NORDIC AMERICAN TANKER SHIPPING LTD
Form 424B2
May 14, 2008
Table of Contents

Filed Pursuant to Rule 424(b)(2)

Registration No. 333-137598

CALCULATION OF REGISTRATION FEE

Title of Each Class of Securities to be Registered	Amount to be Registered/Proposed Maximum Aggregate Offering Price Per Security/Proposed Maximum Aggregate Offering Price (1)	Amount of Registration Fee (2)(3)
Common Shares, par value $0.01 per share	$170,200,000	$6,688.86

(1) Estimated solely for purposes of determining the registration fee pursuant to Rule 457(a) under the Securities Act of 1933.
(2) Calculated in accordance with Rule 457(r) under the Securities Act of 1933.
(3) Pursuant to Rule 457(p) under the Securities Act of 1933, filing fees of $8,482.11 have already been paid with respect to unsold securities that were previously registered, and have been carried forward, of which $6,688.86 is offset against the registration fee due for this offering and of which $1,793.25 remains available for future registration fees. No additional Registration fee has been paid with respect to this offering.

Table of Contents

Filed Pursuant to Rule 424(b)(2)

Registration No. 333-137598

PROSPECTUS SUPPLEMENT

To Prospectus dated May 12, 2008

4,000,000 Shares

Nordic American Tanker Shipping Limited

COMMON SHARES

Nordic American Tanker Shipping Limited is offering for sale 4,000,000 of its common shares.

Our common shares are listed on the New York Stock Exchange under the symbol NAT. On May 12, 2008, the closing price of our common shares on the New York Stock Exchange was $40.08 per share.

Investing in our common shares involves a high degree of risk. See Risk Factors in our annual report for the fiscal year ended December 31, 2007, filed on May 9, 2008, and incorporated herein by reference.

We have granted the underwriters a 30-day option to purchase up to 600,000 additional shares to cover any over-allotments.

The underwriters have agreed to purchase the common shares from us at a price of $37.00 per share, which will result in net proceeds to us, after deducting estimated expenses related to this offering, of approximately $147 million assuming no exercise of the over-allotment option granted to the underwriters, and $170 million assuming full exercise of the over-allotment option. The underwriters propose to offer the 4,000,000 common shares from time to time for sale in negotiated transactions or otherwise, at market prices on the New York Stock Exchange prevailing at the time of sale, at prices related to such prevailing market prices or otherwise.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved these common shares or passed upon the adequacy or accuracy of this prospectus supplement or the accompanying prospectus. Any representation to the contrary is a criminal offense.

Morgan Stanley & Co. Incorporated expects to deliver the shares to purchasers on or about May 16, 2008.

MORGAN STANLEY

DAHLMAN ROSE & COMPANY

May 13, 2008

Table of Contents

Nordic Fighter

Nordic Freedom

Table of Contents

TABLE OF CONTENTS

Table of Contents

IMPORTANT NOTICE ABOUT INFORMATION IN THIS PROSPECTUS SUPPLEMENT

This document is in two parts. The first part is the prospectus supplement, which describes the specific terms of this offering and also adds to and updates information contained in the accompanying base prospectus and the documents incorporated by reference into this prospectus supplement and the base prospectus. The second part, the base prospectus, gives more general information about securities we may offer from time to time, some of which does not apply to this offering. Generally, when we refer only to the prospectus, we are referring to both parts combined, and when we refer to the accompanying prospectus, we are referring to the base prospectus.

If the description of this offering varies between this prospectus supplement and the accompanying prospectus, you should rely on the information in this prospectus supplement.

You should rely only on the information contained in or incorporated by reference in this prospectus supplement and the accompanying prospectus. We have not authorized anyone to provide you with information that is different. If anyone provides you with different or inconsistent information, you should not rely on it. We are offering to sell, and seeking offers to buy, common shares only in jurisdictions where offers and sales are permitted. The information contained in or incorporated by reference in this document is accurate only as of the date such information was issued, regardless of the time of delivery of this prospectus supplement or any sale of our common shares.

CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING STATEMENTS

Matters discussed in this prospectus and the documents incorporated by reference in this prospectus may constitute forward-looking statements. The Private Securities Litigation Reform Act of 1995 provides safe harbor protections for forward-looking statements, which include statements concerning plans, objectives, goals, strategies, future events or performance, and underlying assumptions and other statements, which are other than statements of historical facts.

