



## NOTICE OF ANNUAL MEETING OF STOCKHOLDERS

**Q.E.P. CO., INC.**  
**1001 Broken Sound Parkway NW, Suite A**  
**Boca Raton, Florida 33487**

In accordance with Section 211 and 222 of the Delaware General Corporation Law, and the Second Amended and Restated Bylaws (the "Bylaws") of Q.E.P. Co., Inc., a Delaware corporation (the "Company," or "we"), notice is hereby given to the stockholders of the Company of the annual meeting of stockholders (the "Annual Meeting") to be held on the date, time and place specified hereunder in order to vote on the matters designated below.

**Date:** December 9, 2022

**Time:** 9:00 a.m. Eastern Time

**Place:** 1001 Broken Sound Parkway NW, Suite A  
Boca Raton, Florida 33487

**Purpose:** To consider and act upon the following proposals:

1. The election of two Class I directors to the Board of Directors, to serve until the Company's 2025 Annual Meeting of Stockholders, or until their successors are elected and qualified; and
2. Such other business as may properly come before the Annual Meeting.

The Board of Directors has fixed the close of business on October 7, 2022 (the "Record Date") as the record date for determining stockholders entitled to receive notice of and to vote at the Annual Meeting (or any adjournment or postponement of the meeting). Only stockholders of record at the close of business on the Record Date are entitled to notice of and to vote at the Annual Meeting. At the close of business on the Record Date, the Company had approximately 3,302,881 shares of common stock outstanding, each of which is entitled to one vote per share at the Annual Meeting. A complete list of the stockholders of record as of the Record Date will be available for examination by stockholders of record at the Company's headquarters until November 30, 2022.

Your vote is very important. Whether or not you plan to virtually attend the Annual Meeting, we encourage you to read the Proxy Statement and submit your proxy as soon as possible. You may submit your proxy for the Annual Meeting by completing, signing, dating and returning your proxy in the pre-addressed envelope provided.

By Order of the Board of Directors,

/s/ Lewis Gould  
Lewis Gould, Chairman of the Board

Dated: October 21, 2022

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## **PROXY STATEMENT**

### **GENERAL INFORMATION**

This Proxy Statement is furnished in connection with the solicitation by the Board of Directors (the "Board") of Q.E.P. Co., Inc., a Delaware corporation (the "Company," "Q.E.P.," "we," "our" or "us"), of proxies to be voted at our 2022 Annual Meeting of Stockholders (the "Annual Meeting") and at any adjournment or postponement of the Annual Meeting. The Annual Meeting will take place on Friday, December 9, 2022, beginning at 9:00 a.m., Eastern Time, at 1001 Broken Sound Parkway NW, Suite A, Boca Raton, Florida 33487.

The Board of Directors of the Company urges you to promptly execute and return your proxy in the enclosed envelope, even if you plan to attend the Annual Meeting. This is designed to authenticate stockholders' identities, to allow stockholders to give their voting instructions and to confirm that stockholders' instructions have been recorded properly.

Any stockholder submitting a proxy may revoke such proxy at any time prior to its exercise by notifying the Secretary of the Company, in writing, prior to the Annual Meeting. Any stockholder attending the Annual Meeting may revoke his or her proxy and vote personally by notifying the Secretary of the Company at the Annual Meeting.

This Proxy Statement, the Notice of Annual Meeting, and accompanying proxy are being furnished to holders of our common stock, par value \$0.001 per share, at the close of business on October 7, 2022 (the "Record Date"), the record date for the Annual Meeting. Web links and addresses contained in this Proxy Statement are provided for convenience only, and the content on the referenced websites does not constitute a part of this Proxy Statement.

### **QUESTIONS AND ANSWERS ABOUT THE ANNUAL MEETING AND VOTING**

#### **Which items will be voted on at the Annual Meeting?**

Stockholders will vote on the following items at the Annual Meeting:

1. The election of two Class I directors to the Board of Directors, to serve until the Company's 2025 Annual Meeting of Stockholders, or until their successors are elected and qualified; and
2. Such other business as may properly come before the Annual Meeting.

