

ADCARE HEALTH SYSTEMS INC  
Form DEF 14A  
April 22, 2011

**SCHEDULE 14A**

**Information Required in Proxy Statement**

**Proxy Statement Pursuant to Section 14(a) of the Securities**

**Exchange Act of 1934**

Filed by Registrant

Filed by a Party other than the Registrant

Check the appropriate box:

..

Preliminary Proxy Statement

..

Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))

Definitive Proxy Statement

..

Definitive Additional Materials

..

Soliciting Material Under Rule 14a-12

**ADCARE HEALTH SYSTEMS, INC.**

**(Name of Registrant as Specified in its Chapter)**

**(Name of Person(s) Filing Proxy Statement, if other than the Registrant)**

Payment of Filing Fee (Check the appropriate box):

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No fee required.

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(1)

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(3)

Filing Party:

(4)

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**ADCARE HEALTH SYSTEMS, INC.**

**NOTICE OF ANNUAL MEETING OF SHAREHOLDERS**

**to be held**

**June 3, 2011**

**and**

**PROXY STATEMENT**

**IMPORTANT**

**Please mark, sign and date your proxy  
and promptly return it in the enclosed envelope.**

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**ADCARE HEALTH SYSTEMS, INC.**

5057 Troy Road  
Springfield, Ohio 45502-9032  
(937) 964-8974

**NOTICE OF ANNUAL MEETING OF SHAREHOLDERS  
TO BE HELD ON JUNE 3, 2011**

April 20, 2011

To Our Shareholders:

The Annual Meeting of Shareholders of AdCare Health Systems, Inc. (the Company ) will be held at Hilton Columbus at Easton, 3900 Chagrin Drive, Columbus, Ohio 43219, on June 3, 2011, at 10:00 a.m. local time, for the following purposes:

1.

To elect three (3) directors of the Company each to serve a three (3) year term expiring at the Annual Meeting of Shareholders to be held in 2014;

2.

To approve the 2011 Stock Option and Incentive Plan;

3.

To transact any other business which may properly come before the meeting or any adjournment thereof.

Accompanying this Notice of Annual Meeting is a form of a Proxy, Proxy Statement, and a copy of the Company's Form 10-K Annual Report for the year ended December 31, 2010, all to be mailed on or about April 20, 2011.

Our Board of Directors has fixed April 6, 2011, as the record date for the determination of shareholders entitled to notice and to vote at the annual meeting and any adjournment thereof. A list of shareholders will be available for examination by any shareholder at the annual meeting and for a period of 10 days before the annual meeting at our executive offices.

You will be most welcome at the annual meeting and we hope you can attend. Our directors and officers are expected to be present to answer your questions and to discuss the Company's business.

We urge you to execute and return the enclosed proxy as soon as possible so that your shares may be voted in accordance with your wishes. If you attend the annual meeting, you may cast your vote in person and your proxy will not be used. If your shares are held in an account at a brokerage firm or bank, you must instruct them on how to vote your shares.

By Order of the Board of Directors,

Carol Groeber

Secretary

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ADCARE HEALTH SYSTEMS, INC.

5057 Troy Road  
Springfield, Ohio 45502-9032

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***PROXY STATEMENT***

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**ANNUAL MEETING OF SHAREHOLDERS**

**June 3, 2011**

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This proxy statement is furnished to the shareholders of AdCare Health Systems, Inc., an Ohio corporation (the Company), in connection with the solicitation of proxies to be used in voting at the Annual Meeting of Shareholders to be held at Hilton Columbus at Easton, 3900 Chagrin Drive, Columbus, Ohio 43219 on June 3, 2011 at 10:00 a.m., and at any adjournment or postponement thereof (the Annual Meeting). The enclosed proxy is being solicited by our Board of Directors. This proxy statement and the enclosed proxy will be first sent or given to our shareholders on approximately April 20, 2011.

We will bear the cost of the solicitation of proxies, including the charges and expenses of brokerage firms and others for forwarding solicitation material to beneficial owners of stock. Representatives of the Company may solicit proxies by mail, telegram, telephone, fax, or personal interview.

The shares represented by the accompanying proxy will be voted as directed if the proxy is properly signed and received by us prior to the Annual Meeting. If no directions are made to the contrary, the proxy will be voted **FOR** the election of Joshua J. McClellan, Boyd P. Gentry and Phillip S. Radcliffe as directors of the Company for three (3) year terms expiring at the Annual Meeting in 2014 and **FOR** the approval of the 2011 Stock Option and Incentive Plan and to transact such other business as may properly come before the meeting or any adjournment thereof. Any shareholder voting the accompanying proxy has the power to revoke it at any time before its exercise by giving notice of revocation to us, by duly executing and delivering to us a proxy card bearing a later date, or by voting in person at the annual meeting. The officers, directors, and nominees for directors of the Company are the beneficial owners of 31.8% of the Company's issued and outstanding shares. The officers, directors and nominees for directors of the Company have indicated that they will vote for each nominee for director and for approval of the 2011 Stock Option and Incentive Plan.

Only holders of record of our common stock at the close of business on April 6, 2011 will be entitled to vote at the Annual Meeting. At that time, we had 8,348,997 shares of common stock outstanding and entitled to vote. Each share of our common stock outstanding on the record date entitles the holder to one vote on each matter submitted at the Annual Meeting.

The presence, in person or by proxy, of one-third of the outstanding shares of our common stock is necessary to constitute a quorum for the transaction of business at the Annual Meeting. Abstentions and broker non-votes will be counted for purposes of determining the presence or absence of a quorum. Broker non-votes occur when brokers, who hold their customers' shares in street name, sign and submit proxy for such shares and vote such shares on some matters, but not others. Typically, this would occur when brokers have not received any instruction from their customers, in which case the brokers, as the holders of record, are permitted to vote on routine matters.

The election of the director nominees requires the favorable vote of a plurality of all votes cast by the holders of our common stock at a meeting at which a quorum is present. The approval of the 2011 Stock Option and Incentive Plan requires that the affirmative vote of a majority of common stock present and entitled to vote on this matter.

