

PROTECTING INVESTORS

2013 Data		2013-2014 Target	2013-2014 Accomplishments	2014-2015 Target	2014-2015 Accomplishments	
Extent of Disclosure (0-10)		Score				
1	What corporate body provides legally sufficient approval for the transaction?	0-3	1-3	0-3	1-3	
2	Whether disclosure of the conflict of interest by Mr. James to the board of directors is required?	0-2	2-2	0-2	2-2	
3	Whether immediate disclosure of the transaction to the public and/or shareholders is required?	0-2	2-2	0-2	2-2	
4	Whether disclosure of the transaction in published periodic filings (annual reports) is required?	2-2	2-2	2-2	2-2	
5	Whether an external body must review the terms of the transaction before it takes place?	0-1	0-1	0-1	0-1	
TOTAL		3	7	3	7	

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2013 Data		2013-2014 Target	2013-2014 Accomplishments	2014-2015 Target	2014-2015 Accomplishments
Extent of Director Liability (0-10)		Score			
1	Whether shareholders can sue directly or derivatively for the damage that the Buyer-Seller transaction causes to the company?	1-1	1-1	1-1	
2	Whether shareholders can hold Mr. James liable for the damage that the Buyer-Seller transaction causes to the company?	0-2	2-2	0-2	
3	Whether shareholders can hold members of the approving body liable for the damage that the Buyer-Seller transaction causes to the company?	0-2	2-2	0-2	
4	Whether a court can void the transaction upon a successful claim by a shareholder plaintiff?	0-2	1-2	0-2	
5	Whether Mr. James pays damages for the harm caused to the company upon a successful claim by the shareholder plaintiff?	1-1	1-1	1-1	
6	Whether Mr. James repays profits made from the transaction upon a successful claim by the shareholder plaintiff?	1-1	1-1	1-1	
7	Whether fines and imprisonment can be applied against Mr. James?	0-1	1-1	0-1	
TOTAL		3	9	3	9

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2013 Data		2013-2014 Target	2013-2014 Accomplishments	2014-2015 Target	2014-2015 Accomplishments	
Ease of Shareholder Suits Index (0-10)		Score				
1	Whether shareholders owning 10% or less of Buyer's shares can inspect transaction documents before filing suit?	1-1	1-1	1-1	1-1	
2	Whether shareholders owning 10% or less of Buyer's shares can request an inspector to investigate the transaction?	1-1	1-1	1-1	1-1	
3	Whether the plaintiff can obtain any documents from the defendant and witnesses during trial?	3-4	4-4	3-4	4-4	
4	Whether the plaintiff can request categories of documents from the defendant without identifying specific ones?	0-1	1-1	0-1	1-1	
5	Whether the plaintiff can directly question the defendant and witnesses during trial?	2-2	2-2	2-2	2-2	
6	Whether the level of proof required for civil suits is lower than that of criminal cases?	1-1	1-1	1-1	1-1	
TOTAL		8	10	8	10	