

- 1 **Q. Operating Costs by Breakdown: 2010 to 2014F - Exhibit 2**
2 **In 2010, \$500,000.00 of the \$712,000.00 indicated under “Severance & Other**
3 **Employee Costs” was severance. Why was this year so high relative to the years**
4 **that follow and are forecast?**
5
6 A. Severance costs in 2010 were higher than those in 2011 to 2014F primarily as a result of
7 severance paid to a member of the Company’s executive.