### ELECTION OF DIRECTORS

Our Articles of Incorporation, as amended, provide that the number of directors shall be fixed at nine (9) with three (3) directors to be elected each year to serve a three (3) year term. At the 2007 Annual Meeting, Jeffrey L. Levine, Laurence E. Sturtz and Peter J. Hackett were elected as directors for three (3) year terms expiring in 2010. At the 2008 Annual Shareholder Meeting, Phillip S. Radcliffe and Merle Grace Kearns were elected as directors for three (3) year terms expiring in 2011. At the 2009 Annual Shareholder Meeting, David A. Tenwick and Gary L. Wade were elected as directors for three (3) year terms expiring in 2012. On March 30, 2009, Merle Grace Kearns submitted her resignation as a director for personal reasons. On September 24, 2009, the Board decided to increase the number of directors from six (6) to seven (7) and authorized the appointment of Christopher Brogdon to serve as the seventh (7<sup>th</sup>) director until the next annual election of directors by the shareholders of the Company. On December 23, 2009, the Board decided to increase the number of directors from seven (7) to nine (9) and authorized the appointment of Joshua J. McClellan and Boyd P. Gentry as the eighth (8<sup>th</sup>) and ninth (9<sup>th</sup>) directors until the next annual election of directors by the shareholders of the Company. At the 2010 Annual Shareholder Meeting, Christopher Brogdon, Peter J. Hackett and Laurence E. Sturtz were elected as directors for three (3) year terms expiring in 2013, Jeffrey L. Levine was elected as director for a two (2) year term expiring in 2012, and Joshua J. McClellan and Boyd P. Gentry, were each elected as directors for one (1) year terms expiring in 2011. At the June 3, 2011 meeting of shareholders, (i) directors, Phillip S. Radcliffe, Joshua J. McClellan and Boyd P. Gentry, have been nominated for three (3) year terms expiring in 2014.

It is intended that, unless otherwise directed, the shares represented by the enclosed proxy will be voted **FOR** the election of Phillip S. Radcliffe, Joshua J. McClellan and Boyd P. Gentry as directors of the Company for three (3) year terms expiring at the Annual Meeting in 2014.

### **THE BOARD UNANIMOUSLY RECOMMENDS THAT STOCKHOLDERS VOTE FOR THIS PROPOSAL TO ELECT THE FOLLOWING NOMINEES FOR DIRECTOR.**

The following table sets forth each nominee's name, age, and his position with the Company:

<b>Name</b>	<b>Age</b>	<b>Position Held</b>	<b>Term Expiring</b>
Boyd P. Gentry	52	Director	2014
Joshua J. McClellan	39	Director	2014
Phillip S. Radcliffe	74	Director	2014

*Boyd P. Gentry.* Mr. Gentry was appointed by existing Board members to the Board in December 2009 and became Co-Chief Executive Officer of the Company on January 10, 2011. Mr. Gentry was employed by Mariner Health Care, Inc., a former NYSE publicly held long-term health care provider with \$2B in annual revenue, from 1995 to 2007, and promoted to CFO subsequent to its 2004 going private transaction sponsored by National Senior Care. He transitioned to an ongoing consulting role for Mariner in September 2007 when he was recruited to Millenium Pharmacy Systems, Inc. as CFO. He remained with Millenium until 2009 and rejoined Mariner Health Care, Inc. as its President in April of 2010. From 1982 until 1995, Mr. Gentry was employed with Bank of America and its predecessors with various financial responsibilities as Senior Vice President. Mr. Gentry received his BA in



Economics from Knox College in Galesburg, Illinois and his MBA in Finance and Accounting from Southern Methodist University in Dallas, Texas. Mr. Gentry's expertise and background in the healthcare industry provides experience the Board considers valuable especially as the Company expands its operations into the southeastern portion of the United States and adds to the number of nursing home beds that it owns or leases.

*Joshua J. McClellan.* Mr. McClellan was appointed by existing Board members to the Board in December 2009. Mr. McClellan spent from 1996 until 2006 as Founder and President of McClellan Health Systems, Inc., located in northwest Ohio. Through acquisitions and development, he grew his company from a single, skilled nursing facility to a large regional healthcare provider for over 650 residents which he sold in June, 2006 for \$53M. He has developed and recently opened a large rehab facility in Denman, Colorado which has the capacity to provide rehabilitation and other medical services to approximately 100 residents. Mr. McClellan received his BS from Ohio State University and his MBA from the University of Findlay in Findlay, Ohio. Mr. McClellan is also a member of the Young Presidents Organization. Mr. McClellan's expertise and background in the healthcare industry (particularly nursing homes) provides experience the Board considers valuable.

*Phillip S. Radcliffe.* Mr. Radcliffe (74) has been a director of the Company since it was organized in 1991. Mr. Radcliffe spent his career in the industrial computer industry. Through the 1960s, Mr. Radcliffe was employed by IBM and then the Westinghouse Electric Company in their Computer and Instruments Division. Mr. Radcliffe next became an entrepreneur and participated in the start up of an industrial systems integration supplier. Phil served as the Chief Financial Officer of this company and led the effort in the company becoming public. He directed all SEC reporting requirements. In 1980 Mr. Radcliffe started his own virtual company in the Washington, DC area providing turnkey data acquisition and control systems to industry and the government. Since 1992 Mr. Radcliffe has assisted several early stage high tech companies in developing their business plan, locating funds and providing oversight and mentoring. Since 1970 Phil served on the Boards of Directors of several private and public companies. Mr. Radcliffe has served as a mentor for the Dingman School of Entrepreneurship, affiliated with the University Of Maryland School Of Business. Mr. Radcliff received his Bachelor's Degree from Baldwin Wallace College in 1959. Mr. Radcliffe's expertise and background in founding and advising start-up companies and helping them transition to a public reporting Company provides experience the Board considers valuable. In addition, his expertise in information technology is valuable as the Company continues to acquire long-term care facilities.

## **INFORMATION CONCERNING THE BOARD OF DIRECTORS, EXECUTIVE OFFICERS AND PRINCIPAL SHAREHOLDERS**

### ***Board Leadership and Structure***

Our Board of Directors believes that the purpose of corporate governance is to ensure that we maximize shareholder value in a manner consistent with legal requirements and the highest standards of integrity. The Board has adopted and adheres to corporate governance practices which the Board and senior management believe promote our corporate purposes, are sound and represent best practices. We continually review these governance practices to make sure we comply with state and Federal laws.

Our Board of Directors oversees all business, property and affairs of the Company. Our officers keep the members of the Board informed of our business through discussions at Board meetings and by providing them with reports and other materials.

