

AMERICAS CARMART INC
Form DEF 14A
June 11, 2014

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

SCHEDULE 14A

Proxy Statement Pursuant to Section 14(a) of the
Securities Exchange Act of 1934
(Amendment No.)

Filed by the 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 Pursuant to §240.14a-12

AMERICA'S CAR-MART, INC.

(Name of Registrant as Specified In Its Charter)

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

Payment of Filing Fee (Check the appropriate box):

- No fee required.
- Fee computed on table below per Exchange Act Rules 14a-6(i)(1) and 0-11.

(1) Title of each class of securities to which the transaction applies:

(2) Aggregate number of securities to which the transaction applies:

(3) Per unit price or other underlying value of the transaction computed pursuant to Exchange Act Rule 0-11 (set forth the amount on which the filing fee is calculated and state how it was determined):

(4) Proposed maximum aggregate value of the transaction:

(5) Total fee paid:

.. Fee paid previously with preliminary materials.

.. Check box if any part of the fee is offset as provided by Exchange Act Rule 0-11(a)(2) and identify the filing for which the offsetting fee was paid previously. Identify the previous filing by registration statement number, or the Form or Schedule and the date of its filing.

(1) Amount Previously Paid:

(2) Form, Schedule or Registration Statement No.:

(3) Filing Party:

(4) Date Filed:

AMERICA'S CAR-MART, INC.
802 Southeast Plaza Ave., Suite 200
Bentonville, Arkansas 72712

Notice of Annual Meeting of Stockholders
To be held July 30, 2014

To the holders of common stock of America's Car-Mart, Inc.:

Notice is hereby given that the annual meeting of stockholders of America's Car-Mart, Inc., a Texas corporation, will be held at the Company's principal executive office, 802 Southeast Plaza Avenue, Suite 200, Bentonville, Arkansas 72712, on Wednesday, July 30, 2014 at 10:00 a.m., local time, for the following purposes:

- (1) To elect seven directors to serve until the next annual meeting of stockholders and until their successors have been elected and qualified;
- (2) To consider and approve an advisory resolution regarding the Company's compensation of its named executive officers;
- (3) To ratify the selection of Grant Thornton LLP as the independent registered public accounting firm for the fiscal year ending April 30, 2015; and
- (4) To conduct such other business as may properly come before the meeting or any adjournments or postponements thereof.

These items of business are more fully described in the proxy statement accompanying this notice.

Only stockholders of record as of the close of business on June 6, 2014 will be entitled to notice of and to vote at the annual meeting of stockholders or any adjournment or postponement thereof.

Very truly yours,

/s/ William H. Henderson
William H. Henderson
Chief Executive Officer

June 10, 2014

Your vote is important. Whether or not you plan to attend the meeting in person, you are urged to vote as promptly as possible by the Internet. If you request a printed copy of the proxy materials, you may complete and mail the proxy you will receive in response to your request or you may vote by the Internet. If you attend the meeting and wish to change your vote, you may do so by voting in person at the meeting.

AMERICA'S CAR-MART, INC.
802 Southeast Plaza Ave., Suite 200
Bentonville, Arkansas 72712

ANNUAL MEETING OF STOCKHOLDERS
TO BE HELD
JULY 30, 2014

PROXY STATEMENT

Unless the context indicates otherwise, all references in this proxy statement to "we," "us," "our" and "the Company" refer to America's Car-Mart, Inc. and its subsidiaries.

INFORMATION ABOUT THE ANNUAL MEETING

This proxy statement, which is first being mailed to stockholders on or about June 16, 2014, is furnished in connection with the solicitation of proxies by and on behalf of our board of directors for use at the annual meeting of stockholders to be held at the Company's principal executive office, 802 Southeast Plaza Avenue, Suite 200, Bentonville, Arkansas 72712, on Wednesday, July 30, 2014 at 10:00 a.m., local time, and at any or all adjournments or postponements thereof. To receive directions to the annual meeting, please call (479) 464-9944. The address of our principal executive offices is 802 Southeast Plaza Ave., Suite 200, Bentonville, Arkansas 72712 and our telephone number is (479) 464-9944.

