



News Release

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Ferndale Capital Management, LLC (“Ferndale”) is pleased to announce the formation of its Advisory Board Compensation Plan (the “Plan”). The Ferndale Board of Managers (the “Board”) has approved an annual profit sharing allocation to reward certain executives and professional advisors (the “Participants”) appointed to serve on the Ferndale Advisory Board.

The Board has authorized six (6) percent of annual profit to be allocated to the Participants via newly formed Participation Units (the “Units”). Twelve (12) participation units have been authorized, each representing 0.50 percent of annual profit.

The purpose of this Plan is to:

- Provide the Participants with incentives and a reward for assisting in Ferndale’s future success,
- Encourage longevity of the Participants engagement through profit sharing and an opportunity to participate in normal course, ad-hoc consulting projects,
 - Provide participation in gains on sale relating to Ferndale portfolio companies,
- Allow a Participant to purchase equity in the Managing Member’s units, at a discount to transaction value, prior to a milestone event (i.e., a partial sale or outright sale of Ferndale), at the Board’s sole discretion

The Plan reflects Ferndale’s mission to provide Trust, Experience & Partnership across all its stakeholders, investee company management teams, service providers and business associates. The Board will begin appointing Participants in the coming weeks.

About Ferndale Capital Management, LLC

Ferndale manages a \$1 million private equity fund focused on serving the needs of U.S. small business so that owner-operators have the opportunity to diversify their management team and maximize value before final exit. Ferndale will also consider minority equity investments (share buy-in’s) to support a refinancing, pay a dividend and/or provide growth capital. The target size of investee companies is revenue of \$1 to \$5 million with at least \$250,000 of cash flow. To provide an efficient level of current income, Ferndale also manages a proprietary pool of high yielding blue chip equities and non-investment grade bonds.

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