### ***Risk Oversight***

Our Board of Directors oversees an enterprise-wide approach to risk management, designed to support the achievement of organizational objectives, including strategic objectives, to improve long-term organizational

performance and enhance shareholder value. A fundamental part of risk management is not only understanding the risks a company faces and what steps management is taking to manage those risks, but also understanding what level of risk is appropriate for the company. The involvement of the full Board of Directors in setting the Company's business strategy is a key part of its assessment of management's appetite for risk and also a determination of what constitutes an appropriate level of risk for the Company. Risk is assessed throughout the business, focusing on three primary areas of risk: financial risk, legal/compliance risk and operational/strategic risk.

While the Board of Directors has the ultimate oversight responsibility for the risk management process, various committees of the Board also have responsibility for risk management. In particular, the Audit Committee focuses on financial risk, including internal controls, and receives an annual risk assessment report from an outside consultant.

In addition, in setting compensation, the Compensation Committee strives to create a combination of near term and is working on longer term incentives that encourage a level of risk-taking behavior consistent with the Company's business strategy.

### ***Meetings and Compensation of the Board of Directors***

Our Board of Directors had a total of six (6) meetings during the year ended December 31, 2010. During 2010, all but one (1) director attended all of the meetings of the Board of Directors. The one director missed one meeting. Additionally, all directors attended all meetings held by all committees of the Board of Directors, on which he served.

Directors who are not employed by us received \$1,000 for each meeting attended in person and \$500 for each meeting attended via conference call. During the first calendar quarter of 2011, our Board of Directors had a total of two (2) meetings. All directors attended all meetings. Additionally, all directors who served on committees of the Board of Directors attended all meetings of such committees during the first calendar quarter of 2011.

### ***Shareholder Communication***

Our Board of Directors welcomes communications from shareholders. Shareholders may send communications to the Board of Directors or to any director in particular, c/o Carol Groeber, AdCare Health Systems, Inc., 5057 Troy Road, Springfield, Ohio 45502-9032. Any correspondence addressed to the Board of Directors or to any one of our directors in care of our offices (or by email to [carolg@adcarehealth.com](mailto:carolg@adcarehealth.com)) will be forwarded to the addressee without review by management.

### ***Committees of the Board of Directors***

We have an Audit Committee, a Compensation Committee and an Executive Committee.

The Audit Committee has the responsibility of reviewing our financial statements, evaluating internal accounting controls, reviewing reports of regulatory authorities and determining that all audits and examinations required by law are performed. The Audit Committee also approves the appointment of the independent auditors for the next fiscal year, approves the services to be provided by the independent auditors and the fees for such services, reviews and approves the auditor's audit plans, review and reports upon various matters affecting the independence of the independent auditors and review with the independent auditors the results of the audit and management's responses.

The Audit Committee was established in December, 2005 and was comprised of Messrs. Hackett, Levine and Sturtz during the first half of 2010 with Mr. Gentry replacing Mr. Levine in the second half of 2010. During 2010, all of the members of the Audit Committee were considered independent, as independence for Audit Committee members is defined in applicable rules of the NYSE Amex listing standards and the rules of the SEC. The Board of Directors has designated Peter J. Hackett as Chairman of the Audit Committee and as audit committee financial expert as defined by Item 407 of Regulations S-K of the Exchange Act.

The Compensation Committee was established in 1995, and a charter was adopted in December, 2005. During the first half of 2010, this committee was comprised of Messrs. Radcliffe, Sturtz and Levine with Mr. McClellan replacing Mr. Sturtz in the second half of 2010. Our Compensation Committee is responsible for establishing our compensation plans. Its duties include the development with management of benefit plans for our employees, the formulation of bonus plans and incentive compensation packages. The Board of Directors has designated Philip S. Radcliffe as Chairman of the Compensation Committee.

The Executive Committee was established in 1991 in order to take actions necessary between the meetings of the Board of Directors. The Executive Committee is authorized to exercise all the powers of the Board of Directors and the management and business affairs of the Company, other than that of filling vacancies among the Directors or any Committee of the Board of Directors. During 2010, the Executive Committee was comprised of Messrs. Tenwick, Wade, Hackett and Brogdon. In 2011, Mr. Gentry was added to the Executive Committee.

The Board of Directors has no standing nominating committee. We believe that, as a result of the role of the independent directors, as described below, it is not necessary to have a separate nominating committee at this time. Six of our nine current Directors, Messrs. Hackett, Levine, Radcliffe, Sturtz, McClellan and Gentry were independent in 2010 as determined utilizing the standards for director independence set forth in applicable rules of the NYSE Amex listing standards. Mr. Gentry became Co-CEO of the Company in 2011 and is no longer considered independent. The independent members of the Board select nominees for election as Directors by majority vote. In selecting nominees for Director, the Board does not operate pursuant to a charter.

In selecting Director nominees, the Board considers, among other factors, the existing composition of the Board and their evaluation of the mix of Board members appropriate for the perceived needs of AdCare. The Board believes that continuity in leadership and Board tenure maximizes the Board's ability to exercise meaningful Board oversight. Because qualified incumbent Directors are generally uniquely positioned to provide shareholders the benefit of continuity of leadership and seasoned judgment gained through experience as a Director, the Board will generally consider as potential candidates those incumbent Directors interested in standing for re-election who they believe has satisfied Director performance expectations, including regular attendance at, preparation for and meaningful participation in Board and committee meetings. While the Board does not have a formal policy on diversity, the Board seeks nominees with a broad diversity of experiences, professions, skills and backgrounds. Nominees are not discriminated against on the basis of race, religion, national origin, sexual orientation, disability or any other basis proscribed by law.

#### ***Compensation Committee Interlocks and Insider Participation***

None of our executive officers has served:

as a member of the compensation committee of another entity which has had an executive officer who has served on our compensation committee;

as a director of another entity which has had an executive officer who has served on our compensation committee; or

as a member of the compensation committee of another entity which has had an executive officer who has served as one of our directors.

The Board of Directors will consider the recommendations of shareholders regarding potential director candidates. In order for shareholder recommendations regarding possible director candidates to be considered by the Board of Directors:

such recommendations must be provided to the Board of Directors c/o AdCare Health Systems, inc., 5057 Troy Road, Springfield, Ohio 45502-9032, in writing at least 120 days prior to the date of the next scheduled annual meeting;

the nominating shareholder must meet the eligibility requirements to submit a valid shareholder proposal under Rule 14a-8 of the Securities Exchange Act of 1934, as amended; and

the shareholder must describe the qualifications, attributes, skills or other qualities of the recommended director candidate.

