



October 28, 2009

Dear Friends and Customers,

In early 1989 I opened "Bake's Malibu Boats" for the purpose of selling and servicing Malibu Boats. Boating has been my passion since I worked on boats in high school and college. I never thought it was possible to make it a career. My first store was on Gilman Blvd in Issaquah Washington and I was the only employee. I sold, serviced and installed any items you wanted on the boat that would start the boating adventures for you, your family and friends. At times it seemed that the world was moving too fast for me and at others it was as if time stood still.

Many things have changed since 1989. Our name was changed to Bake's Marine Center in 1994 to broaden our market and I formed Bake's Marine Consulting in 1996 to address the needs of boat owners wanting more experience, training and advice on boats 32' to 200'. One thing has remained the same for all these years and that is my firm belief that I must continually strive to add value to you for our products and services. I believe over the years I have enjoyed success due in large part to the great employees at Bake's and our strong relationship with our primary vendor Malibu Boats. I remember the first breakfast meeting with my soon-to-be first full-time employee Karen Audett. I said "One requirement is that you have to ski with the boss." She said "I can do that." And she was hired. Dealer Meetings at Malibu Boats used to mean bar-b-cueing at Bob & Anna Alkema's (Malibu founder) house in Merced California.

The strength of these relationships was only made possible because of you, the Bake's customer. Customers are the lifeblood of any business. Without customers there is no business. The benefit of having a business in the watersports industry is that my customers share the same passion for boating as I do. When I was working in High School my late father said "make friends with the people you do business with, don't do business with your friends." Over the past 20 years I have found this statement to be quite accurate. The vast majority of my closest friends are also my customers. I have boat customers, accessory customers, service customers, online customers, yacht consulting customers and I trust you all share my love of being on the water.

Now it is time for me to make a change. My wife and I are empty nesters with a daughter who is graduating from Gonzaga University this spring in Nursing and a son who is a freshman at the University of Redlands in southern California. We plan to travel a bit more to visit wherever Addie ends up and to attend swim meets for Will at Redlands. To do this my plan is to concentrate on the Marine Consulting business with yacht delivery, training and sustainable boating design. We also plan to cruise and play more. I have listed the Bake's Dealership for sale along with service, Bake's Board & Ski, Bake's Online and the Bake's Canvas manufacturing shop.

I have enlisted the help of Bruce Sult and his team at Falco-Sult and Company for the marketing and sale of the business. I have been considering this decision for a number of years and there are several important factors about how I want the transition to proceed. It is my desire to find a buyer who will share my concern for my employees,

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customers and Malibu. I have offered to stay and transition the new owner for what he/she deems the most appropriate time. I believe that Bruce understands my desire to transition smoothly for my staff, customers and relationship with our suppliers especially Malibu.

The timing may happen soon or it may take awhile. In the mean time, we will serve you in the manner you have been accustomed to, with us trying our hardest to be the best. If you see me at a boat show or read a note I post online introducing you to the new owner, rest assured it was because I believe that it is the right decision for all of us.

In closing I would like to say thank you. Thanks for all the years I have enjoyed working for you and trying to give you quality time on the water with your family and friends. Thank you also for giving me quality time that I was able to spend with my family. We continue to spend time on the water and I continue to enjoy skiing and wake surfing. We also love cruising the San Juan's, Gulf Islands and Desolation Sound. Perhaps we will venture further north, south and maybe even west in the future. So thank you one and all from the bottom of my heart for the past twenty-one years!

Sincerely,



William J. Baker
President