GoIP Global. Inc

FINANCIAL STATEMENTS

3 Months ended

December 31, 2011

(UNAUDITED)

GOIP GLOBAL, INC.
BALANCE SHEET

ASSETS

		For the 3 months ended December 31, 2011
Current assets:		
Cash	$	96
Total current assets		96
Total assets	$	96

LIABILITIES AND STOCKHOLDERS' DEFICIT

Current liabilities:		
Account Payable	$	63,053
Notes Payable		25,000
Dut to officer / related party		207,534
Accrued Expenses		
Short term convertible debt		125,000
Total current liabilities		420,587
Other liabilities:		-
Total liabilities		420,587
Shareholders' deficit		
Preferred stock, $.001 par value; Authorized 10,000,000 shares;		
Series A: 100,000 shares issued and outstanding		100
Series C: 500,000 shares issued and outstanding		500
Common stock, $.001 par value; Authorized 4,800,000,000 shares		
Issued and outstanding		3,713,168
Additional paid in capital 3,713,168,270		12,271,784
Accumulated deficit		(16,406,043)
Total stockholders's deficit		(420,491)
Total liabilities and stockholders' deficit	$	96

The accompanying notes are an integral part of these financial statements

GOIP GLOBAL, INC.

STATEMENT OF OPERATIONS

	For the 3 months ended December 31, 2011
Revenues	$ -
Operating expenses:	
Professional and consulting	84,860
General and administrative	9,387
Total operating expenses	94,247
Net loss before other income (expenses)	(94,247)
Other income (expenses)	
Interest expense	(2,987)
Total other income (expenses)	(2,987)
Net loss	$ (97,234)
Basic and dulited loss per share	$ -

The accompanying notes are an integral part of these financial statements

GOIP GLOBAL, INC.
STATEMENT OF CHANGES IN STOCKHOLDERS' DEFICIT
FOR 3 MONTHS ENDING DECEMBER 31, 2011

	Series A Preferred Stock		Series B Preferred Stock		Series C Preferred Stock		Common Stock				Total
		Par value		Par value		Par value		Par value	Paid in	Accumulated	Shareholders'
	Shares	$ 0.001	Shares	$ 0.001	Shares	$ 0.001	Shares	$ 0.001	Capital	Deficit	Deficit
Balance, October 2010	100,000	$ 100	100,000	$ 100	500,000	$ 500	1,982,627,448	$ 1,982,628	$ 13,127,027	$ (15,418,668)	$ (308,313)
Conversion of common stock to preferrd			(100,000)	(100)			20,000,000	20,000	(19,900)		-
Common stock issued for cash							455,103,132	455,102	231,363		686,465
Common stock issued for services							69,500,000	69,500	127,500		197,000
Common stock issued for conversion of convertible notes payable and related interest							585,938,762	585,938	(295,698)		290,240
Issuance of share for an additional 35% of GOCOM							100,000,000	100,000	400,000		500,000
Distribution of GOCOM stock to shareholders									(823,509)		(823,509)
Net loss for year										(890,141)	(890,141)
Balance, September 30, 2011	100,000	100	-	-	500,000	500	3,213,169,342	3,213,168	12,746,783	(16,308,809)	(348,258)
Common Stock issued for conversion of convertible notes							500,000,000	500,000	(474,999)		25,001
Net loss for period										(97,234)	(97,234)
Balance, December 31, 2011	100,000	$ 100	-	$ -	500,000	$ 500	3,713,169,342	$ 3,713,168	$ 12,271,784	$ (16,406,043)	$ (420,491)

The accompanying notes are an integral part of these financial statements

GOIP GLOBAL, INC.

STATEMENT OF CASH FLOWS

		3 months ended December 31, 2011
Cash flows from operating activities:		
Net loss	$	(97,234)
Adjustment to reconcile net loss to net cash		
used in operation activiteis:		
Loss on equity investment		-
Amotization of debt discount		-
Stockbased compensation		-
Gain on debt forgiveness		-
Changes in operating assets and liabilities:		
Related party payable		-
Officer loans		61,289
Accounts payable		10,800
Net cash used in operating activities		(25,145)
Cash flows from investing activities:		
Sale of equipment		-
Equity investment		-
Distribution of GOCOM stock		-
Net cash used in investing actiivities		-
Cash flows from financing activities:		
Proceeds from sale of common stock		-
Proceeds from issuance of convertible debt		50,000.00
Common Stock for debt conversion		(25,001.00)
Payments of loans payable		
Net cash provided by financing activities		24,999.00
Increase (decrease) in cash		(146)
Cash, beginning of the year		242
Cash, end of the year	$	96
Supplement disclosures of cash flow information:		
Taxes paid in cash	$	-
Interest paid in cash	$	-

