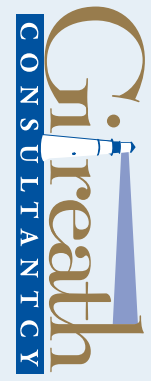




investor president & ceo | investor chief financial officer | vp operations | vp sales & marketing

Since 1986, Gilreath Consultancy has been helping private equity firms hire "skin-in-the-game" CEOs and other key executives as required —to profitably grow their small to mid-sized portfolio companies —and achieve targeted EBITDA multiples for eventual lucrative exit strategy execution usually within a 4 to 5 year period.



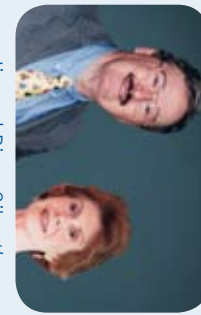
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jim@gilreathsearch.com

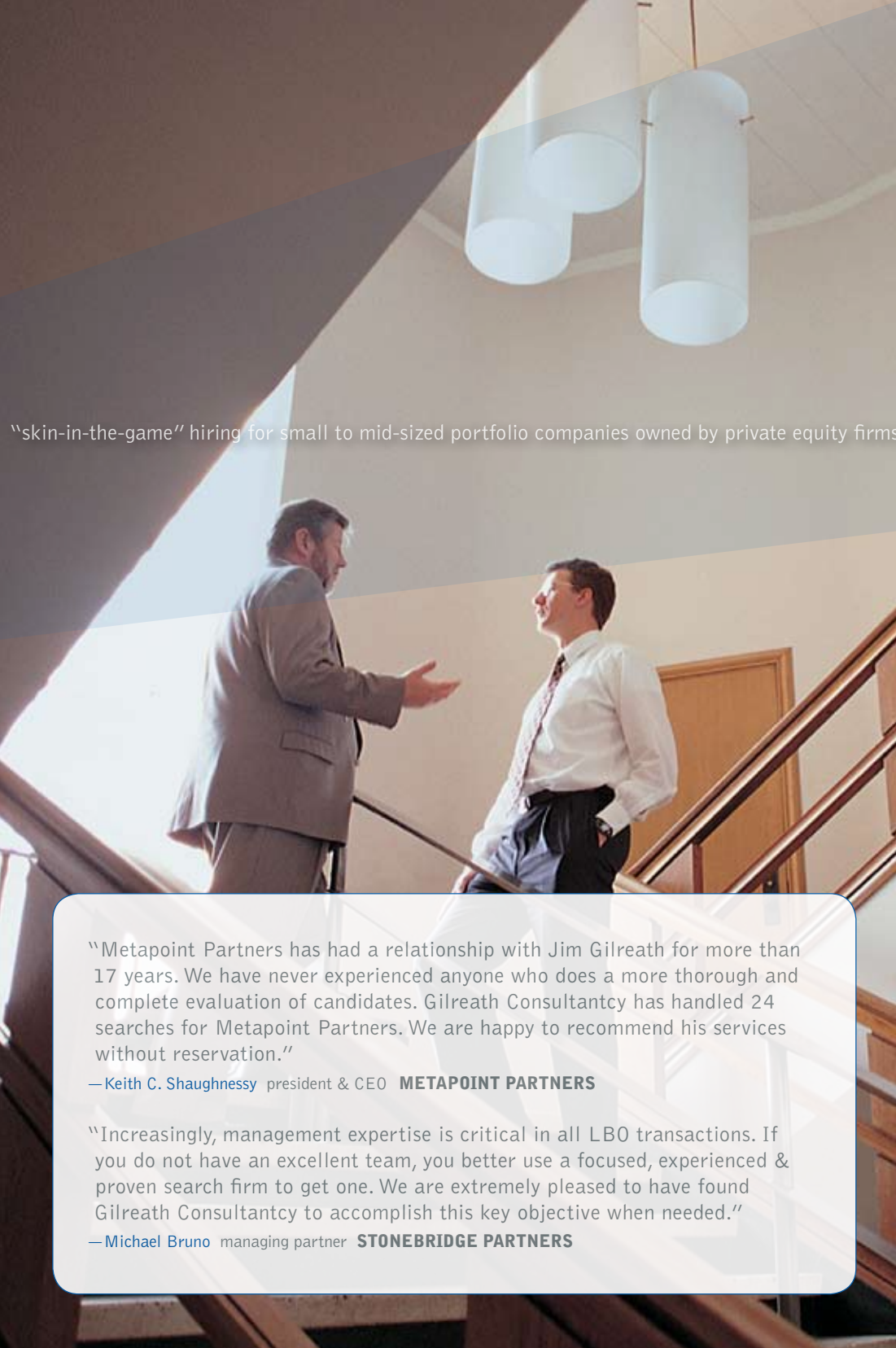
diane@gilreathsearch.com

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Jim and Diane Gilreath

skin-in-the-game-hiring



"skin-in-the-game" hiring for small to mid-sized portfolio companies owned by private equity firms