#### **How does the Board recommend I vote on the election of directors as presented in this Proxy Statement?**

The Board recommends a vote **FOR** the election of each of the director nominees to be members of the Board.

#### **Who is entitled to vote at the Annual Meeting?**

Holders of our common stock as of the Record Date are entitled to receive the Notice of Annual Meeting and to vote their shares of common stock at the Annual Meeting. Holders of our common stock are entitled to one vote for each share of common stock held of record on the Record Date.

**How many shares of common stock are outstanding?**

As of the Record Date, there were 3,302,881 shares of common stock issued and outstanding and entitled to be voted at the Annual Meeting.

**What is the difference between holding common stock as a stockholder of record and as a beneficial owner?**

If your common stock is registered in your name with our transfer agent, Computershare U.S., you are the “stockholder of record” of those shares. The Notice of Annual Meeting, this Proxy Statement and any accompanying materials have been provided directly to you by Q.E.P.

If your shares of common stock are held through a broker, bank or other holder of record, you hold your common stock in “street name” and you are considered the “beneficial owner” of those shares of common stock. This Notice of Annual Meeting and Proxy Statement and any accompanying documents have been provided to you by your broker, bank or other holder of record. As the beneficial owner, you have the right to direct your broker, bank or other holder of record how to vote your common stock by using the voting instruction card or by following their instructions for voting by telephone or on the Internet.

If you do not give instructions to your broker, your broker can vote your shares with respect to “routine” items, but not with respect to “non-routine” items. On non-routine items for which you do not give your broker instructions, the shares will be treated as broker non-votes. Proposal 1 is a non-routine matter for which brokers do not have authority to vote your shares at the Annual Meeting if you do not provide instructions on how to vote your shares. Therefore, we encourage you to submit your voting instructions to your broker to ensure your shares of common stock are voted on all proposals at the Annual Meeting.

**How do I vote?**

You can vote your shares in one of two ways: either by proxy or in person at the Annual Meeting. If you choose to vote by proxy, you may do so via the Internet or by telephone, or by signing and returning the proxy card enclosed therein. Each of these procedures is explained below. Even if you plan to attend the Annual Meeting, the Board recommends that you vote by proxy so your shares of common stock will be voted as directed by you if you are unable to attend the Annual Meeting.

Because many stockholders will not attend the Annual Meeting personally, it is necessary that a large number of stockholders be represented by proxy. By following the procedures for voting via the Internet or by telephone, or by signing and returning the enclosed proxy card, your shares can be voted at the Annual Meeting in the manner indicated. If you sign and return your proxy card, but do not specify how you want your shares to be voted, they will be voted, in accordance with the Board’s recommendation on Proposals 1 and 2, and with respect to any other matter that may be presented at the Annual Meeting, in the discretion of the proxy holders named in your proxy card.

*Voting via the Internet*

You can vote your shares via the Internet by accessing <https://www.investorvote.com/QEPC> and following the instructions contained on that website. The Internet voting procedures are designed to authenticate your identity and to allow you to vote your shares and confirm that your voting instructions have been properly recorded. If you vote via the Internet, you do not need to mail a proxy card.

*Voting by Telephone*

You can vote your shares by telephone by calling the number provided on the voting website (<https://www.investorvote.com/QEPC>) and on the proxy card. The telephone voting procedures are designed to authenticate your identity and to allow you to vote your shares and confirm that your voting instructions have been properly recorded. If you vote via the telephone, you do not need to mail a proxy card.

*Voting by Mail*

You can vote by mail by filling out the enclosed proxy card and returning it per the instructions on the card.

### **What can I do if I change my mind after I vote?**

If you are a stockholder of record, you can revoke your proxy before it is exercised by:

- Giving written notice to the Corporate Secretary of the Company;
- Delivering a valid, later-dated proxy in a timely manner; or
- Voting at the Annual Meeting.

If you are a beneficial owner of common stock, you may submit new voting instructions by contacting your broker, bank or other holder of record. All shares of common stock for which proxies have been properly submitted and not revoked will be voted at the Annual Meeting.