We desire to take advantage of the safe harbor provisions of the Private Securities Litigation Reform Act of 1995 and are including this cautionary statement in connection with this safe harbor legislation. This document and any other written or oral statements made by us or on our behalf may include forward-looking statements which reflect our current views with respect to future events and financial performance. The words believe, anticipate, intend, estimate, forecast, project, plan, potential, may, should, expect, pending and similar e
forward-looking statements.

The forward-looking statements in this document are based upon various assumptions, including without limitation, management s examination of historical operating trends, data contained in our records and data available from third parties. Although we believe that these assumptions were reasonable when made, because these assumptions are inherently subject to significant uncertainties and contingencies which are difficult or impossible to predict and are beyond our control, we cannot assure you that we will achieve or accomplish these expectations, beliefs or projections. We undertake no obligation to update any forward-looking statements, whether as a result of new information, future events or otherwise.

The factors discussed under the caption Risk Factors and matters discussed elsewhere in this prospectus and in the documents incorporated by reference in this prospectus could cause actual results to differ materially from those discussed in the forward-looking statements.

Other than in the United States, no action has been taken by us or the underwriters that would permit a public offering of the common shares offered by this prospectus supplement in any jurisdiction where action for

Table of Contents

that purpose is required. The common shares offered by this prospectus supplement may not be offered or sold, directly or indirectly, nor may this prospectus supplement or any other offering material or advertisements in connection with the offer and sale of any such shares be distributed or published in any jurisdiction, except under circumstances that will result in compliance with the applicable rules and regulations of that jurisdiction. Persons into whose possession this prospectus supplement comes are advised to inform themselves about and to observe any restrictions relating to the offering and the distribution of this prospectus supplement. This prospectus supplement does not constitute an offer to sell or a solicitation of an offer to buy any common shares offered by this prospectus supplement in any jurisdiction in which such an offer or a solicitation is unlawful.

Common shares may be offered or sold in Bermuda only in compliance with the provisions of the Investment Business Act of 2003 and the Exchange Control Act 1972, and related regulations of Bermuda which regulate the sale of securities in Bermuda. In addition, specific permission is required from the Bermuda Monetary Authority, or the BMA, pursuant to the provisions of the Exchange Control Act 1972 and related regulations, for all issuances and transfers of securities of Bermuda companies, other than in cases where the BMA has granted a general permission. The BMA in its policy dated June 1, 2005 provides that where any equity securities, including our common shares, of a Bermuda company are listed on an appointed stock exchange, general permission is given for the issue and subsequent transfer of any securities of a company from and/or to a non-resident, for as long as any equities securities of such company remain so listed. The New York Stock Exchange, or NYSE, is deemed to be an appointed stock exchange under Bermuda law.

Table of Contents

PROSPECTUS SUPPLEMENT SUMMARY

This section summarizes some of the information that is contained or incorporated by reference in this prospectus supplement and the accompanying prospectus. As an investor or prospective investor, you should review carefully the entire prospectus supplement and the accompanying prospectus, any free writing prospectus that may be provided to you in connection with the offering of the common shares and the information incorporated by reference in this prospectus supplement and the accompanying prospectus, including the section entitled Risk Factors included in our Annual Report on Form 20-F for the fiscal year ended December 31, 2007.

In this prospectus supplement, we, us, our and the Company all refer to Nordic American Tanker Shipping Limited. Terms used in this prospectus supplement will have the meanings described in the base prospectus, unless otherwise specified. The common shares offered by this prospectus supplement include the related preferred stock purchase rights. Unless otherwise indicated, all information presented in this prospectus supplement assumes that the underwriters option to purchase up to 600,000 additional shares to cover over-allotments is not exercised.

Our Company

We are an international tanker company that owns fourteen modern double-hull Suezmax tankers, of which two are newbuildings as described below. The existing twelve vessels average approximately 155,000 dwt each. As of December 31, 2007, we have chartered eleven of our twelve existing vessels in the spot market pursuant to cooperative arrangements with third parties and have bareboat chartered one vessel to Gulf Navigation Company LLC, or Gulf Navigation, of Dubai, United Arab Emirates. We have agreed to acquire two Suezmax newbuildings, which are expected to be delivered in the fourth quarter of 2009 and by the end of April 2010, respectively.

