

POLICIES AND PROCEDURES FOR RELATED PARTY TRANSACTIONS

Related party relationship exists when the party has the ability to control directly or indirectly through one or more intermediaries or exercise significant influence over the other party making financial and operating decisions. Such relationships also exist between and/or among entities which are under common control with the reporting entity and its key management personnel, directors or stockholders. In considering each possible related party relationship, attention is directed to the substance of the relationships, and not merely to the legal form.

(1) Parent Company	<p>LFM is not a subsidiary of another company. LFM applies the principle of "arm's length rule" in transactions entered into.</p>
(2) Joint Ventures	
(3) Subsidiaries	
(4) Entities Under Common Control	
(5) Substantial Stockholders	
(6) Officers including spouse/children/siblings/parents	
(7) Directors including spouse/children/siblings/parents	
(8) Interlocking director relationship of Board of Directors	<p>Except in cases of fraud, and provided that the contact is fair and reasonable under the circumstances, a contract between two or more Companies having interlocking directors shall not be invalidated on that ground alone. Provided, that if the interest of the interlocking director in one Company is substantial and his interest in the other Company or Company is merely nominal, he shall be subject to the following:</p> <p>A contract of the Company with one or more of its directors or trustees or officers is voidable, at the option of such Company, unless all the following conditions are present:</p> <ol style="list-style-type: none"> 1. That the presence of such director or trustee in the board meeting in which the contract was approved was not necessary to constitute a quorum for such meeting; 2. That the vote of such director or trustee was not necessary for the approval of the contract; 3. That the contract is fair and reasonable under the circumstances; and 4. That in case of an officer, the contract has been previously authorized by the board of directors. <p>Where any of the first two conditions set forth in the preceding paragraph is absent, in the case of a contract with a director or trustee, such contract may be ratified by the vote of the stockholders representing at least two-thirds (2/3) of the outstanding capital stock or of at least two-thirds (2/3) of the members in a meeting called for the purpose: Provided, that full disclosure of the adverse interest of the directors or trustees involved is made at such meeting. Provided, however, that the contract is fair and reasonable under the circumstances.</p>
	<p>Stockholders exceeding twenty percent (20%) of the outstanding capital stock shall be considered substantial for purposes of interlocking directors.</p>