### **What is a quorum for the Annual Meeting?**

The presence of the holders of 1,651,441 shares of common stock, in person or by proxy at the Annual Meeting, representing a majority of the voting power of all outstanding shares of capital stock of the Company entitled to vote at the Annual Meeting is necessary to constitute a quorum. If you have returned valid proxy instructions or attend the Annual Meeting, your common stock will be counted for the purpose of determining whether there is a quorum. Proxies that are marked “abstain” and proxies relating to “street name” common stock that are returned to us but marked by brokers as “not voted” will be treated as shares of common stock present for purposes of determining the presence of a quorum on all matters. If there is no quorum, the chairman of the Annual Meeting may adjourn the Annual Meeting to another date. Abstentions are counted as present and entitled to vote for purposes of determining a quorum.

### **What are broker non-votes?**

Generally, a broker non-vote occurs when a bank, broker or other nominee that holds shares of common stock in “street name” for customers is precluded from exercising voting discretion on a particular proposal because (i) the beneficial owner has not instructed the bank, broker or other nominee how to vote, and (ii) the bank, broker or other nominee lacks discretionary voting power to vote the common stock. A bank, broker or other nominee does not have discretionary voting power with respect to the approval of “non-routine” matters absent specific voting instructions from the beneficial owners of the common stock.

On non-routine items for which you do not give your broker instructions, the shares will be treated as broker non-votes. Proposal 1 (election of directors) is a non-routine item. If you do not give your broker instructions with regard to this proposal, brokers will not be permitted to vote your shares of common stock at the Annual Meeting in relation to this proposal.

### **How many votes are required to elect directors, and how are votes counted?**

With respect to Proposal 1 (election of directors), directors shall be elected by a plurality of the votes cast (meaning that the two director nominees who receive the highest number of shares voted “for” their election are elected). “Withhold” votes and broker non-votes are not considered votes cast for the foregoing purpose, and will have no effect on the election of the director nominees.

### **How will my common stock be voted at the Annual Meeting?**

At the Annual Meeting, the Board (the persons named in the proxy card or, if applicable, their substitutes) will vote your shares of common stock as you instruct. If you submit a proxy but do not indicate how you would like to vote your common stock, your shares will be voted as the Board recommends, which is as follows:

- **FOR** Proposal 1 (election of directors proposal)

**What happens if stockholders approve one or more proposals but not others?**

Approval of any one proposal is not dependent on stockholders approving any other proposal. Therefore, if stockholders approve one proposal, but not others, the approved proposal would still take effect.

**Who will pay for the cost of the Annual Meeting and this proxy solicitation?**

We will pay the costs associated with the Annual Meeting and solicitation of proxies, including the costs of transmitting the proxy materials. In addition to these mailed proxy materials, our directors and officers may also solicit proxies in person, by telephone or by other means of communication. Our directors and officers will not be paid any additional compensation for soliciting proxies. We may also reimburse brokerage firms, banks and other agents for the cost of forwarding proxy materials to beneficial owners.

## **MATTERS TO COME BEFORE THE ANNUAL MEETING**

### **PROPOSAL 1—ELECTION OF DIRECTORS**

#### **Officers, Directors and Director Nominees**

Our Board is comprised of six directors, divided into three classes—Class I, Class II and Class III—with only one class of directors being elected in each year and each class serving a three-year term. Two of the directors are designated as Class I directors, two of the directors are designated as Class II directors and two are designated as Class III directors.

Leonard Gould and Martin Cooperman serve as Class I directors, with terms expiring at the 2022 annual meeting of stockholders. David Kreilein and Paul Boyce serve as Class II directors, with terms expiring at the 2023 annual meeting of stockholders. Lewis Gould and James (Tony) Hair currently serve as Class III directors, with terms expiring at the 2024 Annual Meeting. Our Board has determined in its business judgment that each of Messrs. Cooperman, Hair and Kreilein is independent. Although we are not currently a listed issuer, our Board has evaluated and determined director independence in accordance with the NYSE American rules for U.S. Companies, the Sarbanes-Oxley Act and related SEC rules.