***Purpose of the Compensation Committee of the Board of Directors and Committee Report***

The Compensation Committee of the Board of Directors advises the Board with respect to the compensation of each senior executive and Board of Director member. The Committee is also charged with the oversight of compensation plans and practices for all employees of the Company. The Committee relies upon data purchased for the purpose of providing information on organizations of similar or larger scale engaged in similar activities. The purpose of the Committee's activity is to assure that the Company's resources are used appropriately to recruit and maintain competent and talented executives and employees able to operate and grow the Company successfully.

Presently, the Committee has determined that low executive compensation, based upon the data we have examined on comparable operations, poses some risk to the Company. If, for any reason, the Company had to replace any of our current four senior executives or expand our executive staff, the Company could reasonably expect to experience a significant increase in executive expenses in order to attract competent persons with executive qualifications from organizations engaged in like activities. Based upon its review and the discussions referred to herein the Committee has further recommended to the Board of Directors that the disclosure of compensation paid or awarded to executive officers and directors as required by Item 402 of Regulation S-K be disclosed pursuant to the filing of this proxy statement.

Phillip S. Radcliffe Chairman

Joshua J. McClellan

Jeffrey Levine

***Indemnification of Directors and Officers***

Our Articles of Incorporation and Code of Regulations limit the liability of officers and directors to the extent currently permitted by the Ohio Revised Code.

While indemnification for liabilities under the Securities Act of 1933 is permitted to our directors, officers, and controlling people, we have been advised that, in the opinion of the Securities and Exchange Commission, indemnification is against public policy as expressed in the Act and is, therefore, unenforceable. In the event that a

claim of indemnification against such liabilities (other than our payment of expenses incurred or paid by one of our directors, officers, or controlling people in a successful defense of any action, suit, or proceeding) is asserted by such director, officer, or controlling person in connection with our securities, we will, unless in the opinion of our counsel the matter has been settled by controlling precedent, ask a court of appropriate jurisdiction to decide whether or not such indemnification is against public policy as expressed in the Act. We will be governed by the final adjudication of the issue.

***Report of Audit Committee of the Board of Directors***

The Audit Committee consults with our Chief Financial Officer and other key members of our management and with our independent auditors with regard to the plan of audit; reviews, in consultation with the independent auditors, their report of audit, or proposed report of audit and the accompanying management letter, if any; and consults with our Chief Financial Officer and other key members of our management and with our independent auditors with respect to the adequacy of the internal accounting controls.

In fulfilling its responsibilities, the Audit Committee selected Battelle & Battelle LLP as our independent accountants for purposes of auditing our financial statements for 2010. The Audit Committee has reviewed and discussed with management and the independent auditors our audited financial statements; discussed with the independent auditors the matters required to be disclosed by Codification of Statements on Auditing Standards No. 61, as amended; received the written disclosures and the letter from the independent auditors required by Independence Standards Board Standard No. 1; and discussed with the independent accountants their independence from our Company.

Based on the reviews and discussions with management and Battelle & Battelle LLP, the Audit Committee recommended to the Board of Directors that our audited consolidated financial statements be included in our Annual Report on Form 10-K for the fiscal year ended December 31, 2010, filed with the Securities and Exchange Commission.

The Board of Directors evaluated the independence of each member of the Audit Committee. As part of its evaluation, the Board of Directors determined, in the exercise of its business judgment, that Messrs. Hackett, Gentry and Sturtz are independent under NYSE Amex standards and are financially literate each in his own capacity.

Based upon the work and the information received in the inquiries outlined above, the Audit Committee is satisfied that its responsibilities for the period ended December 31, 2010, were met and that our financial reporting and audit processes are functioning effectively.

Submitted by the Audit Committee

of the Board of Directors

Boyd P. Gentry

Peter J. Hackett

Laurence Sturtz



## MANAGEMENT

## Executive Officers and Directors

The following table sets forth certain information with respect to our executive officers and directors. *We have historically separated the function of Chairman of the Board and Chief Executive Officer as we believe that the Company is better served by these functions being performed by separate individuals.*

Name	Age	Position
David A. Tenwick <sup>(1)</sup>	73	Director, Chairman of the Board
Christopher Brogdon <sup>(1)</sup>	62	Director, Vice-Chairman, Chief Acquisitions Officer
Gary L. Wade <sup>(1)</sup>	74	Director, President, Co-CEO
Boyd P. Gentry <sup>(1)</sup>	52	Director, Co-CEO
Peter J. Hackett <sup>(1)</sup>	73	Director
Jeffrey Levine	59	Director
Joshua J. McClellan	39	Director
Philip S. Radcliffe	74	Director
Laurence E. Sturtz	68	Director
Scott Cunningham	43	Chief Financial Officer
Sharon L. Reynolds	65	Senior Vice President of Nursing Home Operations
Clarence A. Shelton, III	64	Senior Vice President of Nursing Operations, Southeast Division
Carol Groeber	54	Secretary

<sup>(1)</sup> *Members of the Executive Committee.*

Directors are elected at the annual meeting of shareholders and hold office for a term of three (3) years and until their successors are elected and have qualified. All officers serve at the discretion of the Board of Directors. The Board has a five-person Executive Committee comprised of David A. Tenwick, Christopher Brogdon, Gary L. Wade, Boyd P. Gentry and Peter J. Hackett. The Executive Committee is elected by the whole Board of Directors and meets in between regularly-scheduled Board meetings in order to take needed actions.

*David A. Tenwick.* Mr. Tenwick, our founder, has served as our Chairman and Director since our organization in August 1991. Prior to founding our Company, Mr. Tenwick was an independent business consultant from 1982 to 1990. Through this capacity, he has served as a director and an officer of several businesses, including Douglass Financial Corporation, a surety company, and AmeriCare Health & Retirement, Inc., a long-term care management company. From 1967 until 1982, Mr. Tenwick was a director and an officer of Nucorp Energy, Inc., a company which he co-founded. Nucorp Energy was a public company which invested in oil and gas properties and commercial and residential real estate. Prior to founding Nucorp, he was an enforcement attorney for the United States Securities and Exchange Commission. Mr. Tenwick is a member of the Ohio State Bar Association and was a founding member of the Ohio Assisted Living Association, an association that promotes high quality assisted living throughout the State of Ohio. Mr. Tenwick earned his Bachelor of Business Administration (BBA) and Juris Doctor (JD) degrees from the University of Cincinnati in 1960 and 1962, respectively. Mr. Tenwick's tenure with the Company and legal and business background provides experience the Board considers valuable.