Stockholders of record can vote on the Internet, by mail or by attending the annual meeting and voting by ballot as described below. On or about June 16, 2014, we will mail a Notice of Internet Availability of Proxy Materials to our stockholders advising them that they can access this proxy statement, the 2014 Annual Report and voting instructions over the Internet at www.shareholdervote.info. You may then access these materials and vote your shares over the Internet. Please keep the notice for your reference through the meeting date.

Alternatively, you may request that a printed copy of the proxy materials be mailed to you for this meeting. If you want to receive a paper copy of the proxy materials, you may request one by calling the Company's transfer agent, Securities Transfer Corporation, toll-free at 1-800-780-1920, or by sending an email to Info@shareholdervote.info with "Proxy Materials Order" in the subject line and in the body of the message include your full name, address, and request. There is no charge to you for requesting a copy. Please make your request for a copy on or before July 16, 2014, to facilitate timely delivery. If you request a paper copy of the proxy materials, you may vote by mail by completing and returning the proxy card you will receive in response to your request or you may vote by the Internet.

We encourage you to vote your shares through our Internet voting option. You can vote on the Internet by following the instructions in the notice that was mailed to you. Easy-to-follow prompts allow you to vote your shares and confirm that your instructions have been properly recorded. The Internet voting procedures are designed to authenticate stockholders by use of a control number and to allow you to confirm that your instructions have been properly recorded. Internet voting facilities for stockholders of record will be available 24 hours a day and will close at 8:30 a.m. Central time on July 30, 2014. If you vote on the Internet, you do not need to return your proxy card.

Please note: If you are a beneficial owner of shares held in the name of a bank, broker or other holder, please refer to the Notice of Internet Availability of Proxy Materials that was mailed to you by your bank, broker or other holder of record to see which voting options are available to you and for instructions on how to vote your shares and how to

request a printed copy of the proxy materials.

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If you request a paper copy of the proxy materials and choose to vote by mail, please complete, sign, date and promptly return the accompanying proxy card in the enclosed addressed envelope that will be provided to you in response to your request, even if you plan to attend the annual meeting. Postage need not be affixed to the envelope if mailed within the United States. The immediate return of your proxy card will be of great assistance in preparing for the annual meeting and is, therefore, urgently requested. If you attend the annual meeting and vote in person, your proxy card will not be used.

If you plan to attend the Annual Meeting, we would appreciate it if you would notify our Investor Relations Manager by telephone at (479) 464-9944 or by e-mail at vickie.judy@car-mart.com. This will assist us with meeting preparations. You also can obtain directions to the meeting by calling this number. Please bring the Notice of Internet Availability of Proxy Materials with you for admission to the meeting.

Any person giving a proxy pursuant to this proxy statement may revoke it at any time before it is exercised at the annual meeting of stockholders by notifying, in writing, our Secretary at the address above prior to the annual meeting date. In addition, if the person executing the proxy is present at the annual meeting, he or she may, but need not, revoke the proxy by notice of such revocation to our Secretary at the annual meeting, and vote his or her shares in person. Proxies in the form provided, if duly signed or authenticated electronically and received in time for voting, and not so revoked, will be voted at the annual meeting in accordance with the instructions specified thereon. Where no choice is specified, proxies will be voted "FOR" the election of the nominees for director named in the proxy statement, "FOR" the resolution approving the Company's compensation of its named executive officers, "FOR" the ratification of the selection of Grant Thornton LLP as our independent registered public accounting firm, and, on any other matters presented for a vote, in accordance with the judgment of the persons acting under the proxies.

Only stockholders of record at the close of business on June 6, 2014 will be entitled to notice of and to vote at the annual meeting and any adjournments or postponements thereof. Each share of our common stock issued and outstanding on such record date is entitled to one vote. As of June 6, 2014, we had 8,735,992 shares of common stock outstanding.

The presence at the annual meeting of the holders of a majority of the shares of our common stock issued and outstanding and entitled to vote as of the record date is necessary to constitute a quorum. Stockholders will be counted as present at the annual meeting if they are present in person at the annual meeting or if they have properly submitted a proxy card. A plurality of the votes duly cast is required for the election of directors. The proposals regarding the advisory vote on executive compensation and the ratification of Grant Thornton LLP as our independent registered public accounting firm require the affirmative vote of the holders of a majority of the shares entitled to vote on, and that vote for or against or expressly abstain with respect to, the proposals.

