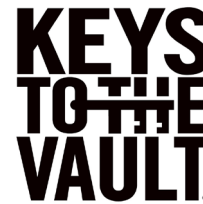


Memo



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Re: Board of Directors... Outcomes, Benefits, Structure

Making the critical decision to work on the business end of your business for the next year, to really dig into your business and think about where and how you want to drive it going forward, is significant. Having me and a group of smart people support you in your thinking/planning process so that you can get better optics, question assumptions, create robust choices, make great decisions, avoid the “Dumb Tax”, execute consistently and have the accountability required to make sustainable progress will result in significant insights, solutions, stabilization and growth.

Outcomes and Benefits:

Here is the truth: If you want to go somewhere you have never been, it is a great idea to have a guide. Pin the tail on the donkey (trial and error) is a stupid way to try to become successful at anything.

Think about the following: What costs me money is “What Don’t I See?”. What none of us can see are our assumptions about our “good” ideas. We tend to be astonishingly optimistic in our thinking and plans. The initial optimism and subsequent problems are closely linked. The culprit is not having enough wise voices in the conversation.

When I look at the majority of my problems, the common denominator was having only one voice in my head when the decision was made... Mine. The truth is, adding additional voices to the conversation (advice, counsel, best practices, tough questions, optics, insights and wisdom of other smart people) is mandatory if we expect to achieve our full potential and maximize our results. Without the advice and additional voices, we commit the most fatal of mistakes.... Going the wrong direction enthusiastically.

We both have had the experience of getting stuck, confused and uncertain about which decision must be made or what direction to take to best optimize your results. One of the outcomes of a Board is to provide clarity and act as a sounding board for its Members. Too many entrepreneurs and business owners rely on the formula of “My Idea + My Experience”. Unfortunately, this

formula is a prescription for disaster. Everyone needs the benefit of fresh ideas and the best practices of other business people who bring new perspectives and ideas to our problems.

A sustainably successful business requires an additional set of discriminating eyes to help identify the risks and 2nd order consequences of your decisions and plans. We need optics and insights to identify areas where we could be structured differently or restructured and streamlined so we can grow and optimize our results. My view is that all of us need as many ideas as possible about the challenges we are facing. In fact, my experience is this: The best way to have a great idea is to have a lot of ideas and then to pick the best one.... I intend to contribute to both.

As you may or may not know, I have extensive and significant experience in doing this kind of work.... Most of which involves \$3 -150 million/year businesses. I have been the CEO and/or Founder as well as the hired gun turnaround expert for numerous (>20) businesses in multiple industries, so I am confident about the impact I will have on your business decisions.

One of the major keys to my success has been to surround myself with advisors who not only watch for obstacles, icebergs, detours or looming problems, but also tell me the truth and hold me accountable. Making plans and annual budgets is one thing, but the best business owners in the world are fanatics at measuring, strategy and accountability.... If you don't want to measure, you don't want to be held accountable.

One of the problems we all have in business is that since we created the machine we currently have, it is often difficult for us to see how to tweak or rebuild or reinvent our machine without the help of an outsider's perspective so that we can produce superior results. Further, environmental changes (the economy, competition, consumer preferences, regulations etc.) can create states of disequilibrium that require an outside perspective to identify root problems/solutions that are virtually impossible for the creator to see. Finally, every business has slippage, meaning that over time, things just kind of evolve.... One day you wake up and look at what you have created and decide this isn't exactly what you intended, so a change is required.

All business owners and entrepreneurs have a common problem... How to build a qualified group of advisors who will help counsel, watch, direct, set strategic direction, monitor execution and progress toward the objectives and goals of the business as well as generate new ideas to build, grow, market, expand and diversify their businesses. What most entrepreneurs end up with is either no advisors or a couple of local, well-known, successful business people who, if you're lucky, agree to attend a couple of meetings per year to approve the minutes from the last

meeting, approve the annual budgets, the new bank financing, the stock option plan, the officer's annual compensation plan, then adjourn, eat lunch and play some golf.... Not exactly what I need when I'm trying to run and optimize my businesses.

Participating in a peer group setting and working on other people's business problems is a great way to get clear on issues and ideas which will support you and your business. Our Board of Directors **is designed to be your business advisors. I believe the most powerful business decision I ever made was to intentionally work with a peer group for advice, optics and accountability.**

Process:

The Board of Directors is a twelve month program that consists of three (3) meetings... each meeting is two (2) days. Dates are predetermined and attending a meeting is not optional. Each Board Member will be expected to prepare for each meeting (we will supply the template and resources to ensure your Board Reports are thorough and robust) and have read their fellow Board Members reports prior to each meeting... In other words, we will come prepared to do some work. At the each Board meeting, each Member (10 people/Board, max) will have an opportunity to present his or her business and its situation, opportunities, issues and problems. Your Board, acting in an advisory capacity, will help you identify, evaluate, and resolve outstanding issues and problems, generate new ideas and solutions, avoid doing something stupid (the dreaded Dumb Tax) as well as hold you accountable for your plan as the year progresses. I will act as the moderator and Chairman for these discussions as well as be an active participant in all the discussions. All Board Members have access to me personally between meetings for interim conversations/guidance if necessary.