We were formed for the purpose of acquiring and chartering three double-hull Suezmax tankers that were built in 1997. These three vessels were initially bareboat chartered to BP Shipping Ltd., or BP Shipping, for a period of seven years. BP Shipping redelivered these three vessels to us in September 2004, October 2004 and November 2004, respectively. We continued contracts with BP Shipping by time chartering to it two of our original vessels at spot market related rates for three year terms that expired in the fourth quarter of 2007. These two vessels are currently chartered in the spot market pursuant to cooperative agreements with third parties. We have bareboat chartered the third of our original three vessels to Gulf Navigation at a fixed rate charterhire for a five year term that expires in November 2009, subject to two one-year extensions at Gulf Navigation s option. Our fourth vessel was delivered to us in November 2004, our fifth and sixth vessels in March 2005, our seventh vessel in August 2005, our eighth vessel in November 2005, our ninth vessel in April 2006, our tenth and eleventh vessels in November 2006 and our twelfth vessel in December 2006. These vessels are currently chartered in the spot market pursuant to cooperative agreements with third parties.

In November 2007, we agreed to acquire two Suezmax newbuildings, which are expected to be delivered in the fourth quarter of 2009 and by the end April 2010, respectively. We acquired these two new buildings from First Olsen Ltd. at a price at delivery of $90,000,000 per vessel. The acquisitions will be financed by borrowings under the Credit Facility.

Table of Contents

First Quarter 2008 Financial Information

We continue to have a strong focus on keeping the operating costs of our vessels low. However, we note the continuing upward pressure across the shipping industry on vessel operating costs, including costs related to crewing, lubricating oil and repair and maintenance. In the first quarter of 2008, we began to realize cost savings from the consolidation of our commercial and technical operations, which we commenced in the second quarter of 2007.

We estimate that our average cash breakeven for our fleet of 12 operating vessels is approximately $9,500 per day per vessel. The cash breakeven level has been reduced following reduced interest costs on our debt. The breakeven rate is the amount of average daily revenues for our vessels which would cover our vessel operating expenses, voyage expenses, if any, cash general and administrative expenses, interest expense and other financial charges.

We do not engage in freight or interest derivatives.

In May 2008, our board of directors declared a dividend of $1.18 per share in respect of the first quarter of 2008. We expect to pay the dividend on June 3, 2008, to shareholders of record as of May 23, 2008. Dividends of $1.24 and $0.50 per share were declared in respect of the first and fourth quarters of 2007, respectively. Changes in the amount of the dividend is a reflection of the level of the spot market.

Our net income for the first quarter of 2008 was $23,400,000, or $0.78 per share, compared to a net income of $1,700,000, or $0.06 per share, for the fourth quarter of 2007 and net income of $22,800,000, or $0.85 per share, for the first quarter of 2007. Our operating cash flow was $36,900,000 for the first quarter of 2008, compared to $36,100,000 and $17,200,000 for the first and fourth quarters of 2007, respectively.

In the first quarter of 2008, we incurred costs equivalent to $0.04 per share due to loss of income following planned drydockings of 18 days for one vessel and 10 days for another vessel during the end of 2007 and beginning of 2008. Two vessels have already finished their planned drydockings in the second quarter of 2008 and another will be in planned drydock before the end of the second quarter of 2008. The estimated total offhire between the three vessels is approximately 50 days. The drydockings this year have been carried through at or below budget with respect to cost and timing. In the third quarter of 2008, two vessels are planned for drydocking with an estimated offhire of about 35 days between them. Thereafter, there is no planned drydocking until 2010 for our current fleet.

At the end of the first quarter of 2008, our net debt was approximately $8,100,000 per vessel or $97,300,000 in total and we had approximately $384,000,000 undrawn under the Credit Facility. There is no repayment of principal obligation during the term of the Credit Facility, and we pay interest only on drawn amounts and a commitment fee for undrawn amounts.

In April 2008, we entered into an agreement with leading shipping banks to extend the maturity of the Credit Facility by three years from September 2010 up to September 2013 on the same terms as agreed when the Credit Facility was established in September 2005. This three year extension gives us the flexibility for future expansion.