Any abstaining votes and broker "non-votes" will be counted as present and entitled to vote, and therefore will be included for purposes of determining whether a quorum is present at the annual meeting. Abstentions will be treated as "votes cast" on certain matters, but broker "non-votes" will not be deemed to be "votes cast." As a result, broker "non-votes" will not be included in the tabulation of the voting results on the election of directors and the other proposals presented in this proxy statement, and therefore will not have any effect on such votes. A broker "non-vote" occurs when a nominee holding shares for a beneficial owner does not vote on a particular proposal because the nominee does not have discretionary voting power with respect to that item and has not received voting instructions from the beneficial owner. Abstentions will not be included in the tabulation of the voting results on the election of directors, and therefore will not have any effect on such vote, but will have the same effect as a vote against the proposals regarding the advisory vote on executive compensation and the ratification of Grant Thornton LLP as our independent registered public accounting firm.

The Dodd-Frank Wall Street Reform and Consumer Protection Act, referred to in this proxy statement as the Dodd-Frank Act, directed national securities exchanges to prohibit broker discretionary voting of uninstructed shares

held in “street name” (through a broker or nominee) for the election of directors, executive compensation and certain other matters. Under current stock exchange rules, broker discretionary voting is not permitted for the election of directors and executive compensation matters. Therefore, if you hold shares through a broker or other nominee and you do not give your broker or nominee specific instructions, including regarding the election of directors and the advisory vote on our executive compensation, your shares may not be voted on those matters and will not be counted in determining the number of shares necessary for approval.

We will bear the entire cost of the proxy solicitation, including preparation, assembly, printing and mailing of this proxy statement, the proxy card and any additional materials furnished to stockholders. Individual stockholders of record will receive copies of the proxy solicitation materials even if they share the same mailing address. Copies of proxy solicitation materials will be furnished to brokerage houses, fiduciaries and custodians holding shares in their names that are beneficially owned by others to forward to such beneficial owners. In addition, we may reimburse such persons for their cost of forwarding the solicitation materials to such beneficial owners. Solicitation of proxies by mail may be supplemented by one or more of telephone, e-mail, facsimile or personal solicitation by our directors, officers or regular employees. No additional compensation will be paid for such services. We have not engaged, and do not plan to engage, the services of a professional proxy solicitation firm to aid in the solicitation of proxies from certain brokers, bank nominees and other institutional owners. Our costs for such services, if any, will not be material.

SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT

The following table sets forth certain information as of June 6, 2014 with respect to ownership of our outstanding common stock by (i) all persons known to us to beneficially own more than five percent of our outstanding common stock, (ii) each of our directors and nominees for director, (iii) each of our named executive officers, and (iv) all directors and executive officers as a group.

Name of Beneficial Owner	Number of Shares Beneficially owned(1)	Percent of Shares Outstanding
Invesco Ltd.	1,539,589(2)	17.6%
Bares Capital Management, Inc.	949,386(3)	10.9%
Royce & Associates, Inc.	795,016(4)	9.1%
BlackRock, Inc.	500,184(5)	5.7%
William H. Henderson	478,619(6)	5.2%
William M. Sams	341,250(7)	3.9%
Eddie L. Hight	264,447(8)	3.0%
Daniel J. Englander	216,615(9)	2.5%
Jeffrey A. Williams	199,652(10)	2.2%
John David Simmons	57,479(11)	*
Robert Cameron Smith	28,650(12)	*
All directors and executive officers as a group (7 persons)	1,586,712(13)	16.5%

* Less than 1% of outstanding shares.

