

## **AVALON GLOBOCARE CORP.**

### **Related Person Transaction Policy**

#### **General Scope**

The policy of Avalon GloboCare Corp. (together with its subsidiaries, the “**Company**”) is that all Related Person Transactions (as such term is defined in Appendix A to this Policy) shall be subject to review and oversight in accordance with the procedures set forth below.

#### **Review Procedures**

The Company’s Audit Committee (the “**Committee**”) shall review the material facts of all Related Person Transactions. If advance review by the Committee is not feasible, then the Related Person Transaction shall be reviewed at the Committee’s next regularly scheduled meeting. In reviewing any Related Person Transaction, the Committee will take into account, among other factors that it deems appropriate, whether the Related Person Transaction is on terms no less favorable to the Company than terms generally available in a transaction with an unaffiliated third-party under the same or similar circumstances and the extent of the Related Person’s (as such term is defined in Appendix A to this Policy) interest in the Related Person Transaction. In connection with its review of any Related Person Transaction, the Company shall provide the Committee with all material information regarding such Related Person Transaction, the interest of the Related Person and any potential disclosure obligations of the Company in connection with such Related Person Transaction.

The Committee has reviewed the Related Person Transactions described in the Pre-Approval List attached as Appendix B to this Policy and each of the Related Person Transactions described therein shall not be subject to further review by the Committee under the terms of this Policy. In connection with each regularly scheduled meeting of the Committee, a summary of any new Related Person Transactions deemed pre-approved (other than director and executive compensation arrangements) shall be provided to the Committee for its review.

If a Related Person Transaction will be ongoing, the Committee may establish guidelines for the Company’s management to follow in its ongoing dealings with the Related Person. Thereafter, on at least an annual basis, the Committee will review and assess such ongoing Related Person Transaction and confirm that the ongoing dealings with the Related Person have been in compliance with the guidelines established by the Committee.

## **Recusal of Interested/Conflicted Directors**

In the case of transactions between the Company and a Related Person, some or all of the Company's directors may have an interest in the transaction and/or may have duties that create a conflict of interest. In the event that a conflict of interest does exist, the conflicted director shall recuse himself from any discussion or vote of the Committee on the transaction creating the conflict, except that such director shall provide all material information concerning such transaction to the Committee.

## **Identification of Related Person Transactions**

Promptly after the adoption of this Policy, the Company will compile a list (the "**Related Person List**") of all Related Persons and Related Person Affiliates (as such term is defined in Appendix A to this Policy). The Related Person List will be compiled initially based on the most recent questionnaires soliciting such information that were completed by the directors and executive officers prior to the adoption of this Policy. Thereafter, the Related Person List will be updated at least annually in connection with the completion of questionnaires by the Company's directors and executive officers and promptly after any updated information regarding the identity of the Related Person Affiliates is provided to the Company. Each of the Company's directors, executive officers and director nominees will be responsible for promptly notifying the Company of any changes in the identity of such person's Related Person Affiliates that occurs or has occurred since the date such person most recently completed a questionnaire. The office of the Chief Financial Officer of the Company shall be responsible for administering the questionnaires and creating and maintaining the Related Person List.

To assist in identifying any potential Related Person Transactions, the Related Person List (including all updates thereto) shall be made available to the appropriate sales, marketing and operations (including finance, purchasing and business development) employees and executive officers of the Company who are involved with and/or familiar with the transactions, contracts or other legal or business arrangements that the Company has entered into or proposes to enter into from time to time with third parties. In connection with any proposed acquisition by the Company, appropriate personnel of the Company will, among other things and at the earliest opportunity during the transaction, cross-check the Related Person List against the list of equity holders and creditors of the target company who will receive consideration in the transaction.

\* \* \* \* \*

## Appendix A

### Certain Defined Terms

A “**Related Person**” is (i) any director or executive officer of the Company, (ii) any director nominee, (iii) security holders known to the Company to beneficially own more than 5% of any class of the Company’s voting securities, or (iv) the immediate family members (as defined below) of any of the persons listed in items (i) – (iii).

