

John C. Wallace has been a member of our Board since 1994. Mr. Wallace has been retired since 2010. Mr. Wallace is a Chartered Accountant having qualified with PricewaterhouseCoopers in Canada in 1963, after which he joined Baring Brothers & Co., Limited in London, England. Prior to his retirement in December 2010, Mr. Wallace served for over twenty-five years as Chairman of Fred. Olsen Ltd., a London-based corporation that he joined in 1968 and which specializes in the business of shipping, renewable energy and property development. He received his B. Comm degree majoring in Accounting and Economics from McGill University in 1959. In November 2004, he successfully completed the International Uniform Certified Public Accountant Qualification Examination and has received a CPA Certificate from the State of Illinois. Mr. Wallace is also retired from the board of directors of Ganger Rolf ASA and Bonheur ASA, Oslo, both publicly-traded shipping companies with interests in offshore energy services and renewable energy. In May 2012, Mr. Wallace was appointed as a non-executive director to the board of directors of Siem Offshore Inc., a publicly traded shipping company in Norway with a fleet of vessels active in the offshore energy sector, and for which he is a member of the Audit Committee. In addition, Mr. Wallace serves as a Director of Secunda Holdings LP, a Canadian company, which is 50% owned by Siem Offshore Inc. As a result of his association with Fred Olsen, Ltd. and various associated or related companies, Mr. Wallace has extensive financial and accounting experience in not only the oil and gas industry, but in a number of other related industries qualifying him as “financial expert.” We believe that this experience and his unique perspective of the risks and rewards in the oil and gas industry will continue to be beneficial to us.

Michael L. Finch was elected to the Board at the 2015 Annual Meeting. He served as Chief Financial Officer and a member of the Board of Directors of Stone Energy Corporation from its initial public offering in 1993 until his resignation in 1999. He was affiliated with Stone in a variety of capacities for nineteen years. Prior to his service with Stone, he was employed by Arthur Andersen & Co. in New Orleans, Louisiana from 1976 to 1980. Mr. Finch has been a private investor since 1999. He was licensed as a Certified Public Accountant in 1978 (inactive status at present), and received a Bachelor of Science in Accounting from the University of South Alabama in 1976. Currently, Mr. Finch is an independent director of Petroquest Energy, Inc., a publicly traded oil and gas company. Since his election to Petroquest’s Board in 2003, he has served as chairman of the Audit Committee, as a member of the Compensation Committee, and as a member of the Nominating and Corporate Governance Committee. Mr. Finch has extensive financial and operating experience within our industry, and his background, prior experiences, professional credentials and expertise qualify him as a director and “financial expert”. Mr. Finch was initially appointed to our Board pursuant to a settlement agreement with Lone Star Value Management.

In February 2016, pursuant to an agreement with Lone Star Value Management LLC and certain of its related entities to, we agreed to nominate Michael L. Finch, Larry D. McVay and John C. Wallace as Class I nominees to the Board at the 2016 Annual Meeting, each to serve for a three (3) year term expiring in 2019; provided, however, that Mr. Wallace has expressed his intent to resign upon completion of the first two years of such three year term. The Company agreed that Mr. Finch would remain as a member of the Nominating and Corporate Governance Committee and shall also be considered along with all other Board members for Board committee appointments in connection with the Board’s annual review of committee composition. Lone Star Value Management agreed to vote the shares it owns for the election of our director nominees.

In 2015, the Board amended our Corporate Governance Guidelines to adopt a majority voting policy in uncontested director elections. At any stockholder meeting for the election of directors at which a quorum is present, any nominee for director who receives a greater number of votes “withheld” from his or her election than votes “for” such election (“Majority Withheld Vote”) shall tender his or her resignation for consideration by the Nominating and Corporate Governance Committee following certification of the stockholder vote, unless the number of nominees exceeds the number of directors to be elected as of the record date for such meeting, in which event the directors shall be elected by a plurality of the votes cast. Such resignation will only be effective upon Board acceptance of such resignation after receiving the recommendation of the Nominating and Corporate Governance Committee.

If a director nominee receives a Majority Withheld Vote, then, promptly following certification of the election results, the Nominating and Corporate Governance Committee will consider any factors it deems relevant to the best interests of the Company and our stockholders in determining whether to accept the director’s resignation and recommend to the Board the action to be taken with respect to the tendered resignation. Within 120 days following certification of the stockholder vote, the Board shall consider the recommendation and make a determination as to whether to accept or reject such director’s resignation and shall notify the director concerned of its decision. We will also promptly publicly disclose the