Based on the recommendation of the independent directors, the Board recommends a vote FOR Messrs. Leonard Gould and Cooperman. If re-elected, Messrs. Leonard Gould and Cooperman will serve until the 2025 annual meeting of stockholders or until their successors are duly elected and qualified, or their earlier death, resignation or removal. If any of these nominees is unavailable for election, an event which the Board does not presently anticipate, the persons named in the enclosed proxy intend to vote the proxies solicited hereby FOR the election of such other nominee or nominees as may be nominated by the Board.

#### **Vote Required**

Directors shall be elected by a plurality of the votes cast (meaning that the four director nominees who receive the highest number of shares voted “for” their election are elected). “Withhold” votes and broker non-votes are not considered votes cast for the foregoing purpose, and will have no effect on the election of the director nominees.

#### **Recommendation**

**THE BOARD OF DIRECTORS UNANIMOUSLY RECOMMENDS THAT STOCKHOLDERS VOTE “FOR” EACH OF MESSRS. LEONARD GOULD AND COOPERMAN.**

Below is biographical and other information about the nominees for election as director and each current director whose term continues after the Annual Meeting, including information concerning the particular experience, qualifications, attributes and/or skills that led the independent directors and the Board to determine that the nominee should serve as a director, or each director should continue to serve as a director, as the case may be.

#### *Class I Directors—Terms Expiring in 2022 and Standing for Re-election at the Annual Meeting*

*Leonard Gould*, age 53, has served as a director of the Company since 1999 and as a member of its Audit Committee since April 2021. Mr. Gould has served as the Company’s President & Chief Executive Officer, The Americas, since January 2021. From May 2008 to January 2021, he served as the Company’s President. Mr. Gould is the son of Lewis Gould.

*Martin Cooperman*, age 70, has served as a director of the Company since 2010 and as a member of its Audit Committee since April 2021. Mr. Cooperman has been a Principal at MEC Consulting since 2012. From 2011 until 2012, he was a Managing Partner at Geller & Company. From 1975 until 2010, Mr. Cooperman worked for Grant Thornton LLP, a global accounting, tax and advisory services firm, serving most recently as its Northeast Region Managing Partner and as a member of the firm’s Senior Leadership Team.

### *Class II Directors—Terms Expiring in 2023*

*David Kreilein*, age 65, has served as a director of the Company since 2006 and as a member of its Audit Committee since April 2021. Mr. Kreilein has been a Managing Director at Pacific Avenue Capital Partners, a private equity firm, since April 2021. From March 2018 to March 2021, Mr. Kreilein was a Managing Director of Monroe Capital LLC, a private equity firm. From August 2010 to December 2017, he was a Managing Director of Centre Lane Partners.

*Paul Boyce*, age 54, has served as a director of the Company since March 2020. Mr. Boyce has served as the Company's Chief Executive Officer of International Operations since January 2021. From March 2020 to January 2021, he served as the Company's President of International Operations and European CEO. From 2009 to 2019, he served as the Company's European CEO.

### *Class III Directors—Terms Expiring in 2024*

*Lewis Gould*, age 80, has served as the Executive Chairman of the Board from the Company's inception in 1979. Mr. Gould currently serves as the Executive Chairman of the Company. He previously served as the Company's Chief Executive Officer from its inception until August 2018 and from December 2018 to July 2020.

*James (Tony) Hair*, age 55, has served as a director of the Company since August 2019 and as a member of its Audit Committee since April 2021. Mr. Hair is currently the CEO of Bradshaw Home, a leading provider of residential kitchen and cleaning equipment. He previously served as the CEO of Hunter Fan Company, where he led the sale of the company to Griffon Corp in January 2022. From 2013 to 2021, Mr. Hair worked for Masonite International Corporation (NYSE: DOOR), where he last served as its President, Global Residential Business. Prior to that Mr. Hair worked for Newell Brands where he led two different business units. He began his career with Maytag Corp where he served in various roles for over 16 years.