(1) "Beneficial ownership" includes shares for which an individual, directly or indirectly, has or shares voting or investment power, or both, and also includes options that are exercisable within 60 days of June 6, 2014. Unless otherwise indicated, all of the listed persons have sole voting and investment power over the shares listed opposite their names. Beneficial ownership as reported in the above table has been determined in accordance with Rule 13d-3 under the Securities Exchange Act of 1934, as amended, referred to in this proxy statement as the Exchange Act. Pursuant to the rules of the Securities and Exchange Commission, referred to in this proxy statement as the SEC, certain shares of our common stock that a beneficial owner has the right to acquire within 60 days pursuant to the exercise of stock options or warrants are deemed to be outstanding for the purpose of computing the percentage ownership of such owner, but are not deemed outstanding for the purpose of computing the percentage ownership of any other person. Applicable percentages are based on 8,735,992 shares of the Company's common stock outstanding on June 6, 2014, adjusted as required by rules promulgated by the SEC.

(2) Based on a Schedule 13G/A filed with the SEC on February 4, 2014 by Invesco Ltd. with an address of 1555 Peachtree Street NW, Atlanta, GA 30309. The reporting person reported beneficial ownership of 1,539,589 shares for which it has sole voting power over 1,539,589 shares and sole dispositive power over 1,539,589 shares. We make no representation as to the accuracy or completeness of the information reported.

(3)

Based on a Schedule 13G/A filed with the SEC on February 14, 2014 by Bares Capital Management, Inc. with an address of 12600 Hill Country Blvd, Suite R-230, Austin, TX 78738. The reporting person reported beneficial ownership of 949,386 shares for which it has sole voting power over 949,386 shares and sole dispositive power over 949,386 shares. We make no representation as to the accuracy or completeness of the information reported.

- (4) Based on a Schedule 13G/A filed with the SEC on January 6, 2014 by Royce & Associates, LLC with an address of 745 Fifth Avenue, New York, NY 10151. The reporting person reported beneficial ownership of 795,016 shares for which it has sole voting power over 795,016 shares and sole dispositive power over 795,016 shares. We make no representation as to the accuracy or completeness of the information reported.
- (5) Based on a Schedule 13G/A filed with the SEC on January 17, 2014 by BlackRock, Inc. with an address of 40 East 52nd Street, New York, NY 10022. The reporting person reported beneficial ownership of 500,184 shares for which it has sole voting power over 476,663 shares and sole dispositive power over 500,184 shares. We make no representation as to the accuracy or completeness of the information reported.
- (6) Includes 396,000 shares which Mr. Henderson has the right to acquire within 60 days of June 6, 2014 upon exercise of outstanding stock options, 1,874 shares held in the Company's Employee Stock Purchase Plan and 750 shares held as custodian for minor children.
- (7) Includes 41,250 shares which Mr. Sams has the right to acquire within 60 days of June 6, 2014 upon exercise of outstanding stock options. Mr. Sams has 300,000 shares pledged as collateral on a loan. Mr. Sams' address is 1222 Sunset Ridge Circle, Cedar Hill, Texas 75104.
- (8) Includes 204,000 shares which Mr. Hight has the right to acquire within 60 days of June 6, 2014 upon exercise of outstanding stock options and 90 shares held as a custodian for a minor child.

- (9) Includes 155,165 shares held in a limited partnership of which Mr. Englander is the sole general partner and 33,750 shares which Mr. Englander has the right to acquire within 60 days of June 6, 2014 upon exercise of outstanding stock options.
- (10) Includes 168,000 shares which Mr. Williams has the right to acquire within 60 days of June 6, 2014 upon exercise of outstanding stock options, 2,013 shares held in the Company's Employee Stock Purchase Plan and 2,021 shares held in the Company's 401(k) Plan. Mr. Williams has 10,000 shares pledged as collateral on a loan.
- (11) Includes 41,250 shares which Mr. Simmons has the right to acquire within 60 days of June 6, 2014 upon exercise of outstanding stock options.
- (12) Includes 22,500 shares which Mr. Smith has the right to acquire within 60 days of June 6, 2014 upon exercise of outstanding stock options and 1,875 shares held by Mr. Smith's spouse.
- (13) Includes 906,750 shares which all current executive officers and directors in the aggregate have the right to acquire within 60 days of June 6, 2014 upon exercise of outstanding options.

