

Dear Colleague,

One evening in 2015 while I was surfing Netflix for a good movie to watch, I came across the movie THE WAY with Martin Sheen. It was the story of a father who received the tragic news that his son had been killed in France while on a pilgrimage. The father traveled to France to handle the final affairs and decided to complete the pilgrimage for his son and leave his ashes along the way. The pilgrimage was the famous Camino de Santiago and it starts in southern France and crosses the Pyrenees Mountains into Spain proceeding west towards the Atlantic Ocean, a 500-mile hike that takes 35 days to complete.



Since I was raised in Spain as a child I was instantly captured by the beauty of the countryside and the thoughts of hiking through it and experiencing its culture again at the rate of 15 miles per day inspired me to add this adventure to my bucket list. After all, I had just turned 59 and it was getting close to the time to begin thinking about my bucket list, right?

But wait! Reality set in and I then realized that as an owner of a relatively small barter exchange I could never afford to take the time off from my business for this great adventure. How could I? I wore way too many hats in my business and my handful of employees could never handle it without me!



It was then that I determined to make some changes in my life and create a new business environment which would grant me the freedom to make that 35-day pilgrimage a reality. My solution was not to sell my exchange. The value of a small exchange would not be enough to give me the cash to retire early, if I could even find a cash buyer. No, the only answer was to build it bigger so that I could afford to hire more staff to wear all those hats that I couldn't seem to give up and create a machine that could run itself in my absence.



I then realized that many other barter exchange owners who are approximately my age most likely had the same challenge. We all have the need to retire in the next 10 to 15 years and many of us haven't saved enough cash for our retirement but have invested what cash we had into our businesses. The prospects of selling our exchange when we are too old to work for enough to retire comfortably aren't that good so we are consigned to keep working until we die and give up on ever checking off those items on our bucket list.

So, I created a solution not only for myself, but also for every other exchange owner that could identify with my dilemma. Imagine receiving all of the benefits of owning a barter exchange but with none of the responsibilities and liabilities. Imagine the freedom to take time off when you want and be only as involved as you want to be with the luxury to focus on what you do best, building your exchange with sales of new accounts.

As I mentioned, the value of a barter exchange with a few hundred members will never be more than the sum of your annual cash collections, assuming that you are not too upside down. This is a rule of thumb that has been set by some of the larger national exchanges that have made acquisitions. I don't know about you, but that's not enough for most



to retire on. But, by merging many smaller exchanges together into one huge national exchange with 20,000+ members, the ability to attract a private equity fund buyer is quite strong. With top line revenues of over \$10M and cash flow of over \$2M there are plenty of institutional buyers that will pay large multiples of earnings in cash for companies with strong management in place. This is the answer to the dilemma we all face and one that will get us all to the Promised Land with the cash we need to retire.

Equitrade International, Inc. has already embarked on this quest and we have now completed five mergers, allowing us to assemble a total of nearly 2000 members under one brand. We expect to grow through our Affiliate program to over 5000 members in 2016. Our program centralizes brokering, collections, accounting, marketing and member communications, which gives you the freedom to focus entirely on sales at your leisure while receiving a steady income stream from your existing accounts. Our Affiliates are all former exchange owners and they become the most motivated sales force that any exchange could ever hope to have because they are incentivized to grow their own account base to receive a bigger portion of the annual profits and eventually a portion of the proceeds from the sale of the company.

We are looking for good quality exchanges to join us, to become a part of our growing team of barter professionals who bring years of experience and a wealth of contacts to create the biggest and the best barter exchange in the industry. Imagine how easy it will be to add new accounts when you can login to our website and show your prospect thousands of trading partners that they can trade with today. Imagine the resources that such an exchange will have to satisfy your member's spending needs. Success breeds success and we will attract the best members who want to trade with the best.



Let us show you how you can actually earn more net cash than you do right now by eliminating your overhead and fixed costs while being free of the liabilities and headaches of running your own operation. You will be pleasantly surprised with the benefits once you see the details of our Affiliate compensation and all that it offers. Please visit our Affiliate website at www.equitradeintl.biz for more information.

Oh, and if you get the chance, watch the movie THE WAY that inspired me. You may just catch the bug to go on your own great adventure. <https://youtu.be/XKTnFY5thKY>

Your friend,

Jim West, CEO
Equitrade International, Inc.

