BULLARD INDUSTRIALS BOARD QUESTIONS

1. Should the Company be focused on investing in new products (would require large capital outlays for both R&D and plant investments) or should it be in the mode to minimize cash outlays; shore up cash flow and introduce a dividend to appease shareholders?
2. Are there financial warning signs for either short term or long term financial health issues? What issues should the board be focused on?
3. Should the priority be on “today” or the future ?
4. Is the mix of Board skills correct? Are there other skills which might be more important or needed to add for the future?
5. Some board members want the audit committee to handle/ review all financial results and forecasts- with simple reporting out to the full board—Others on the board feel strongly that all items (except for regulatory ones-SEC filings) should be handled by the full board- What are the pros and cons?
6. What kind of training and education should all board members receive?
7. Since the financial experts are usually on the Audit Committee—yet the Compensation Committee often ties “pay to financial results”- how do you ensure that there is sufficient understanding of the drivers?