Our officers and directors are well qualified as leaders. In their prior positions, they have gained experience in core management skills, such as strategic and financial planning, public company financial reporting, compliance, risk management, and leadership development. Our officers and directors also have experience serving on boards of directors and board committees of other companies, and have an understanding of corporate governance practices and trends, which provides an understanding of different business processes, challenges, and strategies.

Our officers are elected by the Board and serve at the discretion of the Board, rather than for specific terms of office. Our Board is authorized to appoint persons to the offices set forth in our bylaws as it deems appropriate.

## **Corporate Governance**

### *Director Independence*

Our common stock is presently quoted on the OTCQX tier of The OTC Markets Group, Inc. under the symbol "QEPC." Under the rules of the OTCQX, we are not required to maintain a majority of independent directors on our Board and we are not required to establish committees of the Board consisting of independent directors. In order to be considered independent for purposes of Rule 10A-3 promulgated under the Securities Exchange Act of 1934, as amended (the "Exchange Act"), a member of an audit committee of a listed company may not, other than in his or her capacity as a member of the audit committee, the board of directors, or any other board committee, accept, directly or indirectly, any consulting, advisory, or other compensatory fee from the listed company or any of its subsidiaries or otherwise be an affiliated person of the listed company or any of its subsidiaries. Our Board has determined in its business judgment that each of Messrs. Cooperman, Hair and Kreilein is independent. Although we are not currently a listed issuer, our Board has determined director independence in accordance with the NYSE American rules for U.S. Companies, the Sarbanes-Oxley Act and related SEC rules.

### *Our Board of Directors and its Audit Committee*

During the fiscal year ended February 28, 2022, the Board held four meetings. Each of our directors attended at least 75% of all the meetings of the Board during the fiscal year ended February 28, 2022, either in person or



telephonically. The Board of Directors encourages all members to attend stockholder meetings, but has not adopted a formal policy regarding attendance. All of the Company's directors attended the 2021 annual stockholders meeting.

Our Board of Directors has one standing committee: the Audit Committee. Messrs. Hair, Kreilein, Leonard Gould and Cooperman serve as members of our Audit Committee. Mr. Cooperman serves as chairman of the Audit Committee. Each member of the Audit Committee is financially literate and our Board of Directors has determined that Mr. Cooperman qualifies as an "audit committee financial expert" as defined in applicable SEC rules. We have adopted an audit committee charter, which details the principal functions of the audit committee, including:

- the appointment, compensation, retention, replacement, and oversight of the work of the independent auditors and any other independent registered public accounting firm engaged by us;
- pre-approving all audit and non-audit services to be provided by the independent auditors or any other registered public accounting firm engaged by us, and establishing pre-approval policies and procedures;
- reviewing and discussing with the independent auditors all relationships the auditors have with us in order to evaluate their continued independence;
- setting clear policies for audit partner rotation in compliance with applicable laws and regulations;
- obtaining and reviewing a report, at least annually, from the independent auditors describing (i) the independent auditor's internal quality control procedures and (ii) any issues raised by the most recent internal quality-control review, or peer review, of the audit firm, or by any inquiry or investigation by governmental or professional authorities, within the preceding five years respecting one or more independent audits carried out by the firm and any steps taken to deal with such issues; and
- establishing and overseeing procedures for the receipt, retention and treatment of complaints received by the Company regarding accounting, internal accounting controls or auditing matters and the confidential, anonymous submission by Company employees of concerns regarding questionable accounting or auditing matters.

The Audit Committee was formed in April 2021 and held one meeting during the fiscal year ended February 28, 2022.

#### *Director Nominations*

We do not have a standing nominating committee. Our Board of Directors nominates individuals to serve on the Board of Directors. The Board of Directors will also consider director candidates recommended for nomination by our stockholders during such times as they are seeking proposed nominees to stand for election. Our stockholders that wish to nominate a director for election to the Board of Directors should follow the procedures set forth in our bylaws.

We have not formally established any specific, minimum qualifications that must be met or skills that are necessary for directors to possess. In general, in identifying and evaluating nominees for director, the Board of Directors considers educational background, diversity of professional experience, knowledge of our business, integrity, professional reputation, independence, wisdom, and the ability to represent the best interests of our stockholders.