PROPOSAL NO. 1
ELECTION OF DIRECTORS

Pursuant to our bylaws, our board of directors has set the number of directors for the ensuing year at seven, all of whom are proposed to be elected at the annual meeting of stockholders. In the event any nominee is unable or declines to serve as a director at the time of the annual meeting, the persons named as proxies therein will have discretionary authority to vote the proxies for the election of such person or persons as may be nominated in substitution by the present board of directors, upon the recommendation of the nominating committee of the board of directors. Management knows of no current circumstances that would render any nominee named herein unable to accept nomination for election. Directors shall be elected by a plurality of the votes cast by the holders of shares entitled to vote in the election at the annual meeting at which a quorum is present.

Members of our board of directors are elected annually to serve until the next annual meeting and until their successors are elected and qualified. The following persons have been nominated for election to our board of directors:

Daniel J. Englander, age 45, has served as a director since February 2007. Mr. Englander is the founder and currently the Managing Partner of Ursula Investors, an investment partnership founded in 2004. From January 2005 to June 2006, Mr. Englander was a partner of Prescott Securities, an investment fund, and from October 1994 to January 2005, he was employed by Allen & Company, an investment merchant bank, most recently as Managing Director. Mr. Englander is also currently on the boards of directors of Copart, Inc. and Healthways, Inc., respectively. Mr. Englander's qualifications to serve on the board include his financial and investment experience. He also brings operational and strategic expertise, as well as business development expertise to the board.

Kenny Gunderman, age 43, has not previously served as a director. Mr. Gunderman is currently an Executive Vice President with Stephens Inc. He joined Stephens in 2006 as a senior Telecom banker. In February 2007, he was named co-Head of Investment Banking. Mr. Gunderman also serves on Stephens' Underwriting Committee, Private Placement Committee and Fairness Opinion Committee. Prior to joining Stephens, Mr. Gunderman was a member of the Telecom Investment Banking Group at Lehman Brothers. He also previously worked at KPMG as a Certified Public Accountant. Mr. Gunderman is currently on the board of directors of the Red Cross of Arkansas. Mr. Gunderman's qualifications to serve on the board include his financial and investment experience.

William H. Henderson, age 50, has served as a director since September 2002. Mr. Henderson has also served as our Chief Executive Officer since October 2007 and as our President since May 2002. From 1999 until May 2002, Mr. Henderson served as Chief Operating Officer of our wholly owned operating subsidiary. From 1992 until 1998, Mr. Henderson served as General Manager of our wholly owned operating subsidiary. From 1987 until 1992, Mr. Henderson primarily held positions of District Manager and Regional Manager of our wholly owned operating subsidiary. Mr. Henderson's qualifications to serve on the board include his more than 25 years of experience with our company and his in-depth knowledge of our company and its operations. In addition, Mr. Henderson provides significant industry experience and expertise to the board.

Eddie L. Hight, age 51, has served as director since October 2013 and as Associate Development Manager since November 2013. Mr. Hight served as Chief Operating Officer from May 2002 until his retirement from that position in November 2013. From 1984 until May 2002, Mr. Hight held a number of positions at Car-Mart including Store Manager and Regional Manager. Mr. Hight's qualifications to serve on the board include his more than 29 years of experience with our Company and his in-depth knowledge of our Company and its operations. In addition, Mr. Hight provides significant industry experience and expertise to the board.

John David Simmons, age 78, has served as a director since August 1986. Since 1970, Mr. Simmons has been President of Simmons & Associates LLC, a real estate development company, and Management Resource LLC, a

management consulting firm. Mr. Simmons has more than 40 years of experience in the automotive field and has been a new car dealer for Ford and General Motors as well as owning a number of “Buy Here Pay Here” dealerships. Mr. Simmons’ qualifications to serve on the board include his demonstrated leadership and knowledge of financial, operational and strategic issues facing the automotive dealership industry. In addition, Mr. Simmons provides management and real estate expertise to the board.