A “**Related Person Affiliate**” is any entity in which any Related Person is an employee, acts as a director or executive officer (or other comparable position) or maintains, directly or indirectly, a 5% or greater ownership interest and all persons or entities that directly, or indirectly through one or more intermediaries, control, or are controlled by, or are under common control with, any such entity, with control of an entity, for such purposes, meaning the ownership of a majority of the equity interests in that entity.

A “**Related Person Transaction**” is any transaction in which the Company is a participant and a Related Person has a direct or indirect material interest.

A Related Person’s “**immediate family members**” includes the Related Person’s child, stepchild, parent, stepparent, spouse, sibling, mother-in-law, father-in-law, son-in-law, daughter-in-law, brother-in-law, sister-in-law or any other person (other than a tenant or employee) sharing the household of such Related Person.

## Appendix B

### Pre-Approval List

The Committee has reviewed the types of Related Person Transactions described below and determined that each of the following Related Person Transactions shall be deemed to be pre-approved:

- 1) Compensation. Any compensation paid to a director or executive officer if such compensation (i) is required to be reported in the Company's annual proxy statement or (ii) in the case of an executive officer who is not a family member of any other executive officer, would have been required to be reported in the Company's annual proxy statement if the executive officer was a "named executive officer."
- 2) Transactions with Other Companies. Any transaction with another company, other than an acquisition by the Company of that company, if the only relationship that the Related Person has with such company is as a non-executive employee, director or beneficial owner of less than 10% of such company's shares, provided that the aggregate amount involved in such transaction does not exceed the greater of \$1,000,000 or 2% of that company's total annual revenues and that the transaction is on terms no less favorable than terms generally available to an unaffiliated third-party under the same or similar circumstances.
- 3) Charitable Contributions. Any charitable contribution, grant or endowment by the Company to a charitable organization, foundation or university if the only relationship that the Related Person has with such organization is as a non-executive employee or director, provided that the aggregate amount involved in such transaction does not exceed the greater of \$1,000,000 or 2% of such organization's total annual receipts.
- 4) Stockholder Transactions. Any transaction in which the Related Person's interest arises solely from beneficially owning the Company's common stock if all of the Company's stockholders receive the same benefit on a *pro rata* basis (e.g., dividends).
- 5) Institutional Investors. Any transaction with an institutional investor who is a Related Person if such institutional investor is a Related Person solely because of its beneficial ownership of more than 5% of a class of the Company's voting securities and does not take an active role in the management or direction of the Company's business, provided that the transaction is on terms no less favorable than terms generally available to an unaffiliated third-party under the same or similar circumstances.

# **AVALON GLOBOCARE CORP.**

## **Compensation Committee Charter**

### **I. General Statement of Purpose**

The Compensation Committee of the Board of Directors (the “**Compensation Committee**”) of Avalon GloboCare Corp. (the “**Company**”), on behalf of the Board of Directors (the “**Board**”), discharges the Board’s responsibilities relating to compensation of the Company’s directors and executives, oversees the Company’s overall compensation structure, policies and programs, reviews the Company’s processes and procedures for the consideration and determination of director and executive compensation, and is responsible for producing a report for inclusion in the Company’s proxy statement relating to its annual meeting of stockholders or annual report on Form 10-K, in accordance with applicable rules and regulations. The primary objective of the Compensation Committee is to develop and implement compensation policies and plans that ensure the attraction and retention of key management personnel, the motivation of management to achieve the Company’s corporate goals and strategies, and the alignment of the interests of management with the long-term interests of the Company’s stockholders.

### **II. Compensation Committee Composition**

The number of individuals serving on the Compensation Committee shall be fixed by the Board from time to time but shall consist of no fewer than three members, each of whom shall satisfy the independence standards established pursuant to Rule 5605(a)(2) of the NASDAQ Stock Market Rules, subject to any applicable exceptions contained in the NASDAQ Stock Market Rules. In determining the members of the Compensation Committee, the Board will consider whether the members qualify as “non-employee directors” as defined in Rule 16b-3 under the Securities Exchange Act of 1934, as amended (the “**Exchange Act**”), and as “outside directors” as defined in Section 162(m) of the Internal Revenue Code of 1986, as amended.