#### *Code of Ethics*

We have adopted a Code of Ethics for Senior Financial Officers applicable to our Chief Executive Officer, Chief Financial Officer, Controller and finance directors of our subsidiaries. We will provide a copy of the Code of Ethics to you without charge upon request. In order to request a copy of the Code of Ethics, please write to Q.E.P. Co., Inc., 1001 Broken Sound Parkway NW, Suite A, Boca Raton, Florida 33487, Attention: Corporate Secretary, or call (561) 994-5550.

#### *The Board's Role in Risk Oversight*

Although our management is primarily responsible for managing our risk exposure on a daily basis, our Board of Directors oversees the risk management processes. Our Board, as a whole, determines the appropriate level of risk for our Company, assesses the specific risks that we face, and reviews management's strategies for adequately mitigating and managing the identified risks. Although our Board administers this risk management oversight

function, our Audit Committee supports our Board in discharging its oversight duties and addresses risks inherent in its area.

#### *Communications with the Board of Directors*

Stockholders may communicate directly with the Board of Directors, as a group, or any individual director by submitting written correspondence addressed to the Board or an individual director at Q.E.P. Co., Inc., 1001 Broken Sound Parkway NW, Suite A, Boca Raton, Florida 33487. All communications are relayed to the appropriate Board member or members.

#### *Director Compensation*

During the fiscal year ended February 28, 2022 and currently, each non-employee director receives an annual retainer of \$30,000 and a grant of 3,000 shares of restricted stock as compensation for services as a member of the Board. In addition, commencing in November 2020, non-employee directors receive \$1,000 for each meeting of the Board of Directors they attend. Prior to November 2020, non-employee directors received \$2,500 for each meeting of the Board of Directors they attended. During the fiscal year ended February 28, 2022, executive officers who are also directors do not receive any additional compensation for their services as directors. Compensation for members of the Board is reviewed annually by the Board. The Board considers the amount of time directors dedicate to Company matters and the need to attract and retain qualified directors when determining Board compensation.

**Fiscal Year Ended February 28, 2022 Director Compensation Table**

<b>Name</b>	<b>Fiscal Year</b>	<b>Fees Earned or Paid in Cash (\$)(1)</b>	<b>Salaries (\$)</b>	<b>Bonuses (\$)</b>	<b>Fees Earned or Paid in Stock (\$)(2)</b>	<b>Stock Awards (\$)(2)</b>	<b>All Other Compensation (3)</b>	<b>Total (\$)</b>
Non-Employee Directors (3 in total)	2022	\$101,000	N/A	N/A	\$198,000	N/A	N/A	\$299,000

(1) Directors who are employed by the Company do not receive any separate compensation for service on the Board of Directors. As of February 28, 2022, each non-employee Director receives an annual retainer of \$30,000 and a grant of 3,000 shares of restricted stock. In addition, non-employee directors receive \$1,000 for each meeting of the Board of Directors they attend.

(2) Represents the dollar amount recognized for financial statement reporting purposes for the fiscal year ended February 28, 2022, of restricted stock awards granted in and prior to fiscal year 2022.

(3) The Company pays for or reimburses directors' travel, lodging and other reasonable out-of-pocket expenses in connection with attendance at Board, Committee and Stockholder meetings.

## EXECUTIVE COMPENSATION

The following table summarizes all compensation recorded by us in the fiscal year ended February 28, 2022 for:

- our principal executive officer, and
- our three most highly compensated executive officers, other than our principal executive officer, who were serving as executive officers at February 28, 2022.

For definitional purposes, these individuals are sometimes referred to as the “named executive officers.”

### 2022 Summary Compensation Schedule

Name	Fiscal Year	Fees Earned or Paid in Cash \$(1)	Salaries (\$)	Bonuses (\$)	Fees Earned or Paid in Stock \$(2)	Stock Awards \$(2)	All Other Compensation (3)	Total (\$)
Executive Officers (1) (4 in total)	2022	N/A	\$2,186,869	\$1,696,146	N/A	N/A	\$83,978	\$3,966,993

(1) The Company has determined that compensation information regarding the named executive officers as a group is sufficient to an understanding of the Company and that providing confidential information as to each individual executive officer would not contribute materially to an understanding of the Company.