Industry Developments

During the first quarter of 2008, the average spot market rate for modern Suezmax tankers, according to the Imarex Tanker Index, was $43,635 per day, compared to $43,511 per day during the fourth quarter of 2007. During the first quarter of 2008, the average daily rate for our 11 vessels in the spot market was approximately

Table of Contents

$46,600 net per day, compared with $27,000 net per day for the fourth quarter of 2007. Currently, the average daily rate for these vessels is significantly higher than it was for the first quarter of 2008. We believe that spot market rates may continue to fluctuate significantly.

The above graph shows the average yearly spot market rates from 2000 as reported by R.S. Platou Economic Research A.S. The rates as described above may vary from the actual rates we achieve in the market.

Recent industry statistics indicate that the world Suezmax fleet shrank marginally during the first quarter of 2008 by 2 vessels, and now stands at 360 vessels. There are uncertainties associated with this number as deliveries from some yards are being delayed. As at the end of the first quarter of 2008, there were 46 single-hull vessels still in service which are expected to be phased out from the tanker industry by 2010. A recent high profile pollution incident in Korean waters has further damaged the weak position of single-hull tankers. We believe that this development is advantageous for us, as we only own double-hull tankers. Following the strength of the offshore oil industry and the dry cargo market, both Suezmax tankers and very large crude carriers are being withdrawn from the tanker industry as they are converted to other purposes, such as offshore vessels and dry bulk carriers. From January 2006 through to the end of 2007, approximately 10 million dwt of tanker tonnage has been scheduled for conversion to non-tanker purposes. Such conversions will have the effect of limiting tanker supply growth.

In summary, despite earlier expectations, the current supply side dynamics are contributing to the dampening of tanker supply growth.

The level of activity in the tanker industry is essentially a function of supply and demand for tanker tonnage, which is affected by the supply of new vessels from the ship yards, the phasing out of single-hull vessels, the conversion of vessels to non-tanker purposes and, significantly, the state of the world economy. So far we believe that the current instability in the financial markets has not impacted trade in the crude oil industry. Far Eastern countries and other emerging areas, including South America, are showing strong economic growth, which to some extent is balancing out the current economic challenges in the United States and other parts of the Western world. The importance of China is reflected by recent statistics published in China that the country s crude oil imports increased by 25% in March 2008 on a year on year basis to reach a new record high of 4.1 million barrels a day, having risen 13% from February 2008.

Table of Contents

The Offering

Common shares offered by this prospectus supplement	4,000,000
Common shares to be outstanding immediately after this offering	34,056,945
Use of Proceeds	We estimate that the net proceeds from this offering, after deducting estimated expenses relating to this offering, will be approximately $147 million assuming no exercise of the over-allotment option granted to the underwriters, and $170 million assuming full exercise of the over-allotment option. We plan to use the proceeds from this offering to prepare us for further expansion and, in the meantime, to repay borrowings under the Credit Facility and for working capital. We refer you to the section entitled Use of Proceeds.
New York Stock Exchange Symbol	NAT
Risk Factors:	Investing in our common shares involves risks. You should carefully review the risks discussed under the caption Risk Factors in our Annual Report on Form 20-F for the fiscal year ended December 31, 2007 that we filed with the SEC, which is incorporated by reference in this prospectus supplement and the accompanying prospectus, under the caption Risk Factors or any similar caption in the documents that we subsequently file with the SEC that are incorporated or deemed to be incorporated by reference in this prospectus supplement and the accompanying prospectus, and in any free writing prospectus that you may be provided in connection with the offering of common shares pursuant to this prospectus supplement and the accompanying prospectus.

The number of shares to be outstanding after this offering is based on 29,975,312 shares issued and outstanding as of May 9, 2008 and includes an additional 81,633 restricted common shares to be issued under the Management Agreement to Scandic American Shipping Ltd., or the Manager, following the closing of this offering, but excludes:

- 400,000 common shares that are reserved for issuance upon exercise of options, as restricted share grants or otherwise, under our 2004 Stock Incentive Plan,
- 1,664,450 common shares that may be issued under our Dividend Reinvestment and Direct Stock Purchase Plan, and
- the underwriters option to purchase up to 600,000 additional shares to cover any over-allotments. See Underwriting.