*Christopher Brogdon.* Mr. Brogdon was appointed by existing Board members to the Board in September 2009 and currently serves as the Company's Vice-Chairman and Chief Acquisition Officer. Mr. Brogdon has been primarily responsible for directing the Company's aggressive expansion into the southeastern United States. Mr. Brogdon brings to AdCare more than 20 years of experience in the nursing home, assisted living and retirement community. Mr. Brogdon previously served as Chairman of the Board of NYSE-listed Retirement Care Associates (RCA) and NASDAQ-listed Contour Medical. While under his direction, RCA expanded from 3 to 120 facilities and increased annual revenue from \$1M to more than \$350M. RCA was eventually acquired by Sun Healthcare for more than \$350M. While under his direction, Contour Medical achieved a seven-fold increase in revenue from \$5M to \$35M and was eventually sold at a price of \$12 per share, up from \$1 per share when Brogdon assumed the Chairmanship. Since 1998, Mr. Brogdon has owned and operated Brogdon Family LLC which owns and operates nursing homes, assisted living facilities and restaurants. Mr. Brogdon's extensive background with public companies and his experience in nursing home development, acquisitions and mergers as well as his experience in financing those activities provides experience the Board considers valuable.

*Gary L. Wade.* Mr. Wade has been a director and our President since 1995 and became CEO in 1998. Mr. Wade became Co-CEO (with Boyd Gentry) on January 10, 2011. At that time, Mr. Wade announced that he intends to retire on June 30, 2011. Mr. Wade will remain our President until the time of his retirement at which time those duties will also be assumed by Mr. Gentry. Mr. Wade will remain a member of the Board of Directors until his current term expires at the annual shareholder meeting in 2012. In 1988 Mr. Wade was a co-founder of AdCare Health Systems, Inc., whose assets we acquired in 1995. Prior to that, he served as the Chief Executive Officer and President of St. John's Mercy from 1980 to 1989 and was responsible for the development and operation of Oakwood Village Retirement Community in 1987, a 230-unit continuing care retirement community, and the operation of St. John's Center, a sub-acute long-term care facility. His extensive experience in health care also includes work with chemical abuse treatment programming and the care for Alzheimer's patients. Mr. Wade earned his undergraduate degree at Ohio University and his M.B.A. from Xavier University, where he specialized in hospital and health care administration. He is a past Chairman of the Ohio Assisted Living Association and served on the Government Relations and Health Care committees of the Association of Ohio Philanthropic Homes. Mr. Wade's tenure with the Company and healthcare business background provides experience the Board considers valuable.

*Peter J. Hackett.* Mr. Hackett was appointed to the Board in May 2005. The existing directors appointed Mr. Hackett and he was elected by the shareholders at the June 2007 annual meeting. Mr. Hackett is a certified public accountant who received his Bachelor of Arts degree from the University of Notre Dame and his Masters of Arts degree from The Ohio State University in 1959 and 1965, respectively. Mr. Hackett was a stockholder in the accounting firm of Clark, Schaefer, & Hackett & Co. from 1962 to 2003. Mr. Hackett served as a CEO of Clark, Schaefer, & Hackett & Co. from 1991 to 1999 and was Chairman from 1999 to 2003. Mr. Hackett currently acts as a consultant for Clark, Schaefer, & Hackett & Co. Mr. Hackett is a member of the American Institute of Certified Public Accountants and the Ohio Society of Certified Public Accountants. Mr. Hackett was a board member of Mercy Medical Center from 1972 to 1995. Mr. Hackett is also involved in numerous civic and charitable affiliations in the Springfield, Ohio area. Mr. Hackett's extensive financial and auditing background provides experience the Board considers valuable.

*Jeffrey L. Levine.* Mr. Levine was elected to the Board of Directors at the December 2005 stockholder meeting. He also served as a director of the Company from its organization in 1991 until 2003. Mr. Levine received his BS in business from Miami University in 1973 and his Juris Doctorate from Capital University Law School in 1976. He has been an industrial and commercial real estate broker from 1975 to present. He is the President of the Levine Real Estate Company and is the past President of Larry Stein Realty. Mr. Levine has extensive experience in negotiating and appraising commercial and investment real estate. Mr. Levine has served as an officer and director on several private and public real estate companies and financial institutions. He is a member of the National Association of Realtors, the Ohio State Bar Association and the Florida State Bar Association. Mr. Levine's extensive real estate background provides experience the Board considers valuable.



*Laurence E. Sturtz.* Mr. Sturtz was appointed to the Board in June 2005. The existing directors appointed Mr. Sturtz who was elected by the stockholders at the December 2005 annual meeting. Mr. Sturtz is a retired attorney at law. He received his Bachelor of Arts degree , majoring in economics, and his Juris Doctor degree from The Ohio State University, graduating in 1964 and 1967, respectively. Mr. Sturtz was admitted to practice before the United States Supreme Court and had five cases before that body over the years. Mr. Sturtz was a prominent trial lawyer in Columbus, Ohio and also specialized in representing companies of all sizes until his retirement in 2002. Mr. Sturtz left the private practice of law for six years (1982-1988) and served as Vice President and General Counsel, and then President and Chief Executive Officer of Strata Corporation, a public company based in Columbus, Ohio. In 1988, Mr. Sturtz returned to the private practice of law and became the senior litigator with the firm of Carlile Patchen & Murphy LLP. Mr. Sturtz has been a Board Member of Advanced Biological Marketing, Inc. for more than five years, and was Chairman of the Board of The Language Access Network ( TLAN ) from March, 2006 until December 2007. Mr. Sturtz currently works as a mediator and arbitrator in Florida and Ohio. Mr. Sturtz extensive legal experience, management background and experience with public companies provides experience the Board considers valuable.

Other than Messrs. Tenwick, Wade, Brogdon and Gentry who are also directors, the following persons serve as executive officers of the Company:

*Scott Cunningham.* Mr. Cunningham has served as our CFO since 2004. Mr. Cunningham joined us in June 1992 as Director of Business Services at one of the nursing facilities that we manage. He became Corporate Controller in September 1997, was appointed Corporate Treasurer in August 1998, and Vice President of Finance in August 1999. Mr. Cunningham graduated from Wright State University in 1990 with a Bachelor of Science degree in Business, majoring in both Accounting and Finance.