"Metapoint Partners has had a relationship with Jim Gilreath for more than 17 years. We have never experienced anyone who does a more thorough and complete evaluation of candidates. Gilreath Consultancy has handled 24 searches for Metapoint Partners. We are happy to recommend his services without reservation."  
—Keith C. Shaughnessy president & CEO **METAPPOINT PARTNERS**  
  
"Increasingly, management expertise is critical in all LBO transactions. If you do not have an excellent team, you better use a focused, experienced & proven search firm to get one. We are extremely pleased to have found Gilreath Consultancy to accomplish this key objective when needed."  
—Michael Bruno managing partner **STONEBRIDGE PARTNERS**



# “skin-in-the-game-hiring”

— questions and answers from Jim Gilreath

## What are your search specialties in terms of industries and clientele?

We have extensive proven experience in most manufacturing industries and focus on “skin-in-the-game” hiring for small (\$2M) to mid-sized portfolio companies (\$60M) owned by private equity firms.

## What executive positions do you specialize in filling?

Mostly Investor President and CEO; next would be Investor Chief Financial Officer, followed by VP Operations and VP Sales & Marketing.

## In which US regions is your search practice concentrated?

New England, Middle Atlantic, Some Midwest & Texas. We do not conduct searches for Western US based companies.

## How long does a search usually take for a candidate hire?

From the date of our signed search agreement to our hired candidate's offer acceptance typically takes 100 days.

## What are your search fees?

For each assignment, we charge a flat fee of one-third of a mutually-agreed upon estimated salary and bonus total compensation figure. If more than one of our candidates referred for the same executive search assignment, is hired who is referred for the same executive search assignment, for any position at any of that client's companies, within one year of his or her initial interview date, there will be a charge of 10% of said individual's first year estimated compensation figure.

## What are your payment terms?

One-third upon starting the search, one-third after 30 days, and the final retainer after 60 days. We do not conduct search assignments on a contingency basis. All payments are non-refundable.

## What constitutes out-of-pocket expense reimbursement items?

Our out-of-pocket expenses incurred while conducting each search include long distance telephone calls, candidate/JMG travel and entertainment, internet posting, source letters, any contract research services, reference audit word processing, postage, shipping services, photocopies, etc ...

## What happens if you do not complete the search for the position you have been retained to fill within 6 months?

Gilreath Consultantcy never guarantees our filling any assignment. We do promise to use our best efforts, however, to complete it to our client's satisfaction, on or before our estimated completion date. We have an extraordinarily fine rate of completion track record. Since 2000, we have only failed to complete 2 search assignments, though in both cases the clients agreed that we did present qualified & interested candidates.

## What is your guarantee policy?

We will guarantee our hired candidate for a period of 6 months from starting date. If for any reason other than lack of work, our candidate resigns or is terminated during this period, Gilreath Consultantcy promises its best efforts

for up to 6 consecutive months, if needed, to replace our candidate at no additional fee to our client. The only charges would be for additional out-of-pocket expenses in connection with this search.

## What is your “due diligence” search process?

- Diane and I meet with the hiring authority and their team, often including board members, to better understand the direct superior's management style, the portfolio company's business, its culture, confidential 3–5 year strategic plan and why the position needs filling.
- We discuss in detail the position requirements, duties and objectives, compensation range, invested and “sweat equity” terms, company benefits, relo package, and expectations of the position's superior, and in the case of a CEO search, the majority investors and company board.
- Next, off-limits and targeted companies and preferred industries and their SIC Codes to recruit from are identified.
- Our multi-pronged search approach encompasses “stealth” penetration into target company lists, contacting our extensive and proprietary database and national network and executive job posting sites for qualified and interested candidates.
- After completing an exhaustive due diligence screening process involving dozens of qualified candidates, we in-depth interview 3–4 of the best of those. We then compile and forward a complete confidential binder on each remaining candidate to our clients. Before their interview we complete each candidates major reference checks (except any that could jeopardize the candidate's current employment) and include them in the candidate's binder.
- In over 90% of our search assignments, a hire occurs from the first 3–4 candidates we refer to our clients.