Table of Contents

Summary Financial Information

All figures in thousands of USD except share data	Year ended December 31, 2007	2006	2005	Three months ended March 31, (unaudited) 2008	2007
Voyage revenue	186,986	175,520	117,110	51,726	58,049
Voyage expenses	(47,122)	(40,172)	(30,981)	(4,851)	(13,444)
Vessel operating expenses excl. depreciation expense presented below	(32,124)	(21,102)	(11,221)	(8,442)	(7,291)
General & administrative expenses	(12,132)	(12,750)	(8,492)	(1,989)	(1,591)
Depreciation	(42,363)	(29,254)	(17,529)	(11,414)	(10,188)
Net operating income	**53,245**	**72,242**	**48,887**	**25,030**	**25,535**
Interest income	904	1,602	850	217	192
Interest expense	(9,683)	(6,339)	(3,454)	(1,725)	(2,931)
Other financial (expense) income	(260)	(112)	34	(107)	12
Total other expenses	**(9,039)**	**(4,849)**	**(2,570)**	**(1,615)**	**(2,727)**
Net income	**44,206**	**67,393**	**46,317**	**23,415**	**22,808**

	2007	2006	2005	1Q08	1Q07
Basic earnings per share	1.56	3.14	3.03	0.78	0.85
Diluted earnings per share	1.56	3.14	3.03	0.78	0.85
Cash dividends declared per share	3.81	5.85	4.21	1.18	1.24
Basic weighted average shares outstanding	28,252,472	21,476,196	15,263,622	29,975,312	26,914,088
Diluted weighted average shares outstanding	28,294,997	21,476,196	15,263,622	30,023,282	26,914,088
Other financial data:					
Net cash from operating activities	83,649	106,613	51,056	10,316	34,909
Dividends paid	(107,349)	(122,590)	(64,279)	(14,988)	(26,914)
Selected Balance Sheet Data (at period end):					
Cash and cash equivalents	13,342	11,729	14,240	18,181	19,896
Total assets	804,628	800,180	505,844	814,024	797,413
Total debt	105,500	173,500	130,000	115,500	176,500
Common stock	300	269	166	300	269
Total Shareholders equity	672,105	611,946	370,872	680,814	608,214

Table of Contents

USE OF PROCEEDS

We estimate that the net proceeds from this offering, after deducting estimated expenses relating to this offering, will be approximately $147 million assuming no exercise of the over-allotment option granted to the underwriters, and $170 million assuming full exercise of the over-allotment option. We plan to use the proceeds from this offering to prepare us for further expansion and, in the meantime, to repay borrowings under the Credit Facility and for working capital. Amounts borrowed under the Credit Facility bear interest at a rate equal to LIBOR plus a margin between 0.7% and 1.2% and mature in September 2013.

Table of Contents

CAPITALIZATION

The following table sets forth our capitalization as of March 31, 2008 on a historical basis and on an as adjusted basis to give effect to:

- this offering;
- the application of net proceeds of this offering, as described under Use of Proceeds; and
- the issuance of an additional 81,633 restricted common shares to the Manager under the Management Agreement following the closing of this offering.

On May 5, 2008, we announced that we will pay a dividend of $1.18 per share to shareholders of record as of May 23, 2008, on or about June 3, 2008. Based on 29,975,312 shares outstanding as of May 9, 2008 and assuming the issuance of 4,000,000 shares in this offering and 81,633 shares to our Manager, the dividend payable will be in an aggregate amount of $40,187,195.

You should read the adjusted capitalization table information below in connection with Use of Proceeds and our financial statements and related notes appearing elsewhere or incorporated by reference in this prospectus.

	March 31, 2008	
	Actual	**As Adjusted (1)**
Debt:		
Credit Facility	$ 115,500,000	$
Total debt	$ 115,500,000	$
Shareholders equity:		
Common shares, $0.01 par value, outstanding actual (29,975,312 shares) and as adjusted (34,056,945 shares) (1)	299,753	$ 340,569
Additional paid-in capital (1)(2)	$ 852,404,776	$ 999,764,776
Accumulated deficit	$ (171,890,792)	$ (171,890,792)
Total shareholders equity	$ 680,813,737	$ 828,214,553
Total capitalization	$ 796,313,737	$ 828,214,553

(1) Common shares and Additional paid-in capital excludes:
- the underwriters option to purchase up to 600,000 additional shares to cover any over-allotments,
- 400,000 common shares reserved for issuance under our 2004 Stock Incentive Plan, and
- 1,664,450 common shares that may be issued in connection with our Dividend Reinvestment and Direct Stock Purchase Plan.