The members of the Compensation Committee shall be appointed annually by the Board and may be replaced or removed by the Board at any time, with or without cause. Resignation or removal of a Director from the Board, for whatever reason, shall automatically constitute resignation or removal, as applicable, from the Compensation Committee. Vacancies occurring, for whatever reason, may be filled by the Board. The Board shall designate one member of the Compensation Committee to serve as Chair of the Compensation Committee.

### **III. Meetings**

The Compensation Committee shall meet as often as it determines is appropriate to carry out its responsibilities, which meetings may be in person or by conference telephone or other communications equipment by means of which all persons participating in the meeting can hear each other. A majority of the members of the Compensation Committee shall constitute a quorum for purposes of holding a meeting and the Compensation Committee may act by a vote of a majority of members present at such meeting. In lieu of a meeting, the Compensation

Committee may act by unanimous written consent in accordance with the Company's bylaws. The Chair of the Compensation Committee, in consultation with the other members and management, may set meeting agendas consistent with this Charter.

#### **IV. Compensation Committee Activities**

The Compensation Committee's purpose and responsibilities shall be to:

##### **A. Review of Charter**

- Review and reassess the adequacy of this Charter annually and submit any proposed changes to the Board for approval.

##### **B. Processes and Procedures for Considering and Determining Director and Executive Compensation**

- Review and reassess periodically (and where appropriate, make such recommendations to the Board as the Compensation Committee deems advisable with regard to) the Company's processes and procedures for the consideration and determination of director and executive compensation, and review and discuss with management any description of such processes and procedures to be included in the Company's proxy statement.

##### **C. Compensation Committee Report**

- Review and discuss with management the Compensation Discussion and Analysis to be included in the Company's proxy statement or annual report on Form 10-K ("**CD&A**").
- Based on the Compensation Committee's review and discussions with management of the CD&A, make a recommendation to the Board that the CD&A be included in the Company's proxy statement or annual report on Form 10-K.
- Prepare the Compensation Committee Report to be included in the Company's proxy statement or annual report on Form 10-K in accordance with the applicable rules and regulations of the Securities and Exchange Commission, any securities exchange on which the Company's securities are traded, and any other rules and regulations applicable to the Company.

##### **D. Performance Evaluation of the Compensation Committee**

- Perform periodic performance evaluations of the Compensation Committee and report to the Board on the results of such evaluation.

**E. Incentive-Compensation and Equity-Based Plans**

- Review and approve grants and awards under incentive-based compensation plans and equity-based plans, in each case consistent with the terms of such plans.
- Review and make such recommendations to the Board as the Compensation Committee deems advisable with regard to policies and procedures for the grant of equity-based awards by the Company.

**F. Matters Related to Compensation of the Company's Chief Executive Officer**

- Annually, review and approve the corporate goals and objectives that may be relevant to the future compensation of the Company's Chief Executive Officer ("**CEO**").
- Evaluate the CEO's performance in light of the goals and objectives that were set for the CEO and determine the CEO's compensation based on such evaluation. In connection with determining the long-term incentive component of the CEO's compensation, the Compensation Committee should consider the Company's performance and relative stockholder return, the value of similar incentive awards to CEOs at comparable companies, and the awards given to the Company's CEO in past years.
- Review periodically the aggregate amount of compensation being paid or potentially payable to the CEO through the use of tally sheets or such other method as the Compensation Committee may determine.
- Based on performance against objectives, approve the annual compensation for the CEO including base salary, cash incentives and equity grants.
- The CEO may not be present during voting or deliberations concerning his or her compensation.