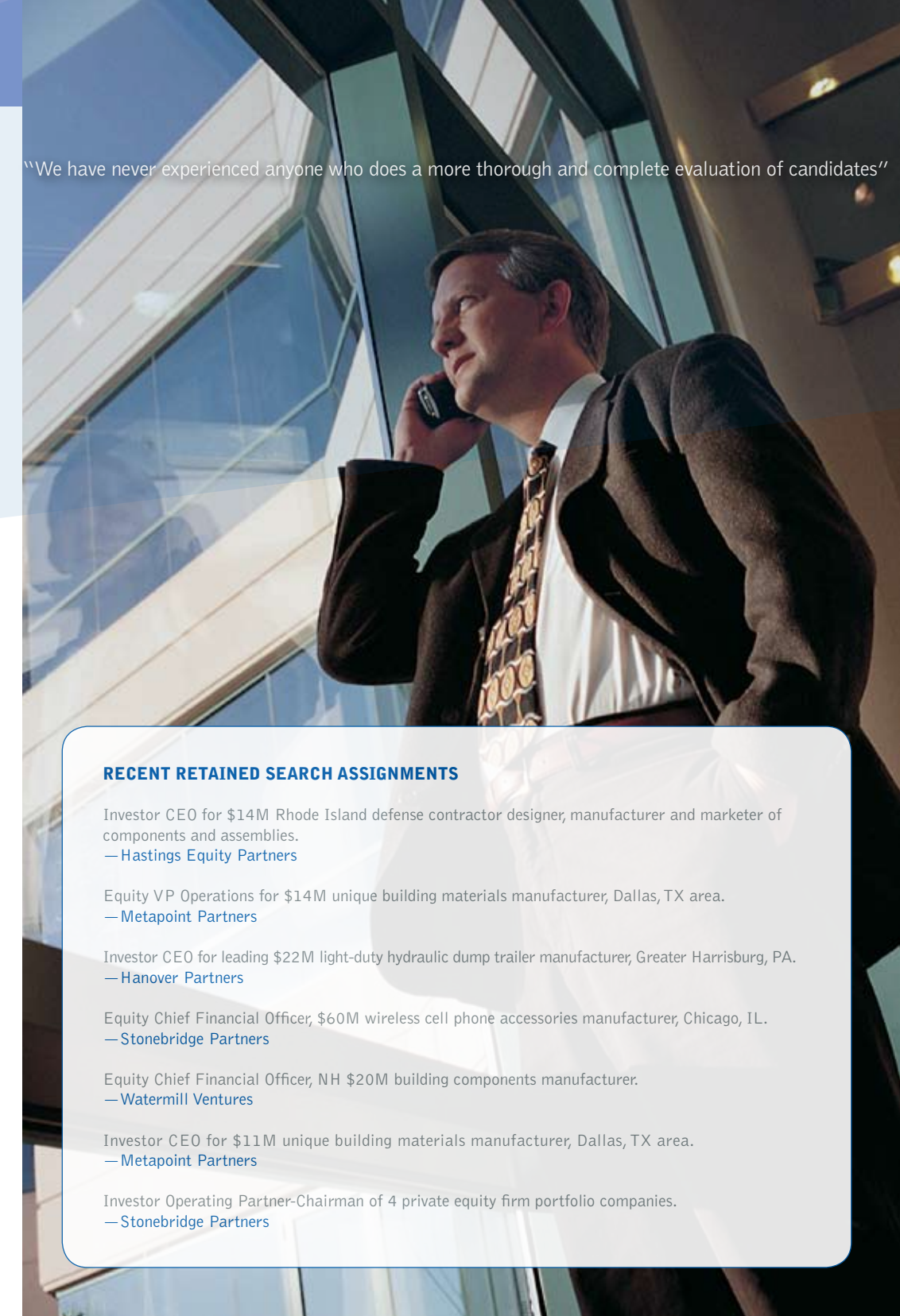
## What does each recommended candidate's binder contain that is given to your client before they interview your candidate?

Resume, copies of degrees, honorable discharge, and certifications, self-rating quiz answers, candidate biography (we call the Indiana Jones), reference audits, miscellaneous sensitive documentation and exhibit material including any or all of the following: performance appraisals, testimonials, reference letters, data, metrics, diverse reports, strategic plans and financial results in support of each candidate's resume statements and their written interview responses.

## What are Jim Gilreath's credentials?

Jim has been in executive recruitment for over 30 years. He has managed large professional recruitment operations in Boston, Stamford, CT, and NYC before founding his own 18 person executive recruiting firm, Hawthorne International, Inc., Stamford, CT. which he operated for almost 10 years. After a subsequent 5 year stint as President of Weatherby Corporate Services, Norwalk, CT, Jim & his wife, Diane, founded the retained search firm, Gilreath Weatherby, Inc. in Cambridge, MA later dba Gilreath Consultantcy, Manchester, MA and now of Concord, MA and celebrating its 20th year. On March 22, 2006, the New England Executive Resource Council presented Jim with its prestigious **Professional Excellence Award** in retained executive search consulting.

“We have never experienced anyone who does a more thorough and complete evaluation of candidates”



### RECENT RETAINED SEARCH ASSIGNMENTS

Investor CEO for \$14M Rhode Island defense contractor designer, manufacturer and marketer of components and assemblies.  
— Hastings Equity Partners

Equity VP Operations for \$14M unique building materials manufacturer, Dallas, TX area.  
— Metapoint Partners

Investor CEO for leading \$22M light-duty hydraulic dump trailer manufacturer, Greater Harrisburg, PA.  
— Hanover Partners

Equity Chief Financial Officer, \$60M wireless cell phone accessories manufacturer, Chicago, IL.  
— Stonebridge Partners

Equity Chief Financial Officer, NH \$20M building components manufacturer.  
— Watermill Ventures

Investor CEO for \$11M unique building materials manufacturer, Dallas, TX area.  
— Metapoint Partners

Investor Operating Partner-Chairman of 4 private equity firm portfolio companies.  
— Stonebridge Partners