The accompanying notes are an integral part of these financial statements

NOTE 1 - ORGANIZATION AND BASIS OF PRESENTATION

Nature of Business
GoIP Global. Inc. ("GolP or the "Company) was incorporated on May 8, 2003 as E Education Network, Inc. under the laws of the State of Nevada. On August 10, 2005 the Company's name was changed to GoIP Global, Inc.

In July 2005, E Education Network, Inc. (EEN) merged with GoIP Global, Inc. (GOIP) pursuant to an Agreement to Exchange Stock dated July 15, 2005 by and between the parties (the "Merger Agreement"). Under terms of the Merger Agreement, GolP exchanged all of its issued and outstanding shares for 10,000,000 shares of the Company. After the merger the Company owned 50% of the outstanding common stock of the combined entity and became the surviving corporation to the merger. The merger has been accounted for as a reverse acquisition under the purchase method for business combinations. Accordingly, the combination of the two companies is recorded as a recapitalization of GolP to which GolP is treated as the continuing entity.

On August 10, 2005 the Company amended its articles of incorporation to change the name of the Company to GoIP Global, Inc.

In October 2009 GoIP Global, Inc. became the founder and shareholder of Go800, LLC. As of September 30, 2010 the Company invested approximately S331,000 in Go800, LLC and has a 80% interest in the company. Mr. Isaac H. Sutton, the Company's CEO, is also a beneficial shareholder of 10%.

In July 2011 the Company formed a wholly owned subsidiary, GOCOM Corp and merged it with Go800, LLC, with the successor being GOCOM Corp, a Nevada corporation.

In July 2011 the Board of Directors approved the spinoff of GOCOM Corp to the shareholders of GolP Global. On July 29, 2011 the Company completed the spinoff of GOCOM Corporation (formerly Go800, LLC). Per the spinoff, shareholders of GolP common stock received a dividend of one share of common stock of GOCOM for each 625 shares of GolP common stock owned as of the close of business on July 29, 2011. No distribution will be made of one share or less will receive a cash payment of S3.00. The spin-off has been reflected in these financial statements.

On October 17, 2010 the Company entered into a Share Exchange Agreement by and between GolP Global, Inc. ("GO1G"), Malcolm Myers and Add-On Exchange ("Agreement").

Pursuant to the Agreement, Malcolm Myers, Add-On's controlling shareholder ("Myers"), agreed to exchange 35,000,000 of Add-On's common stock owned by Myers for 100,000,000 shares of GOIG common stock. In September 2011 Mr. Sutton accepted these shares in lieu of payment of 100,000 due to him.

GolP Global offers a range of mobile media services, solutions and tools for brands, agencies, content providers, online portals, entertainment and media companies. GoIP has both creative experience and the technical knowledge to connect mobile marketers with their audiences by means of interactive campaigns and mobile content distribution. GolP Global offers brand and content customers great flexibility in creating mobile marketing campaigns and applications.

The Company's year end is September 30.

NOTE 2 - SUMMARY OF SIGN I HCANT ACCOUNTING POLICIES

This summary of significant accounting policies is presented to assist in understanding the accompanying financial statements. The financial statements and notes are representations of the Company's management which is responsible for their integrity and objectivity. These accounting policies conform to accounting principles generally accepted in the United States of America and have been consistently applied in the preparation of the financial statements.

Accounting Method

The Company's financial statements are prepared using the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America.

Going Concern

The accompanying financial statements have been presented on the basis that it is a going concern, which contemplates the realization of assets and the satisfaction of liabilities in the normal course of business. The Company has a working capital deficiency of at December 31, 2011 and has an accumulated deficit of $16,406,043 at December 31, 2011. The financial statements do not include any adjustments that might result from the outcome of this uncertainty.

These circumstances raise substantial doubt about the Company's ability to continue as a going concern. The financial statements do not include any adjustments that might result from the outcome of this uncertainty . Management's efforts have been directed towards the development and implementation of a plan to generate sufficient revenues to cover all of its present and future costs and expenses.

