



October 27, 2008

Watco Team:

There will be many challenges facing our next President, none of which will be more demanding than the turmoil in the financial markets. The economic and banking issues we face today are momentous and complex. Financial markets are truly global and the securities traded in these markets have become even more esoteric in nature and understanding. There is no doubt that our next President of the great United States will be tested in every way.

What will be needed is a depth of leadership that harkens back to the greatest of our history. Not the type of leadership that makes decisions based on the gains derived from popularity with an aim to be reelected, but that which makes the best decision based on a depth of understanding of the situation and courage to make the right decision whether popular among the people or not.


As a former banker for 15 years and with 25 years of experience in various areas of corporate finance, it is somewhat humorous to me that our current candidates seek answers by conducting public polls on this subject--a subject that most Americans more than likely lack all the facts and have little understanding or knowledge. This is the coward's way out. What is needed is a President that characterizes the attributes of two of our greatest Presidents of all time; Abraham Lincoln and Franklin Roosevelt. These attributes includes the following:

- 1) Courage to set the right course and stay strong in the face of contrary opinions and adversity.
- 2) Self-confidence to seek alternate opinions from Republicans and Democrats in a search for the best decision.
- 3) Ability to admit mistakes and strength to change if the situation dictates such.
- 4) Emotional intelligence and ability to strengthen others by building their confidence and trust.
- 5) Self control to remain calm in times of distress and provide people with the confidence that better times are ahead and victory will be achieved.
- 6) A moral compass that will endure in all times.
- 7) Ability to communicate and inspire all Americans to rally together as one to overcome the adversities of the present time, to be strengthened from the challenge and reach a higher realm of existence we know we will achieve.

Whether in government or business, how we lead and manage people is a major determinant to our success and failure. Anyone in a position of responsibility must understand the nature of leadership and that it is our primary responsibility above all else.

Next Tuesday, Nov. 4, is Election Day. I encourage everyone between now and then to take the opportunity to decide who are the best people for each of the jobs listed on your ballot and then take time to vote. All states have some form of advance voting that can easily be accomplished by stopping by your local county clerk's office for just a couple of minutes.

Thank you for all you do to live our Watco Foundation Principles and to care for our Customers, People and Company.

A handwritten signature in black ink, appearing to read "T. D. ...", located below the text.