*Sharon L. Reynolds.* Ms. Reynolds has served as our Senior Vice President of Nursing Home Operations since 1997. From 1985 to 1997, Ms. Reynolds was in charge of running Northland Terrace, 260-bed nursing home facility located in Columbus, Ohio. From 1972 until 1985, she has been an administrator of several nursing homes, mostly located in the greater Columbus, Ohio area. Ms. Reynolds has directed the development and implementation of numerous specialized programs for patients with complex medical conditions during her career, and has been a speaker at a number of national health conventions. She is a graduate of Franklin University where she earned her BS and MBA in 1980 and 1999, respectively.

*Clarence A. Shelton, III.* Mr. Shelton has served as our Vice President Operations Southeast Division since 2010. From 1998 to 2007, Mr. Shelton was Division President of Sava Senior Care, a privately held long-term care company where he had operational responsibilities for 78 long-term care facilities in 14 states. From 1995 until 1998, Mr. Shelton was President/CEO of a privately held start up company organized to develop, acquire and operate long-term care and assisted living centers primarily in the southeast. Overall, Mr. Shelton has over 30 years experience in the healthcare industry. In addition, Mr. Shelton served for over 31 years of active duty and reserve duty in the United States Army where he retired in 1997 with the rank of colonel.

*Carol Groeber.* Ms. Groeber has served as Corporate Secretary since 1998. Ms. Groeber joined AdCare in 1994 and is the Vice President of Human Resources and Information Systems. From 1979 to 1992 she was employed by Credit Life Insurance Company where her responsibilities included being Director of the Premium Division. She received an Associate degree in Business, majoring in Accounting from Clark State College in 1976. Her background in accounting, business operations, human resources and systems afford her the expertise to establish and train new clients, assist in development projects, and play an active role in Corporate Compliance.

#### ***Ownership of Common Stock by Directors and Executive Officers***

The following table sets forth, as of March 31, 2011, the beneficial ownership of our common stock by each of our directors, each executive officer named in the Summary Compensation Table, and by all directors and executive officers as a group.

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<b>Names and Address</b>	<b>Number</b>	<b>Percent of Total</b>
David A. Tenwick 8503 Misty Woods Circle Powell, OH 43065	760,539 <sup>(1)</sup>	8.7%
Christopher Brogdon 345 Heards Ferry Road N.W. Atlanta, GA 30328	1,423,934 <sup>(2)</sup>	15.4%
Gary L. Wade 5057 Troy Road Springfield, OH 45502	482,100 <sup>(3)</sup>	5.6%
Boyd P. Gentry 84 Palisades Road Atlanta, GA 30309	109,583 <sup>(4)</sup>	1.3%
Peter J. Hackett 505 West Home Road Springfield, OH 45504	18,887 <sup>(5)</sup>	*
Jeffrey Levine 2615 Dunhollow Drive Springfield, OH 45503	44,398 <sup>(6)</sup>	*
Joshua J. McClellan 8442 Strawberry Lane Niwot, CO 80305	111,058	1.3%
Philip S. Radcliffe 5057 Troy Road Springfield, OH 45502	47,016 <sup>(7)</sup>	*
Laurence E. Sturtz 3421 Pointe Creek Court, Apt # 106 Bonita Springs, FL 34134	96,623 <sup>(8)</sup>	1.2%
Scott Cunningham 5057 Troy Road Springfield, OH 45502	50,231 <sup>(9)</sup>	*

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Sharon L. Reynolds	38,373 <sup>(10)</sup>	*
5057 Troy Road		
Springfield, Ohio 45502		
Clarence A. Shelton	8,333 <sup>(11)</sup>	*
1120 Shannon Lynn Shores		
Talladega, AL 35160		
Carol Groeber	34,470 <sup>(12)</sup>	*
3018 Colony Lane		
Springfield, OH 45503		

All Directors and Officers as a Group	3,268,333	31.8%
*Less than 1%		

(1)

Includes 3,360 options which are exercisable at \$2.50 per share, 8,400 options at \$1.50 per share, 3,150 warrants to purchase shares of common stock at \$2.50 per share and 99,295 warrants at \$1.21 per share, 99,295 warrants at \$2.25 per share, 99,295 warrants at \$3.00 per share and 99,295 warrants at \$4.00.

(2)

Includes 408,128 shares held directly by Connie B. Brogdon (his spouse), 516,700 warrants which are currently exercisable by Ms. Brogdon at \$2.50 per share, 82,489 shares held by Christopher Brogdon, 85,392 warrants which are currently exercisable by Christopher Brogdon at \$2.50 per share, 100,000 warrants which are currently exercisable by Christopher Brogdon at \$3.00 per share, 100,000 warrants which are currently exercisable by Christopher Brogdon at \$4.00 per share, 17,325 shares held by Ms. Brogdon as custodian for the benefit of a minor child and 113,900 warrants which are currently exercisable by Ms. Brogdon at \$2.50 for the benefit of a minor child.

(3)

Includes 42,000 warrants and 3,360 options which are exercisable at \$2.50 per share, 2,100 warrants exercisable at \$2.50 per share, 53,409 warrants at \$1.21 per share, 53,409 warrants at \$2.25 per share, 53,409 warrants at \$3.00 per share, 53,409 warrants at \$4.00 and 8,400 options at \$1.50 per share.

(4)

Includes 13,125 warrants currently exercisable at \$2.50 per share and 83,333 warrants at \$4.13 per share.

(5)

Includes 2,100 warrants which are exercisable at \$2.50 per share, 5,880 options at \$1.50 per share, 840 warrants at \$1.21 per share, 840 warrants at \$2.25 per share, 840 warrants at \$3.00 per share and 840 warrants at \$4.00 per share.

(6)

Includes 2,211 warrants which are exercisable at 2.50 per share, 5,880 options at \$1.50 per share, 2,940 warrants at \$1.21 per share, 2,940 warrants at \$2.25 per share, 2,940 warrants at \$3.00 per share and 2,940 warrants at \$4.00 per share.

(7)

Includes 840 options which are exercisable at \$2.50 per share, 5,880 options at \$1.50 per share, 1,050 warrants to purchase shares of common stock at \$2.50 per share, 4,673 warrants at \$1.21 per share, 4,673 warrants at \$2.25 per share, 4,673 warrants at \$3.00 per share and 4,673 warrants at \$4.00 per share.

