BVC's Mission, Values and Principles

Our Misson

BVC Holdings Corp.

We realize Our truly Biggest Visions in Reality

BVC's Owner-related Business Principles

1. ***Our form is corporate; our attitude is partnership.*** I think of our shareholders as owner-partners, and of myself as the managing partner. We do not view the company itself as the pivotal owner of our business assets but instead view the company as a pipeline through which our shareholders own the assets. I believed in the spirit of cooperation too. Important to propose to cooperate with the partners, not simply invest.
2. A lot of our directors have a substantial portion of their net worth invested in the company, as I.
   I feel totally comfortable with this eggs-in-one-basket situation because BVC itself buys a wide variety of genuinely wonderful businesses.
   I use diversification as a "protection against ignorance". We buy all, that is the best (wonderful assets in any field). And always add, add, and add new. If needed, we rid.
3. Our long-term economic goal (subject to some qualifications mentioned later) is to maximize BVC's average annual rate of gain in intrinsic business value on a per-share basis. We are certain that the rate of per-share progress will diminish in the future – a greatly enlarged capital base will see to that. Our rate should exceed of the average large American corporation.
4. Our shareholders have indeed embraced the long-term partnership concept, like Warren Buffett and J.D. Rockefeller Sr. Phil Fisher's said, that one of the best decisions of his life was to do long-term investments, "War II, by which time much of my present investment philosophy was largely formulated, I had made what I believe was one of the more valuable decisions of my business life. This was to confine all efforts solely to making major gains over the long run."
5. We will not diversify by purchasing entire businesses at control prices that ignore long-term economic consequences to our shareholders. We will only do with your money what we would do with our own.
   We are interested only in acquisitions that we believe will raise the *per-*

share intrinsic value of BVC's business and shares. The size of our paychecks or our offices will never be related to the size of BCV's balance sheet.
In addition, we build our Biggest Visions in the economic fields, which we think are the best in long-term too. But we do thereof only with Our Business-related principles too.
We love the bolt-on acquisitions. It improves our businesses remarkably too.
If we have good long-term expectations, short-term price changes are meaningless for us excluding to the extent they offer us an opportunity to increase our ownership at an appeal price.

6. We never tell somebody about our business/invest ideas, deals, plans, etc. if they are not the partners of the deal. We can tell other guys about our deals when we have closed the deal.
   We will be sincere in our reporting to you, emphasizing the pluses and minuses important in appraising business value. Our guideline is to tell you the business facts that we would want to know if our positions were reversed. Moreover, as a company with a major communications business, it would be inexcusable for us to apply lesser standards of accuracy, balance and incisiveness when reporting on ourselves than we would expect our news people to apply when reporting on others. I also believe candor benefits us as a manager: the CEO who misleads others in public may eventually mislead himself in private.
7. We regularly compare the gain in BVC's per-share book value to the performance of the S&P 500. Over time, we hope to outpace this yardstick. We, therefore, expect to outperform the S&P in bland years for the stock market and underperform when the market has a strong year.
8. We do not engage in unfriendly takeovers. We can promise complete confidentiality and a very fast answer—customarily within five minutes—as to whether we're interested. We prefer to buy for cash but will consider issuance of stock when we receive as much intrinsic business value as we give. Indeed, following recent advances in the price of BVC stock, transactions involving stock issuance may be quite feasible. We invite potential sellers to check us out by contacting people with whom we have done business in the past. For the right business—and the right able people—we can provide a good home. We do deals with able people whom we admire and who tell us the truth and keep their own promises.

The Managing of BVC Holdings Corp.

1. We have several things going for us: (1) I allocate capital, control enterprise risk, choose managers and set their compensation. We do not have to worry about quarterly or annual figures but, instead, can focus on whatever actions will maximize long-term value (5 years and more); (2) we expand the business into any areas that make sense—our scope is not circumscribed by history, structure, or concept; and (3) we love our work.
2. Most of our managers are independently wealthy. We will continue to have an extraordinarily shareholder-minded managers one whose interests are solidly

aligned with our shareholders. Our managers are owner-oriented. They think like an intelligent owner and have business savvy. They love business, which they do. Certainly, BVC is full of people who have a peculiar amount of passion in their love for their own business. And I would argue that probably the passion and love in business what they do is more important than the brainpower. And they all like money, and the reason — and they like it, partly, because it enables them to build the business they love.

3. BVC's operating businesses are managed on an unusually decentralized basis. There are essentially no centralized or integrated business functions (such as sales, marketing, purchasing, legal or human resources) and there is minimal involvement by BVC's corporate headquarters in the day-to-day business activities of the operating businesses. BVC's corporate senior management team participates in and is ultimately responsible for significant capital allocation decisions, investment activities and the selection of the Chief Executive to head each of the operating businesses. It also is responsible for establishing and monitoring BVC's corporate governance practices, including, but not limited to, communicating the appropriate "tone at the top" messages to its employees and associates, monitoring governance efforts, including those at the operating businesses, and participating in the resolution of governance-related issues as needed.
4. I will continue to keep the directors and myself posted on the succession issue. Our shareholders can be sure that the directors and I have thought through the succession question carefully and that we are well prepared. You can be equally sure that the principles we have employed to date in running BVC will continue to guide the managers who succeed me and them and that our unusually strong and well-defined culture will remain intact.
   Our every next CEO or/and managing owner should be phenomenally more effective in our business than the former. We have the system and culture, which always give thereof with probability almost 100%. Because for realizing Our Biggest Vision of BVC Holdings Corp. and living with these principles one of most important question is the business will do deals more greatly without former CEO/main founder/main leader (including without me).

The most important thing in our remarkable life is to do what we love to maximum and relish, where we want to be/are Number One in the World and Universe.

I love doing BVC Holdings Corp. business. It is My Big Love.

BVC Founder,

Zemlyanoff Vladislav.

Disclaimer:

It is not the proposal, offer, etc. It is only for understanding how we live and who we are.