Management is taking steps to address this situation. The Company is in the process of raising and capital and or debt, implementing its business. Management expects operations to generate negative cash flow at least through December 2011 and the Company does not have existing capital resources or credit lines available that are sufficient to fund operations and capital requirements are presently planned over the next twelve months.

The ability of the Company to continue as a going concern is dependent on the Company's ability to further implement its business plan. The financial statements do not include any adjustments that might be necessary if the Company is unable to continue as a going concern.

Management believes that the actions presently being taken to further implement its business plan and generate additional revenues provide the opportunity for the Company to continue as a going concern. Management intends to attempt to raise additional funds by way of a public or private offering. While the Company believes in its ability to raise additional funds there can be no assurances to that effect.

The financial statements do not include any adjustments relating to the recoverability and classification of recorded assets or the amounts and classification of liabilities that might be necessary in the event the Company cannot continue in existence.

The accompanying financial statements have been prepared in accordance with accounting principles generally accepted in the United States ("U.S. GAAP") and pursuant to the rules and regulations of the Securities and Exchange Commission (the "SEC").

Reclassifications

Certain prior year items have been reclassified to conform to current year presentation. We reclassified stock based compensation from interest expense (in other expense) to general and administrative expense in operating expenses.

Cash and Cash Equivalents

For purposes of the statement of cash flows the Company considers all short-term debt with original maturities of three months or less to he cash equivalents.

Accounts Receivable and Allowance for Doubtful Accounts

Accounts receivable are stated at the amount the Company expects to collect. The Company provides an allowance for doubtful accounts equal to the estimated uncollectible amounts. The Company's estimate is based on historical collection experience and a review of the current status of trade accounts receivable. It is reasonably possible that the Company's estimate of the allowance for doubtful accounts will change.

Equity Investments Marketable Securities Available for Sale

The Company accounts for equity investments using the equity method unless its value has been determined to be other than temporarily impaired, in which case we write the investment down to its impaired value. The Company reviews these investments periodically for impairment and makes appropriate reductions in carrying value when another-than-temporary decline is evident: however, for nonmarketable equity securities, the impairment analysis requires significant judgment. During its review, the Company evaluates the financial condition of the issuer, market conditions and other factors providing an indication of the fair value of the investments. Adverse changes in market conditions or operating results of the issuer that differ from expectation could result in additional other-than-temporary losses in future periods.

The Company determines the appropriate classification of its investments in marketable securities at the time of purchase and reevaluates such designation at each balance sheet date. The Company has classified and accounted for its marketable securities as available-for-sale. The Company may or may not hold securities with stated maturities greater than 12 months until maturity. After consideration of its risk versus reward objectives, as well as its liquidity requirements, the Company may sell these securities prior to their stated maturities. As the Company views these securities as available to support current operations, it classifies securities with maturities beyond 12 months as current assets under the caption marketable securities in the accompanying Consolidated Balance Sheet.

The Company carries these securities at fair value and reports the unrealized gains and losses, net of taxes, as a component of stockholders' deficit, except for unrealized losses determined to be other than temporary which are recorded in the Consolidated Statement of Operations. The Company determines any realized gains or losses on the sale of marketable securities on a specific identification method. and records such gains and losses in the Consolidated Statement of Operations.

Property and equipment

Property and equipment consists of computer equipment and an automobile reported at cost, net of accumulated depreciation. Expenditures for major additions and improvements are capitalized and minor replacements, maintenance and repairs are charged to expense as incurred. When property and equipment are disposed of, the cost and accumulated depreciation are removed from the accounts and an resulting gain or loss is included in the results of operations for the respective period. Depreciation is provided for over the estimated useful lives of the related asset using the straight-line method.