(8)

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Includes 5,880 options at \$1.50 per share, 4,200 warrants exercisable at \$2.50 per share, 9,206 warrants at \$1.21 per share, 9,206 warrants at \$2.25 per share, 9,206 warrants at \$3.00 per share and 9,206 warrants at \$4.00 per share.

(9)

Includes 6,720 options which are exercisable at \$2.50 per share, 8,400 options at \$1.50 per share, 1,848 warrants to purchase shares of common stock at \$1.21 per share, 1,848 warrants at \$2.25 per share, 1,848 warrants at \$3.00 per share, 1,848 warrants at \$4.00 per share and 17,500 warrants at \$3.00 per share.

(10)

Includes 1,848 options which are exercisable at \$2.50 per share, 5,880 options at \$1.50 per share, 1,596 warrants to purchase shares of common stock at \$1.21 per share, 1,596 warrants at \$2.25 per share, 1,596 warrants at \$3.00, 1,596 warrants at \$4.00 and 17,500 warrants at \$3.00 per share.

(11)

Includes 8,333 options which are exercisable at \$4.13 per share.

(12)

Includes 1,848 options which are exercisable at \$2.50 per share, 5,880 options at \$1.50 per share, 1,596 warrants to purchase shares of common stock at \$1.21 per share, 1,596 warrants at \$2.25 per share, 1,596 warrants at \$3.00 per share, 1,596 warrants at \$4.00 per share and 17,500 warrants at \$3.00 per share.

***Ownership of Common Stock by Principal Shareholders***

The following table sets forth information as of April 6, 2011, relating to the beneficial ownership of common stock by each person known by us to beneficially own more than 5% of our outstanding shares of common stock.

<b>Names and Address</b>	<b>Number</b>	<b>Percent of Total</b>
Ira A. Abrahamson, Jr.  105 West 4 <sup>th</sup> Street, Suite 719  Cincinnati, OH 45202	470,009 <sup>(1)</sup>	5.6%
Connie B. Brogdon  345 Heards Ferry Road N.W.  Atlanta, GA 30328	1,423,934 <sup>(2)</sup>	19.3%
AQR Capital Management, LLC  Two Greenwich Plaza, 3 <sup>rd</sup> Floor  Greenwich, CT 06830	869,234 <sup>(3)</sup>	10.0%



(1)

Includes 94,736 warrants which currently are exercisable by Mr. Abraham at \$2.50 per share.

(2)

Includes 408,128 shares held directly by Ms. Brogdon, 516,700 warrants which are currently exercisable by Ms. Brogdon at \$2.50 per share, 82,489 shares held by Christopher Brogdon (her spouse), 85,392 warrants which are currently exercisable by Christopher Brogdon at \$2.50 per share, 100,000 warrants exercisable by Christopher Brogdon at \$3.00 per share, 100,000 warrants exercisable by Christopher Brogdon at \$4.00 per share, 17,325 shares held by Ms. Brogdon as custodian for the benefit of a minor child and 113,900 warrants which are currently exercisable by Ms. Brogdon at \$2.50 for the benefit of a minor child.

(3)

Includes debt securities that are convertible into 810,000 shares of common stock.

**EQUITY COMPENSATION PLAN INFORMATION**

The following table sets forth the amount accrued by us during fiscal year 2010 for services rendered by our named executive officers. This includes all compensation awarded to, earned by or accrued for the executive officers listed below during the periods in question:

## (a) Compensation

## SUMMARY COMPENSATION TABLE

Name and principal position	Year	Salary	Bonus	Stock awards	Option awards	Non-equity incentive plan compensation	All other compensation <sup>(1)</sup>	Total
David A. Tenwick, Chairman (PEO)	2010	\$165,476	\$100,000			\$-	\$41,540	\$307,016
	2009	\$157,839				\$-	\$41,735	
				\$274,243	\$89,838			\$563,655
Christopher Brogdon, Vice-Chairman and Chief Acquisitions Officer	2010	\$-	\$100,000	\$-	\$-	\$-	\$-	\$100,000
	2009	\$-	\$-	\$-	\$290,754	\$-	\$-	\$290,754
Gary L. Wade, President, Co-Chief Executive Officer	2010	\$159,965	\$100,000			\$-	\$36,541	\$296,506
	2009	\$152,591				\$-	\$36,735	
				\$147,511	\$60,193	\$-		\$397,030
Scott Cunningham, Chief Financial Officer (PFO)	2010	\$132,401	\$75,000			\$-	\$15,270	\$222,671
	2009	\$126,284				\$-	\$14,842	
				\$5,104	\$27,922	\$-		\$174,152
Sharon Reynolds, Senior VP, Nursing Home Operations	2010	\$133,972	\$29,000			\$-	\$19,282	\$182,254
	2009	\$128,436				\$-	\$23,646	\$184,184
				\$4,408	\$27,694	\$-		
Clarence A. Shelton, Senior VP, Nursing Home Operations	2010	\$65,732	\$15,000	\$-		\$-	\$20,000	\$100,732

<sup>(1)</sup> Includes an expense allowance of \$40,000, \$35,000, \$15,000, \$17,500 and \$20,000 respectively.

**Employment Agreements**

In 2008 we entered into employment agreements with Mr. Tenwick, Mr. Wade and Mr. Cunningham. The employment agreements provided for an initial employment term of three years starting September 1, 2008 and ending September 1, 2011, with base salaries of \$150,000, \$145,000 and \$120,000 respectively, health insurance, vacation and sick leave, a minimum salary increase of five percent per year and inclusion in any option program that we may institute in the future. In addition, they each participate in the executive expense allowance program and are reimbursed \$40,000, \$35,000 and \$10,000 respectively on an annual basis for expenses incurred in connection with performing duties for the Company.



The employment agreements with Mr. Tenwick, Mr. Wade and Mr. Cunningham each provide that if they are terminated for any reason other than cause (which is defined as dishonesty in transactions with us, material disloyalty and/or the express refusal to perform services for us which may be properly requested), we are required to compensate them from the remaining term of their employment agreement plus one additional year. The employment agreements also provide that if Mr. Tenwick, Mr. Wade or Mr. Cunningham leave voluntarily, or are terminated for cause, they may not compete within the state of Ohio for a period of one year following the termination.