(2) Additional paid-in capital, as further adjusted, includes estimated fees and expenses of approximately $600,000 relating to this offering.

Table of Contents

TAX CONSIDERATIONS

The following discussion is a summary of the material United States federal income tax considerations relevant to us and to a United States Holder and Non-United States Holder (each defined below). This discussion does not purport to deal with the tax consequences of owning common shares to all categories of investors, some of which (such as dealers in securities or currencies, investors whose functional currency is not the United States dollar, financial institutions, regulated investment companies, real estate investment trusts, tax-exempt organizations, insurance companies, persons holding our common shares as part of a hedging, integrated, conversion or constructive sale transaction or a straddle, persons liable for alternative minimum tax and persons who are investors in pass-through entities) may be subject to special rules. This discussion only applies to shareholders who (i) acquire their shares in this offering, (ii) own common shares as a capital asset and (iii) own less than 10% of our common shares. Shareholders are encouraged to consult their own tax advisors with respect to the specific tax consequences to them of purchasing, holding or disposing of common shares.

United States Federal Income Tax Considerations

The following discussion of United States federal income tax matters is based on advice received by us from Seward & Kissel LLP, our United States counsel. This discussion is based on current provisions of the Internal Revenue Code of 1986, as amended, or the Code, current and proposed Treasury regulations promulgated thereunder and administrative and judicial decisions as of the date hereof, all of which are subject to change, possibly on a retroactive basis. Except as otherwise noted, this discussion is predicated on the assumption that we will not maintain an office or other fixed place of business within the United States.

United States Taxation of the Company

Taxation of Operating Income: In General

Unless exempt from United States taxation under Code section 883 as amended, a foreign corporation is subject to United States federal income taxation in the manner described below in respect of any income that is derived from the use of vessels, from the hiring or leasing of vessels for use on a time, voyage or bareboat charter basis, or from the performance of services directly related to such use, which we refer to as Shipping Income, to the extent that such Shipping Income is derived from sources within the United States, referred to as United States-source Shipping Income.

Shipping Income that is attributable to transportation that begins or ends, but that does not both begin and end, in the United States will be considered to be 50 percent derived from sources within the United States. Shipping Income that is attributable to transportation that both begins and ends in the United States will be considered to be 100 percent derived from sources within the United States.

Shipping Income that is attributable to transportation exclusively between non-United States ports will be considered to be 100 percent derived from sources outside the United States. Shipping Income derived from sources outside the United States will not be subject to United States federal income tax.

Our vessels will be operated in various parts of the world and, in part, are expected to be involved in transportation of cargoes that begins or ends, but that does not both begin and end, in United States ports. Accordingly, it is not expected that we will engage in transportation that gives rise to 100 percent United States-source Shipping Income.

Exemption of Operating Income from United States Taxation

Pursuant to Code section 883, we will be exempt from United States taxation on our United States-source Shipping Income if (i) we are organized in a foreign country that grants an equivalent exemption from income

Table of Contents

taxation (an equivalent exemption) to corporations organized in the United States, which we refer to as the Country of Organization Requirement, and (ii) either (A) more than 50% of the value of our common shares is owned, directly or indirectly, by individuals who are residents of such country or of another foreign country that grants an equivalent exemption to corporations organized in the United States, which we refer to as the 50% Ownership Test, or (B) our common shares are primarily and regularly traded on an established securities market in such country, in another country that grants an equivalent exemption to United States corporations, or in the United States, which we refer to as the Publicly-Traded Test.

Bermuda, the country in which we are incorporated, grants an equivalent exemption to United States corporations. Therefore, we will satisfy the Country of Organization Requirement and will be exempt from United States federal income taxation with respect to our United States-source Shipping Income if we satisfy either the 50% Ownership Test or the Publicly-Traded Test.

We should satisfy the Publicly-Traded Test. Under Treasury regulations interpreting Code section 883, stock of a corporation is treated as primarily and regularly traded on an established securities market in any taxable year if (i) the stock is primarily traded on a national securities exchange such as the New York Stock Exchange (on which our common shares are traded) and we satisfy certain trading volume and trading frequency tests, and (ii) the corporation complies with certain record keeping and reporting requirements, unless, subject to certain exceptions, 50% or more of the stock is beneficially owned (or is treated as owned under certain stock ownership attribution rules) by persons each of whom owns (or is treated as owning