The estimated useful lives for significant property and equipment categories are as follows:

Computer equipment	3 to 5 sears
Automobile	3 to 5 years

Capitalized Software Development Costs

The Company evaluates its capitalized software development costs at each balance sheet date to determine if the unamortized balance related to an given product exceeds the estimated net realizable value of that product. Any such excess is written off through accelerated amortization in the quarter it is identified. Determining net realizable value, as defined by FASB ASC Topic 985-20. Costs of Software to Be Sold, Leased or Marketed (“ASC 985-20"), requires making estimates and judgments in quantifying the appropriate amount to write off, if any. Actual amounts realized from the software products could differ from those estimates. Also, any future changes to the Company's product could result in significant increases to its cost of license revenue as a result of the write-off of capitalized software development costs. Costs incurred in the research and development of software products are expensed as incurred until technological feasibility has been established. After technological feasibility is established, an additional costs are capitalized in accordance with FASB ASC 985-20. The Company determined it was appropriate to amortize the capitalized software development costs over the remaining economic life of the product, estimated to be three years.

Long a-Lived Assets

In accordance with FASB Codification Topic ASC 360-10-15, Impairment or Disposal of Long-Lived Assets, we review long-lived assets for impairment whenever circumstances and situations change such that there is an indication that the carrying amounts may not be recovered. In such circumstances, we will estimate the future cash flows expected to result from the use of the asset and its eventual disposition. Future cash flows are the future cash inflows expected to be generated by an asset less the future outflows expected to be necessary to obtain those inflows. If the sum of the expected future cash flows (undiscounted and without interest charges) is less than the carrying amount of the asset, we will recognize an impairment loss to adjust to the fair value of the asset.

Related party transactions

At September 30, 2011 the Company's balance sheet reflects a payable to an officer amounting to $146,245. These related party transactions are discussed in further detail in Note 7 - Related party transactions.

Reverse stock split

All references to the Company's outstanding shares, and options, have been adjusted to give effect to the 1 for 200 reverse stock split effective March 27, 2008.

Fair Value of Financial Instruments

The carrying amounts of the Company's financial assets and liabilities, such as cash, other receivable accounts payable and accrued expenses, approximate their fair values because of the short maturity of these instruments. The Company's notes payable approximates the fair value of such instrument based upon management's best estimate of interest rates that would be available to the Company for similar financial arrangement at September 30, 2011.

Revenue Recognition

The Company follows the guidance of ASC 605, “Revenue Recognition" and the Securities and Exchange Commission's Staff Accounting Bulletin ("SAB") No. 104 and SAB Topic 13 for revenue recognition. In general, records revenue when persuasive evidence of an arrangement exists, services have been rendered or product delivery has occurred, the sales price to the customer is fixed or determinable, and collectability is reasonably assured.

Use of Estimates

The process of preparing financial statements in conformity with accounting principles generally accepted in the United States of America requires the use of estimates and assumptions regarding certain types of assets, liabilities and expenses. Such estimates primarily relate to unsettled transactions and events as of the date of the financial statements. Accordingly, upon settlement, actual results may differ from estimated amounts.

Provision for Taxes

Income taxes are provided based upon the liability method of accounting. Under this approach, deferred income taxes are recorded to reflect the tax consequences in future years of differences between the tax basis of assets and liabilities and their financial reporting amounts at each year-end. A valuation allowance is recorded against the deferred tax asset if management does not believe the Company has met the "more likely than not" standard to allow recognition of such an asset.

Stock-Based Compensation

The Company accounts for stock-based compensation in accordance with ASC Topic 718, Compensation-Stock Compensation ("ASC 718") for all the stock awards granted. Under the fair value recognition provisions of this topic, stock-based compensation cost is measured at the grant date based on the fair value of the award and is recognized as expense on a straight-line basis over the requisite service period, which is the vesting period.

The Company has elected to use the Black-Scholes option-pricing model to estimate the fair value of its Options, which incorporates various subjective assumptions including volatility, risk-free interest rate, expected life and dividend yield to calculate the fair value of stock option awards.

Basic and Diluted Earnings (Loss) Per Share

The Company utilizes the guidance per FASB Codification "ASC 260 "Earnings Per Share". Basic earnings per share is calculated on the weighted effect of all common shares issued and outstanding, and is calculated by dividing net income available to common stockholders by the weighted average shares outstanding during the period. Diluted earnings per share, which is calculated by dividing net income available to common stockholders by the weighted average number of common shares used in the basic earnings per share calculation, plus the number of common shares that would he issued assuming conversion of all potentially dilutive securities outstanding is not presented separately as it is anti-dilutive.

The average number of common shares outstanding for the period ended September 30, 2011 has been retroactively adjusted for the reverse stock split effective in March 27, 2008.

