

Corporate Governance

While the Company is not required to comply with the provisions of the Combined Code and the UK Corporate Governance Code, it is the intention of the directors that the Company will indeed comply with both codes. With the exception of the following matters, the Company is in compliance with the June 2008 edition of FRC Combined Code on Corporate Governance and the June 2010 UK Corporate Governance Code.

A.1.2 Senior independent director has not been named.

C.3.5 Allowing for the size of the Company, there is currently no internal audit function as suggested by the Combined Code. The finance function continues to carry out regular and random internal checks on all systems and procedures to insure internal compliance. We do not feel the need, therefore, to appoint separate staff to carry out an internal audit function.

A.6.1 Also, the Board has not undertaken a formal evaluation of its own performance and that of its committees and individual directors. As suggested by the Combined Code, as of the end of 2013, relationships with the majority of all major stockholders have been maintained on a regular basis keeping them fully informed regarding the trading of the Company and any new developments.