanges upon which the Company's securities are listed are satisfied (the said securities commissions and exchanges are hereinafter collectively referred to as the "Regulators").

Section 3 Term of Office

The members of the Committee will be appointed or re-appointed by the Board on an annual basis. Each member of the Committee will continue to be a member thereof until such member's successor is appointed, or until such member resigns or is removed by the Board. The Board may remove or replace any member of the Committee at any time. However, a member of the Committee will automatically cease to be a member of the Committee upon either ceasing to be a director of the Board or ceasing to meet the requirements established, from time to time, by any Regulators. Vacancies on the Committee will be filled by the Board.

Section 4 Committee Chair

The Board, or if it fails to do so, the members of the Committee, will appoint a chair from the members of the Committee. If the chair of the Committee is not present at any meeting of the Committee, an acting chair for the meeting will be chosen by majority vote of the Committee from among the members present. In the case of a deadlock in respect of any matter or vote, the chair will refer the matter to the Board for resolution. The Committee may appoint a secretary who need not be a member of the Board or Committee.

Section 5 Meetings

The time and place of meetings of the Committee and the procedures at such meetings will be determined, from time to time, by the members thereof, provided that:

- (a) a quorum for meetings will be two members, present in person or by telephone or other telecommunication device that permits all persons participating in the meeting to speak to and hear each other. The Committee will act on the affirmative vote of a majority of members present at a meeting at which a quorum is present. The Committee may also act by unanimous written consent in lieu of meeting;
- (b) the Committee may meet as often as it deems necessary, but will not meet less than once annually;

- (c) notice of the time and place of every meeting will be given in writing and delivered in