

September 24, 2019

Dear Badass Pioneers,

I am writing this to you after much thought, prayer and deep processing.

First and foremost, I want you all to know how much I love and appreciate each one of you. As I have shared multiple times personally and in front of the room, each one of you have brought your unique magic to our community and for that I am, and always will be grateful.

It has come to my attention that discussions have been happening among some of the pioneers about entitlement to a share of the business' profits based upon that "founder/pioneer" status.

It appears that one founder had a conversation with someone about BE and somehow it was interpreted that this member was on a board of a company.

I want to be clear that I invited you all to be a part of a BETA test to see if this idea of mine could have legs. I did not invite you to be on a board or business partners. The entity that "holds" my business is a California limited liability company of which I am the sole "member" (owner) and "manager" (officer). Limited liability companies do not have boards.

This grand experiment turned out to be magical and powerful for all of us.

We came up with many brilliant pieces to add to the foundation of BE during our BETA Test period. Once BE launched in March, various roles and tasks were established that we intended to share, relating the operation of the meetings, including set up/clean up, welcome/follow up, application/membership process, tracking referrals/feeling seen and I see you, mentoring, etc.; however, the sharing of these responsibilities largely fell by the wayside. Not right wrong good or bad, just what happened. I picked up the pieces and have done it all on my own as a business owner would; I have learned so much from this experiment in this new paradigm.

The structure and format of what we do each week in our Badass Engagement meetings is what I proposed to you all when I invited you to be a part of the BETA test. With our collective genius we brought even more congruency to the structure I proposed. As we moved away from "selling" our businesses, it became clear to me that BE is a leadership practice/incubator rather than a "referral network" even though referrals are passed almost every week. With that said, we have a tracking system on Google Drive, of which, at this point we are not using or tracking. I just checked again today and the tracking system is empty.

To thank you and to acknowledge you for being a part of this grand experiment I chose, as the business owner of BE, to give you each a lifetime membership, forever waiving the \$3,000 annual fee. I chose to do that knowing that as the sole owner of BE, I would need to subsidize my business with my personal funds and that was worth it to me to do so.

I used the BNI model. I was a BNI director for 3 years and I didn't have to pay the annual fee of \$450, but I needed to pay the group quarterly fees. With that said, for me, the difference in value between BNI and BE is palpable.

In short, this is my business, not ours. I am the sole owner and manager of the LLC. Had we in fact agreed to a shared ownership/management of the business entity, the pioneers would be making a financial investment in the capital and operational costs of the business, and you would be working directly and consistently with me as the owner/manager achieve financial growth and getting this business out into the world on a bigger scale. Were we in fact shared owners/managers, we would have defined roles and expectations regarding the needs of the business such as fundraising, marketing, community involvement, R & D and so on. There would be a president, a secretary and a treasurer, with specific legal obligations relating to those. Of course, none of these things exist nor were they discussed or intended. Instead, I have carried all of these responsibilities and roles myself, outside of the meeting structure.

Right now, BE is completely under water and has been since its inception. At this point I'm not clear regarding a growth path. I think it is a beautiful idea to usher in the new paradigm of leadership. I am open to discovering if BE can be a sustainable and effective business model.

I apologize for any of the mistakes I've made in my communication. Learning that it wasn't clear that this is my business surprised me, thus necessitating this letter and a couple of meetings.

To recap, this is my LLC and business. All of the financial risks and investment are mine. I alone have subsidized the business. Truth be told, it's often felt like herding cats to try and meet. I have put things on hold and I've been bending in a pretzel to accommodate your timing and schedules. Again, not right wrong good or bad. It just is what it is at the moment and I look forward to what's possibly next in growing BE.

At this point I am open to dissolving BE, though that is not my preference.

With love,

Katie