Recently Issued Accounting. Pronouncements
In February 2010. the FASB issued Accounting Standards Update (ASU) No. 2010-08—Technical Corrections to Various Topics. This update's purpose is to eliminate GAAP inconsistencies, update outdated provisions and provide needed clarifications. The adoption of ASU No. 2010-08 will not have a material impact on the Company's financial statements.

Management does not believe that any other recently issued, but not yet effective, accounting standards, if currently adopted, could have a material effect on the accompanying financial statements.

NOTE 3 -FAIR VALUE MEASUREMENTS

Effective January 1, 2008 the Company adopted FASB ASC 820, "Fair Value Measurements and Disclosures" ("ASC 820”), for assets and liabilities measured at fair value on a recurring basis. ASC 820 establishes a common definition for fair value to be applied to existing generally accepted accounting principles that require the use of fair value measurements, establishes a framework for measuring fair value and expands disclosure about such fair value measurements. The adoption of ASC 820 did not have an impact on the Company's financial position or operating results, but did expand certain disclosures.

ASC 820 defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Additionally, ASC 820 requires the use of valuation techniques that maximize the use of observable inputs and minimize the use of unobservable inputs. These inputs are prioritized below:

Level 1: Observable inputs such as quoted market prices in active markets for identical assets or liabilities
Level 2: Observable market-based inputs or unobservable inputs that are corroborated by market data
Level 3: Unobservable inputs for which there is little or no market data, which require the use of the reporting entity's own assumptions.

The Company uses fair value measurements to record certain assets at fair value on a recurring basis. Additionally, the Company may he required to record at fair value other assets on a nonrecurring basis. These nonrecurring fair value adjustments typically involve the application of lower-of-cost-or market value accounting or write-downs of individual assets of liabilities.

The Company did not have an Level I, 2 or 3 assets at September 30, 2011.

NOTE 4 -RELATED PARTY TRANSACTIONS

As of December 31, 2011 the Company owed its CEO 207,534 related to advances made to the Company for working capital purposes. The amounts due to officer are non-interest hearing and are pay able on demand.

In September 2011 the Company's CEO agreed to reduce the amounts owed to him by $100,000 in exchange for its equity holdings in Add-On Exchange. There currently is no market for these securities.

NOTE 5- CONVERTIBLE PROMISSORY NOTES

The Company has entered into short-term notes and long-term notes with investors. In addition to interest on the principal amount of the note or debenture, the notes include provisions for the right to convert the principal and, where included, the interest into the common stock of the Company. The Company has followed the requirements of FASB ACS 470-20. *"Debt with conversion and other option"* and accordingly accounts for a debt discount for the beneficial conversion feature ("BCF") which is then amortized over the life of the loan agreement.

NOTE 6 - SHARE BASED PAYMENTS

The Company accounts for stock-based compensation under ASC 718. These standards define a fair value based method of accounting for stock-based compensation. In accordance with this guidance, the cost of stock-based compensation is measured at the grant date based on the value of the award and is recognized over the jesting period. The value of the stock-based award is determined using the Black-Scholes option-pricing model, whereby compensation cost is the excess of the fair value of the award as determined by the pricing model at the grant date or other measurement date over the amount that must be paid to acquire the stock. The resulting amount is charged to expense on the straight-line basis over the period in which the Company expects to receive the benefit, which is generally the vesting period. During the year ended September 30, 2011 the Company had recognized stock based compensation expense amounting to $197,000.

ASC 718 requires forfeitures to be estimated at the time of grant and revised, if necessary, in subsequent periods if actual forfeitures differ from those estimates. The Company has not adjusted the expense by estimated forfeitures for employee options, since the forfeiture rate based upon historical data was determined to be immaterial.

In 2006 the Company had awarded the Company's CEO, in accordance with an Employment Agreement, 25,000 Shares of Common Stock at an option price of $200 per share. The options are fully vested and expire December 31, 2011. There have been no other stock option grants since then. These options to purchase the Company's common stock reflect the reverse stock split effective March 2008.

NOTE 7- EQUITY

<u>Common Stock</u>

Reverse stock split:

In March 2008 a majority of the Company's stockholders unanimously approved and ratified a 1 for 200 reverse stock split (the "Reverse Spill) of the Company's common stock. The Reverse Split became effective on March 27, 2008 after the Company sent an Information Statement to all of its stockholders. Each stockholder entitled to a fractional share as a result of the reverse stock split, received a full share in lieu of any such fractional share. Accordingly, all of the references to share and per share data for the years presented in the accompany in g financial statements and these notes to the financial statements have been retroactively restated to reflect the reverse stock split.