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Robert Cameron Smith, age 63, has served as a director since December 2009. Mr. Smith is the founder and President of Cameron Smith & Associates, Inc., an executive recruiting firm located in Bentonville, Arkansas that he founded in 1994. He has 20 years of experience in executive searching, beginning with Career Consultants in Southern California before starting his own agency in Los Angeles, California. He has become a leader in the retail supplier community, and is actively involved in efforts to enhance the technology, international trade opportunities and higher education resources available to world-class companies working in conjunction with major retailers. Mr. Smith's qualifications to serve on the board include his recruiting and management selection expertise.

Jeffrey A. Williams, age 51, has served as Chief Financial Officer, Vice President Finance and Secretary of the Company since October 2005 and as a director since August 2011. Mr. Williams is a Certified Public Accountant and prior to joining the Company, his experience included approximately seven years in public accounting with Arthur Andersen & Co. and Coopers and Lybrand LLC in Tulsa, Oklahoma and Dallas, Texas. His experience also includes approximately five years as Chief Financial Officer and Vice President of Operations of Wynco, LLC, a nationwide distributor of animal health products. Mr. Williams' qualifications to serve on the Board include his financial and operational experience.

The board of directors recommends a vote "FOR" each of the seven nominees to our board of directors.

PROPOSAL NO. 2
ADVISORY VOTE ON EXECUTIVE COMPENSATION

Under the Dodd-Frank Act and Section 14A of the Exchange Act, the Company's stockholders are now entitled to vote to approve, on an advisory (non-binding) basis, the compensation of the Company's named executive officers as disclosed in this proxy statement in accordance with SEC rules.

At the 2013 Annual Meeting, the stockholders approved (95.5% of votes cast), on an advisory basis, the compensation of the Company's named executive officers. The Compensation Committee believes this level of stockholder support reflects a strong endorsement of the Company's compensation policies and decisions. The Compensation Committee has considered the results of this advisory vote on executive compensation in determining the Company's compensation policies and decisions for 2014, and has determined that these policies and decisions are appropriate and in the best interests of the Company and its stockholders at this time. At the 2011 Annual Meeting, the stockholders also recommended, in an advisory vote, to hold future say-on-pay votes on an annual basis. As such, the Board of Directors has determined to hold this advisory vote on the compensation of named executive officers each year. The next advisory vote to determine the frequency with which stockholders will consider and approve an advisory vote on the Company's compensation of its named executive officers will be in 2017.

Accordingly, the board of directors is seeking the advisory vote of stockholders on the compensation of the Company's Chief Executive Officer, Chief Financial Officer and former Chief Operating Officer (collectively, our "named executive officers") as disclosed in this proxy statement. This proposal, commonly known as a "say-on-pay" proposal, gives the Company's stockholders the opportunity to express their views on our named executive officers' compensation. This vote is not intended to address any specific item of compensation, but rather the overall compensation of the named executive officers.

Despite credit loss challenges in fiscal 2014, the Company's named executive officers made and effectively managed the execution of key business and strategic decisions that helped the Company achieve strong financial results. In fiscal 2014, the Company increased revenues by 5.3% to \$489 million, improved debt to equity to 45.6% and paid off \$2.5 million in debt while adding ten new dealerships, growing the receivable base by \$16.0 million, repurchasing \$12.8 million in common stock and investing almost \$3.0 million in global positioning systems technology. These accomplishments were especially significant given competitive pressures resulting from increases in the level of financing available to the sub-prime auto industry, as well as the challenging macroeconomic environment the Company experienced during fiscal 2014.

As discussed in our "Compensation Discussion and Analysis" below, we have designed our executive compensation program to attract and retain the highest quality executive officers, directly link pay to performance, and build value for our stockholders. The program provides total compensation opportunities at levels that are competitive in our industries, ties a significant portion of each executive's compensation to his or her individual performance and contribution to achieving our business objectives, and closely aligns the interests of our executives with the interests of our stockholders. Accordingly, the board of directors encourages you to review carefully the Compensation Discussion and Analysis and the tabular and other disclosures on compensation under Executive Compensation, and asks you to cast a vote to approve the compensation of our named executive officers through the following resolution:

"RESOLVED, that the Company's stockholders approve, on an advisory basis, the compensation of the named executive officers, as disclosed in the Company's proxy statement for the 2014 Annual Meeting pursuant to the compensation disclosure rules of the SEC, including the Compensation Discussion and Analysis, the compensation tables and related narrative discussion."

