



April 27, 2009

Watco Team,

This week in continuing to focus on Coach Wooden's "Pyramid of Success" I'll introduce Building Block #5- Loyalty. For review, the previous Building Blocks were:

- #1 - Industriousness and Planning
- #2 - Enthusiasm
- #3 - Friendship
- #4 - Cooperation

Loyalty is a foundational quality that gets us through tough times. It is an unswerving allegiance to a person, cause, ideal, custom, or organization. No team will ever become great unless they are committed to focusing on the development of individuals for the sake of the team. Likewise we can never become great people if we compromise our character, morality and integrity. Being loyal to these basic principles of character builds trust among others as they know what forges you as a person.

Leadership begins with the ability of our People to trust that you have their best interest in mind. Loyalty does not depend on giving our People everything they want. Leadership on this basis is fleeting and unsustainable because success in anything means that we must sacrifice self for a worthy purpose. Your ability to influence others to subordinate themselves for the benefit of the team depends on building loyalty and trust among the team and with you as their leader.

As a Company, we are dedicated to the purpose of our Foundation Principles based on our 26 year history of success. Delivering quality service in a safe and efficient manner while building relationships with our Customers, our People, and the communities in which we work and live along with our banks and investors will allow us to continue our success into the future. Subordinating ourselves for the benefit of our team is the quickest way to gain the trust and loyalty of our People.

Thank you for all you do to serve our Customers, People, Communities and Investors.

A handwritten signature in black ink, appearing to read "J. D. ...".