We entered into an employment agreement with Mr. Gentry effective January 10, 2011. The terms of the agreement include an annual salary of \$300,000 per year, an annual performance bonus of up to 100% of the annual salary based on standards to be established by the compensation committee and participation in the Company's Executive Expense Allowance program to the extent of \$30,000 per year. Mr. Gentry will also receive equity compensation of 250,000 warrants to purchase shares of common stock with an exercise price per share equal to \$4.13 per share. One third of the warrants vested on January 10, 2011 (the effective date), and the remaining two thirds shall vest ratably on the day before each on the two subsequent anniversaries of the effective date.

The Company is currently not a party to an employment agreement with Mr. Brogdon.

### ***Stock Incentive Plans***

In November, 2007, the Board of Directors of the Company granted warrants to officers and directors of the Company equal to two warrants for every share of stock owned. The original warrants vested over five years and matured in ten years. The exercise price of the warrants in each of the five years following the issuance of the warrants was initially determined as follows: warrants vesting in 2008 were exercisable at \$1.21; warrants vesting in 2009 were exercisable at \$2.25; warrants vesting in 2010 through 2012 were exercisable at a price equal to the greater of (i) the average closing price of the Company's common stock on NYSE-Amex exchange during the month of January each year or (ii) \$3.00. The issuance of these Warrants was approved at a Special Meeting of the Shareholders on August 15, 2008. In connection with the Company's private placement approved by shareholders on November 30, 2009, the Company amended this plan to provide that (i) the unvested Warrants scheduled to vest in 2011 will be exercisable at \$4.00 per share, (ii) the unvested Warrants scheduled to vest in 2012 will be eliminated; and (iii) all unexercised warrants would be exercisable on a cashless basis. The warrants that were to vest in 2012 will be replaced by a like number of Restricted Shares.

In August 2005, we adopted a Stock Option Plan to secure for us and our shareholders the benefits arising from capital stock ownership by our officers, directors, employees, and consultants who are expected to contribute to our future growth and success. The Option Plan authorizes the grant of options to purchase an aggregate of 200,000 shares

of our common stock (adjusted for stock splits) both as incentive stock options as that term is defined under Section 422(A) of the Internal Revenue Code of 1986, as amended, and stock options which do not qualify as incentive stock options ( non-qualified stock options ). The Option Plan provides that the Board of Directors or the Compensation Committee appointed by the Board of Directors may grant options and otherwise administer the Option Plan. The exercise price of each incentive option must be at least 100% of the fair market value of the shares of our common stock at the date of grant, and no such option may be exercisable for more than ten years after the date of grant.

However, the exercise price of each incentive stock option granted to any shareholder possessing more than 10% of the combined voting power of all classes of our capital stock on the date of grant must be not less than 110% of the fair market value on that date, and no such option may be exercisable more than five years after the date of grant. The exercise price of each non-qualified stock option may be established by the Compensation Committee. As of the date of this memorandum, 157,000 incentive stock options and 42,000 non-qualified stock options have been granted at an exercise price of \$1.50 per share under the 2005 option plan. A total of 50,000 of these options have been forfeited due to routine staff attrition.

In August 2004, we adopted a Stock Option Plan to secure for us and our shareholders the benefits arising from capital stock ownership by our officers, directors, employees, and consultants who are expected to contribute to our future growth and success. The terms and conditions of this plan is exactly the same as the August 2005 Option Plan. As of the date of this memorandum, 98,200 incentive stock options and 16,000 non-qualified stock options have been granted at an exercise price of \$2.50 per share under the 2004 Option Plan. A total of 28,040 of these options have been forfeited due to routine staff attrition and 38,280 have expired.

#### OUTSTANDING EQUITY AWARDS AT FISCAL YEAR-END

##### OPTIONS/WARRANTS AWARDS

##### STOCK AWARDS

Name and Principal Position	Number of securities underlying unexercised options (#) exercisable	Number of securities underlying unexercised options (#) unexercisable	Equity incentive plan awards: number of securities underlying unexercised earned options (#)		Option exercise price	Option expiration date	Number of shares or units of stock that have not vested	Market value of stock that is not vested	Total number of shares, units or other rights that have not vested	Market or payout value of unearned shares, units or other rights that have not vested
Chairman	1,680		0		2.50	8/27/2011	101,395	\$395,441	\$0	\$0
David A. Tenwick	1,680				2.50	8/27/2012				
	2,100				1.50	5/09/2012				
	2,100				1.50	5/09/2013				
	2,100	2,100			1.50	5/09/2014				
	2,100				1.50	5/09/2015				
					1.50	5/09/2016				

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	99,295		1.21	11/16/2017				
	99,295	99,295	2.25	11/16/2017				
	99,295		3.00	11/16/2017				
			4.00	11/16/2017				
Vice-Chairman & Chief Acquisitions Officer	100,000	0	3.00	9/24/2009	100,000	\$390,000	0	0
	100,000		4.00	9/24/2010				
		100,000	5.00	9/24/2011				
Christopher Brogdon President	1,680	0	2.50	8/24/2011	55,509	\$216,485	0	0
Gary L. Wade	1,680		2.50	8/24/2012				
	2,100		1.50	5/09/2012				
	2,100		1.50	5/09/2013				
	2,100		1.50	5/09/2014				
	2,100		1.50	5/09/2015				
		2,100	1.50	5/09/2016				
	53,409		1.21	11/16/2017				
	53,409		2.25	11/16/2017				
	53,409		3.00	11/16/2017				
		53,409	4.00	11/16/2017				
	42,000		2.50	09/01/2011				
CFO	3,360	0	2.50	8/24/2011	12,699	\$49,526	0	0
Scott Cunningham	3,360		2.50	8/24/2012				
	2,100		1.50	5/09/2012				
	2,100		1.50	5/09/2013				
	2,100		1.50	5/09/2014				
	2,100		1.50	5/09/2015				
		2,100	1.50	5/09/2016				

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	1,848			1.21	11/16/2017
	1,848			2.25	11/16/2017
	1,848			3.00	11/16/2017
		1,848		4.00	11/16/2017
	8,750			3.00	12/08/2014
	8,750			3.00	12/08/2014
		8,751		3.00	12/08/2014
Senior V.P.	924		0	2.50	8/24/2011
Sharon Reynolds	924			2.50	8/24/2012
	1,470			1.50	5/09/2012
	1,470			1.50	5/09/2013
	1,470			1.50	5/09/2014
	1,470			1.50	5/09/2015
		1,470		1.50	
	1,596			1.21	
	1,596			2.25	
	1,596			3.00	
		1,596		4.00	
	8,750			3.00	
	8,750			3.00	
		8,751		3.00	