

## FINANCIAL REPORTING AND DISCLOSURE POLICY

(ADOPTED SEPTEMBER 14, 2011)

### INTRODUCTION

This Financial Reporting and Disclosure Policy (the "Policy") is a part of the company's Code of Business Ethics. This Policy is established pursuant to Section 406 of the Sarbanes-Oxley Act of 2002 and the related rules promulgated by the Securities and Exchange Commission (the "SEC"), which require that the company establish a code of ethics to apply to the company's principal executive officer and certain of the company's senior financial officers, including but not limited to, the company's principal financial officer, controller, principal accounting officer, or persons performing similar functions (the "Executive Officers").

### PURPOSE

The purpose of this Policy is to deter wrongdoing and to promote:

- (1) Honest and ethical conduct, including the ethical handling of actual or apparent conflicts of interest between personal and professional relationships;
- (2) Full, fair, accurate, timely, and understandable disclosure in the reports and documents that the company files with, or submits to, the SEC and in the company's other public communications;
- (3) Compliance with applicable governmental laws, rules and regulations;
- (4) The prompt internal reporting of violations of this Policy to an appropriate person or persons identified in the Policy; and
- (5) Accountability for adherence to this Policy.

This Policy must be applied in good faith and with reasonable business judgment to enable the company to achieve its operating and financial goals within the framework of the law.

### POLICY

The Executive Officers must follow the accounting rules and controls set forth by the SEC and the Financial Accounting Standards Board.

The Executive Officers must also comply with the obligations set out in the Sarbanes-Oxley Act of 2002 and the related rules promulgated by the SEC.

Each Executive Officer shall, when required, provide full, fair, accurate, timely, and understandable disclosure in the reports and documents that the company files with, or submits to, the SEC. Accordingly, all account books, budgets, project evaluations, expense accounts and other papers utilized in maintaining business records must accurately report the matters to which they relate.

All assets and liabilities of the company must be carefully and properly set forth in the company's financial records. The company's outside accountants must be given full access to all information of the company necessary for them to properly conduct any audit of the

company or any subsidiary or division of the company.

No Executive Officer shall conceal a mistake in the company's financial reporting. All such mistakes must be fully disclosed and corrected as promptly as possible. Falsification of any company record is strictly prohibited and will result in instant dismissal and possible criminal charges being laid.

The company will not excuse any violation of this Policy by an Executive Officer even if the violation was specifically requested or directed by another Executive Officer.

Only the Board or the Audit Committee can authorize a waiver of this Policy.

Each Executive Officer must alert the Board, the Audit Committee, the company's Internal Auditor or other company officer whenever a violation of this Policy or other illegal, dishonest, or unethical act is discovered or suspected by such Executive Officer. No Executive Officer will be penalized by the company for reporting his or her discovery of such acts or for reporting suspicions of such acts provided that such Executive Officer is not a party to or responsible (alone or with others) for such acts.

#### **ADMINISTRATION**

The Audit Committee shall enforce this Policy through appropriate disciplinary actions. It shall determine whether violations of this Policy have occurred and, if so, shall determine the disciplinary actions to be taken against any Executive Officer who has violated this Policy.