Your Board will evaluate your numbers, your business plans, your marketing, your niche and your team as well as help you identify new markets and growth opportunities. Nothing with respect to your business and its success will be off limits. We will advise you on what we see that might be obstacles to your future growth and how you could significantly accelerate your progress and profits. We will ask you tough questions, expect you to be honest in your analysis and encourage you to look at the most fundamental issues of your business.

A WORD OF CAUTION:

Obviously, this type of meeting is designed for people who are interested in dramatically increasing the size and efficiency of their business while simultaneously avoiding disaster. People who are not yet in business, need massive psychological counseling, are trying to

figure out what to do with their life or are interested in being “passive” are not candidates for the Board. This is not a seminar but rather a working business meeting in which we facilitate the discussion, growth and sustainable optimization of each Member’s business.

You will be expected to take your participation very seriously. You will be expected to prepare and circulate an agenda and progress report for each meeting just like you would for any other critical business meeting. You will be expected to contribute to each of your fellow Member’s discussions and to be active and thought-provoking in your participation. You will be expected to call it tight and to say what needs to be said. This is not a seminar... It is a business meeting at the highest level, so do not expect to be passive, spoon fed or to attend unprepared.

The Board of Directors is not for the faint of heart, the “toe dippers” or the undecided. If you know you require highly discriminating advice and counsel on an extremely personal and customized basis, if you want to dramatically grow your business and develop new strategies and execution techniques, if you know there are solutions to your problems but you don’t know which one is the best track for you and your business, if you need to generate new ideas and strategies and if you know that being held accountable is THE key to your success, then the Board of Directors is the perfect opportunity!

I know of no better way to maximize and optimize the financial results of your business than to surround yourself with a Board who will ask that you step up and play at the highest level for one year.

Thank you again for your commitment to yourself and your growth and for your trust and confidence in me! I have been through this process numerous times with other people, so you will be in very good hands.

I look forward to working with you at the highest level.

Best,
KJC

Keith J. Cunningham

Logistics:

1. Boards will consist of no more than 10 business owners. All Board Members will be active owners or senior management.
2. Boards will consist of 3 meetings with each meeting being for 2 days. Dates for the full year will be announced prior to enrollment.
3. The total price for the Board is \$45,000. You will be responsible for all travel, meals and accommodations. If you would like for a business partner to attend with you, the cost is \$70,000. You will attend as a unit.
4. **With a small, select group like Board of Directors, you are taking a seat at the table and therefore someone else is not getting to attend. There will be no refunds for missed meetings. You are responsible for the full payment to belong to the Board of Directors regardless of the circumstances.**
5. We will distribute some preparation work for you to complete prior to our first meeting. This “Pre-Meeting” work will require you to do some serious thinking and planning. The Pre-Meeting materials we will send to you shortly are critical for you to achieve the maximum value from our Boards.
6. We will be sending out additional information prior and in between our meetings so that you can further prepare for and maximize the returns you receive from our time together and this process.
7. All Board Members will have access to Keith between meetings for one-on-one consultation and advice if needed.

Here is what your fellow Board of Directors members are saying about their experience with Keith!

- Our operating profits are up at 52% and we have a strategic growth plan in place with measurable targets to double in the next 24 months.
- I started Board with Keith in 2012. I will never quit! As long as Keith continues to hold and run these meetings, he has my credit card on file. I cannot imagine returning to my old way of thinking and running my business and I cannot imagine trying to do it without Keith going forward. As Tony Robbins has said, "Keith is a national treasure."
- As I look back at the objectives and plans I had for our company prior to Board three years ago, I think, "Oh my god...what the hell was I thinking? How disastrous might that have been!"
- During the first two years on Board, our company experienced a revenue growth rate of over 40% while at the same time increasing net profits by 55% as a percentage of revenue and OCF by 68% as a percentage of revenue.
- It's hard to quantify how much more I enjoy coming to work or how we have had the ability to improve the lives of our team by creating the right atmosphere and opportunities since joining Board. Now I spend my time focusing on the most important outcomes and making sure that all of our activities are congruent with supporting those outcomes and everything just flows. I go to bed at night proud of the company we are becoming and I wake up excited to increase our impact. I could not have said that before working with Keith and thank god for the opportunity to work with him. He is more than an amazing mentor and business teacher, he truly is a great man and a role model of how to live to your potential. I guarantee he will be vested in your success, it's just who he is.
- Joining the Board has exponentially elevated our businesses profits, production and procedures. I am making the transition from operator to owner and finally enjoying coming to work!
- Keith's critique is monetarily invaluable. He has saved us more than \$250k this year alone.
- It has given me more drive, clarity and direction in my business than I have ever had before.
- I have an MBA and Keith still blows my mind every time I attend.
- As for bottom line profits, it has paid for itself 5X in only the first 6 months.

- Board is not for the faint of heart. It is composed of a peer group that demands accountability and hard work. Keith guides and directs board members with his years of experience and unbelievable ability to teach and find the "problem that is" which is preventing forward growth. Breakthroughs, both financially and mentally, for all level of CEO's are part of the package. Board meetings are sometimes raw and uncomfortable but always inspirational, impactful and unpredictable in what you will learn or take away from the nine days spent with Keith in his kingdom of business mastery.
- Becoming a member of Keith's Board was the best business decision I have ever made.