As of December 31, 2011 there were 3,713,169,342 shares outstanding. The par Value of the Company's common stock is $.001 per share.

<u>Preferred Stock</u>

The Company has 10,000,000 Shares of Preferred Stock Authorized with a par value of $.001. The Company has allocated 100,000 Shares for Series A Preferred. 100,000 Shares for Series B Preferred and 500,000 Shares for Preferred Series C.

As of December 31, 2011there were 100,000 Series A and 0 Series B and 500,000 Series C Preferred shares issued and outstanding, respectively.

As of December 31, 2011 the Company's CEO owns 100% of the Company's Preferred stock issued and outstanding.

Series A — As of September 30, 2011 there were 100,000 shares issued and outstanding to the Company 's officer and CEO. The Series A Preferred has the following designations:

- Convertible at option of holder.
- 1 Preferred share is convertible to 100 common shares.
- In the event of reorganization this Class of Preferred will not be affected by any such capital reorganization.
- Voting: The holder of this Series of Preferred shall he entitled to elect the majority of the members of the Board of Directors.

Series B — As of September 30, 2011 there were no shares issued. The Series B Preferred has the following designations:

- Convertible at option of holder.
- 1 Preferred share is convertible to 200 common shares.

Series C — As of September 30, 2011 there were 500,000 shares issued and outstanding to the Company's officer and CEO. The Series C Preferred has the following designations:

- Convertible at option of holder.
- 1Preferred share is convertible to 10 common shares.
- In the event of reorganization this Class of Preferred will not be affected by any such capital reorganization.
- Voting: The holder of this Series of Preferred shall be entitled to vote 1 Preferred Shares for 5,000 votes.

NOTE 8 —COMMITMENTS AND CONTINGENCIES

In March 2006 the Company entered into an employment agreement with the Company's CEO Isaac H. Sutton, commencing on April 1, 2006 and expiring on December 31, 2011. The employment agreement provides for an annual compensation of $240,000 together with annual increases of at least 10% per annum. In addition, Mr. Sutton shall receive as additional compensation 75% of the Company's gross revenues in excess of $20,000,000. The employment agreement provides that Mr. Sutton is eligible to receive incentive bonus compensation at the discretion of the board of directors. The employment agreement provides for termination based on death, disability or other termination and for severance payments upon termination. The severance payments range from the compensation payable pursuant to the agreement or up to two times the annual compensation over sixty months in the event that Mr. Sutton is terminated in the event of a change in control as described in the agreement. Pursuant to the employment agreement Mr. Sutton was granted the option to purchase up to 25,000 shares of common stock at an exercise of $200 per share, exercisable up to one year after the expiration of the employment agreement.

NOTE 9 - SUBSEQUENT EVENTS

Subsequent to December 31, 2011and through the date of this filing:

The Company issued 250,000,000 common shares on the conversion of $25,000 in notes payable.

Legal:

On May 23, 2011. Intregen Holdings PTE LTD (“Intregen”) filed a lawsuit in the United States District Court for the Southern District of New York against the Company and its subsidiary alleging infringement of two of Intregen's patents and also claiming misappropriation of trade secrets and related claims pertaining to the text-to-call services using text keywords offered by the Go800 and GOCOM. Intregen seeks monetary damages, injunctive relief, attorney 's fees and costs. On August 5, 2011 Intregen filed an amended complaint in this action. The Company has asserted numerous defenses to Intergen's claims, as well as a counterclaim. However, substantive discovery has not y et begun. The hearing which will determine the legal scope of Intergen's patent claims will not occur until 2012. A trial date has not been set. The Company believes that the suit is without merit and intends on vigorously defending these proceedings.

The Company cannot at this time predict the outcome of this investigation, is unable to estimate a range of possible loss, if any, and cannot predict w holler or not that outcome will have a material adverse effect on the Company's results of operations.

The Company is subject to various legal proceedings and claims that arise in the ordinary course of business. In the opinion of management, the amount of any ultimate liability with respect to these actions will not materially affect the Company's consolidated financial statements or results of operations.