The say-on-pay vote is advisory, and therefore not binding on the Company, the compensation committee or the board of directors. The board and compensation committee value the opinions of our stockholders and to the extent there is

any significant vote against the named executive officer compensation as disclosed in this proxy statement, we will consider our stockholders' concerns and the compensation committee will evaluate whether any actions are necessary to address those concerns.

The board of directors recommends a vote "FOR" the approval of the compensation of the Company's named executive officers, as disclosed in this proxy statement.

PROPOSAL NO. 3
RATIFICATION OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

The audit committee has appointed Grant Thornton LLP as our company's independent registered public accounting firm to audit the consolidated financial statements of our company for the fiscal year ending April 30, 2015. Grant Thornton LLP served as our independent registered public accounting firm for the fiscal year ended April 30, 2014.

A representative of Grant Thornton LLP is expected to be present at the annual meeting of stockholders, will have an opportunity to make a statement and will be available to respond to appropriate questions that stockholders may have.

Principal Accountant Fees and Services

The aggregate fees billed by Grant Thornton LLP for professional services rendered for the fiscal years ended April 30, 2014 and 2013, respectively, were as follows:

		2014	2013
Audit Fees	\$	287,026\$	271,542
Audit related fees		-	-
Tax fees		13,110	5,970
All other Fees		-	-
Total Fees	\$	300,136\$	277,512

The audit fees for the years ended April 30, 2014 and 2013 were for the audits of our annual financial statements included in our annual report on Form 10-K, the audit of the effectiveness of our internal control over financial reporting, the review of the financial statements included in our quarterly reports on Form 10-Q and consents for and review of other documents filed with the SEC. The tax fees were for consulting services related to various state taxes.

Policy on Audit Committee Pre-Approval of Services of Independent Auditors

Our audit committee has established policies and procedures regarding pre-approval of all services provided by our independent auditor. Our audit committee will annually review and pre-approve the services that may be provided by our independent auditor without obtaining specific pre-approval from the audit committee. Unless a type of service has received general pre-approval, it requires specific pre-approval by our audit committee if it is to be provided by our independent auditor. During the fiscal year ended April 30, 2014, our audit committee pre-approved all audit and permitted non-audit services that were provided to us by our independent auditors.

Ratification of the Independent Registered Public Accounting Firm

Although stockholder ratification is not required by our bylaws or otherwise, the appointment of Grant Thornton LLP as our company's independent registered public accounting firm to audit the consolidated financial statements for the fiscal year ending April 30, 2015 is being submitted to our stockholders for ratification because we believe it is a matter of good corporate governance. In the event our stockholders do not ratify the appointment of Grant Thornton LLP as the independent registered public accounting firm for the fiscal year ending April 30, 2015, the adverse vote will be considered as a recommendation to the audit committee to select other auditors for the following fiscal year. However, due to the difficulty in making any substitution of auditors after the beginning of the fiscal year, it is contemplated that the appointment of Grant Thornton LLP for the fiscal year ending April 30, 2015 will be permitted to stand unless the audit committee finds other good reason for making a change. The audit committee may terminate Grant Thornton LLP's engagement as our company's independent registered public accounting firm without the approval of our stockholders if it deems termination appropriate and in our best interest and the best interests of our stockholders.

The board of directors recommends a vote "FOR" the ratification of Grant Thornton LLP as our independent registered public accounting firm for the fiscal year ending April 30, 2015.

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CORPORATE GOVERNANCE AND BOARD MATTERS

Meetings of the Board of Directors

During our last fiscal year, our board of directors held 9 meetings. Each incumbent director attended at least 75% of the aggregate number of meetings held by the board of directors and by the committees of the board of directors on which such director served.

It is the policy of our board of directors that all directors should attend the annual meeting of stockholders unless unavoidably prevented from doing so by unforeseen circumstances. All directors attended the 2013 annual meeting of stockholders.

Board Independence

Our board of directors currently consists of seven members. Our board of directors has determined that Daniel J. Englander, William M. Sams, John David Simmons and Robert Cameron Smith are “indepe