### Executive Officer and Director Compensation

The Company's Executive Chairman and the Company's President & Chief Executive Officer, The Americas, each have an Employment Agreement with the Company. No other officer has an Employment Agreement. Certain of the Company's executive officers are parties to a Severance Agreement with the Company, which provides certain benefits if their employment with the Company is terminated without cause.

The Company intends to develop an executive compensation program that is consistent with its existing compensation policies and philosophies, which are designed to align compensation with our business objectives and the creation of stockholder value, while enabling us to attract, motivate and retain individuals who contribute to the long-term success of the Company.

## CERTAIN RELATIONSHIPS AND RELATED PARTY TRANSACTIONS

The Audit Committee has established policies and procedures relating to transactions that may present actual, potential or perceived conflicts of interest and may raise questions as to whether such transactions are consistent with the best interest of our company and our stockholders. A summary of such policies and procedures is set forth below.

Any potential related party transaction that is brought to the Audit Committee's attention will be analyzed by the Audit Committee, in consultation with outside counsel or members of management, as appropriate, to determine whether the transaction or relationship does, in fact, constitute a related party transaction. At its meetings, the Audit Committee will be provided with the details of each new, existing or proposed related party transaction, including the terms of the transaction, the business purpose of the transaction and the benefits to us and to the relevant related party.

During the fiscal years ended February 28, 2022 and February 28, 2021, the Company employed certain individuals who are related to the Company's Executive Chairman or Chief Executive Officer. These individuals were paid a total \$0.4 million in each of fiscal years 2022 and 2021, respectively. Pursuant to a Board resolution the Company may repurchase up to \$120,000 per annum of shares of its outstanding common stock from one of these individuals at a price per share equal to the closing price of the common stock on the date of repurchase. Pursuant to

this resolution, the Company did not repurchase any shares in the fiscal year ended February 28, 2022 and repurchased 8,000 shares in the fiscal year ended February 28, 2021, at a cost of \$0.2 million.

## SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNER

The following table sets forth information regarding the beneficial ownership of our common stock as of the Record Date by each person known by us to be the beneficial owner of more than 5% of our outstanding shares of common stock.

Unless otherwise indicated, we believe that all persons named in the table have sole voting and investment power with respect to all shares of common stock beneficially owned by them.

Name of Beneficial Owner (1)	Amount of Beneficial Ownership	Percent of Outstanding Common Stock (2)	
<b>Directors and Executive Officers:</b>			
Lewis Gould	1,610,205	48.7	%

(1) The business address of the stockholder is 1001 Broken Sound Parkway NW, Suite A, Boca Raton, Florida 33487.

(2) The calculation in this column is based upon 3,308,881 shares of common stock outstanding as of the Record Date. Beneficial ownership is determined in accordance with the rules of the SEC and generally includes voting or investment power with respect to securities.

## OTHER MATTERS

Management does not know of any other business that may be considered at the Annual Meeting. However, if any matters other than those referred to above should properly come before the Annual Meeting, it is the intention of the persons named in the accompanying form of proxy to vote the proxies held by them in accordance with their best judgment. ***Stockholders are urged to vote on the matters to be considered in advance of the Annual Meeting. You may vote your proxy by telephone or via the Internet or by completing and returning the enclosed proxy card.***

The Company will bear the costs of its solicitation of proxies. In addition to the use of the mail, proxies may be solicited by electronic mail, personal interview, telephone, telegram and telefax by the directors, officers and employees of the Company. Arrangements will also be made with brokerage houses and other custodians, nominees and fiduciaries for the forwarding of solicitation material to the beneficial owners of stock held of record by such persons, and the Company may reimburse such custodians, nominees and fiduciaries for reasonable out-of-pocket expenses incurred by them in connection therewith.

By Order of the Board of Directors,

/s/ *Lewis Gould*

\_\_\_\_\_  
Executive Chairman

October 21, 2022