**G. Matters Related to Compensation of the Officers Other Than the Chief Executive Officer**

- Review and approve the proposed compensation for all Officers of the Company other than the CEO; for purposes hereof the term "Officer" shall mean any officer at C-level, any "officer" as defined in Section 16 of the Exchange Act and Rule 16a-1 promulgated thereunder, and any individual that reports directly to the CEO.
- Review no less frequently than annually the aggregate amount of compensation being paid or potentially payable to the Company's Officers

through the use of tally sheets or such other method as the Compensation Committee may determine.

## **V. Additional Compensation Committee Authority**

The Compensation Committee is authorized, on behalf of the Board, to do any of the following, as the Compensation Committee deems necessary or appropriate in its discretion:

### **A. Matters Related to Compensation of the Company's Directors and Members of Senior Management**

- Review and make such recommendations to the Board as the Compensation Committee deems advisable with regard to the compensation of the directors of the Company, including with respect to any equity-based plans.
- Review and discuss with the CEO the compensation of all members of senior management of the Company (other than the CEO and other Officers described above), including with respect to any incentive-compensation plans and equity-based plans.
- Review no less frequently than annually the aggregate amount of compensation being paid or potentially payable to members of the Company's senior management through the use of tally sheets or such other method as the Compensation Committee may determine.

### **B. Matters Related to Compensation Consulting Firms or Other Outside Advisors**

- Retain or obtain the advice of compensation consultants, legal counsel and/or other advisers; provided that:
- The Compensation Committee is authorized to, and must, have direct responsibility for the appointment, compensation and oversight of the work of any compensation consultant, legal counsel or other adviser retained by the Compensation Committee and the Company must provide for appropriate funding, as determined by the Compensation Committee, for payment of reasonable compensation to any such compensation consultant, legal counsel or other adviser; and
- Before any compensation consultant, legal counsel or other adviser (other than (1) in-house legal counsel or (2) any compensation consultant, legal counsel or other adviser whose role is limited to the following activities for which no disclosure would be required under Item 407(e)(3)(iii) of Regulation S-K: (i) consulting on any broad-based plan that does not discriminate in scope, terms, or operation, in favor of executive officers or directors of the Company, and that is available generally to all salaried employees or (ii) providing



information that either is not customized for a particular company or that is customized based on parameters that are not developed by the compensation consultant, legal counsel or other adviser and about which the compensation consultant, legal counsel or other adviser does not provide advice) is selected by, or provides advice to, the Compensation Committee, the Compensation Committee shall take into consideration the following factors:

- The provision of other services to the Company by the person that employs the compensation consultant, legal counsel or other adviser;
- The amount of fees received from the Company by the person that employs the compensation consultant, legal counsel or other adviser, as a percentage of the total revenue of the person that employs the compensation consultant, legal counsel or other adviser;
- The policies and procedures of the person that employs the compensation consultant, legal counsel or other adviser that are designed to prevent conflicts of interest;
- Any business or personal relationship of the compensation consultant, legal counsel or other adviser with a member of the Compensation Committee;
- Any stock of the Company owned by the compensation consultant, legal counsel or other adviser; and
- Any business or personal relationship of the compensation consultant, legal counsel, other adviser or the person employing the adviser with an executive officer of the Company.
- Prohibit the Company from engaging a compensation consultant engaged by the Compensation Committee, or an affiliate of any such compensation consultant, to provide any other services to the Company without the approval of the Compensation Committee.

## **VI. General**

- The Compensation Committee may establish and delegate authority to one or more subcommittees consisting of one or more of its members, when the Compensation Committee deems it appropriate to do so in order to carry out its responsibilities.
- The Compensation Committee shall make regular reports to the Board concerning areas of the Compensation Committee's responsibility.
- In carrying out its responsibilities, the Compensation Committee shall be entitled to rely upon advice and information that it receives in its discussions and communications with management and such experts, advisors and professionals with whom the Compensation Committee may consult. The Compensation Committee shall have the authority to request that any officer

or employee of the Company, the Company's outside legal counsel, the Company's independent auditor or any other professional retained by the Company to render advice to the Company attend a meeting of the Compensation Committee or meet with any members of or advisors to the Compensation Committee.

- The Compensation Committee may perform such other functions as may be requested by the Board from time to time.

