6HOHFW&RP P LWWHH VR,QYHVWLJDWH WKH - DQXDU VW
$WWDFN RQ WKH 8QLWHG 6WDWHV &DSLWRO
8 6 + RXVH RI 5HSUHVHQWDWLYHV
: DVKLQJWRQ ' &

7KH + RQRUDEOH/LQ &KHQH\
9LFH &KDLU
6HOHFW&RP P LWWHH VR,QYHVWLJDWH WKH - DQXDU VW
$WWDFN RQ WKH 8QLWHG 6WDWHV &DSLWRO
8 6 + RXVH RI 5HSUHVHQWDWLYHV
: DVKLQJWRQ ' &

' HDU&KDLU7KRP SVRQ DQG 9LFH &KDLU&KHQH\

7R IXUWKHUWKH P LVVLRQ RI WKH 6HOHFW&RP P LWWHH VR,QYHVWLJDWH WKH - DQXDU VW$WWDFN RQ WKH
8QLWHG 6WDWHV &DSLWRO ZH ZURWH WR SURYLGH UHVHDUFK SUHSDUHG E\ 2V " W

(VWDEOLVKHG LQ 63/& KDV EHHQ UHSRUWQVWV LQ IHQLA LQJ DQG URRWQJ RXW[WHP LVW
JURXSV VR FUHDWH D IDLU LQFXVLYH DQG XQLLHG QDWRQ : HDUH D QRQSURILWDGYRFDF\
RUJDQL]DWRQ VHUYLQJ DV D FDWDO VWRUUDFLOXWLRQ WKURXJKRXW6RXW : HZRUNLQ
SDUWQHUVKLS ZLWK FRP P XQLWLHV RI FRORUVR GLVP DQGBZKLWH VXSUHP DF\ VWUHQJWKHQ
LQWHUHFWRQDOP RYHP HQW WKURXJK WDQVIRUP DWLYH SRDFLHV DQG LQLWDWLYHV DQG DGYDQFH
KXP DQ UJKWV RI DOOSHRSOH : HKDYH GHHS H[SHULHQFH LQ P RQLWRULQJ WKH DFWLYLWLHV RI GRP HVWF
KDWJURXSV DQG RWKHU[WHP LVW ± LQFOXGLQJ WKH . X. O[. ODQ WKH QHR 1 D] L
P RYHP HQWQHR &RQHGHUDWHV UDFLVWVNLQKDGV DQJRYHUQP HQWP LQLWLV DQG
RWKHUV : HFXUUHQWO VWDFNKXQGHG RI H[WHP LVWJURXSV RSHUDWQJ DFURVV WKH FRQW
DQG SXEOLK LQYHVWLJDWH UHSRUWV VKDUHN\ LQWKQJHQFH DQG RIIHUH[SHUWDQDOVLV WR WKH
P HGLD DQG SXEOF

3HRSOH ZKR DGKHUH WR D UDGLFDOLJKWGHRORJ\ KDYH EXLOXS P RUH ILQDQFLDOXSSRUWRUWKHLU

FUVSWRFXUUHQF\ H[SORLWQJ JDP LLHG ZHEVLWHV RSHQLQJ VXEVFULSWRQ VHUYLFHV VHOOQJ
P HUFKDQGLVH VRODLWQJ GXHV DQG OXQFKLQJ VSHDNLQJ WRXUV

' RQDWRQV DQG GXHV LQ ILDWP RQH\

5 DGLFDOLUKWJURXSV VRODFLWGRQDWRQV LQ ZD\ VWKDWDUH VLP LODUWR P HWKRGV XVHG E\
P DLQVWUHDP SRODWFDFFDP SDLJQV EXWKH\ VRP HWP HV VHHN RXWXQGLQJ P HFKDQLVP V ZKLFK
KDYH IHZ HURUP RUH UHGI HG SRODFHV DURXQG ZKR FDQ XVH WKHLUVHUYLFHV 6XFK ³DQWLQDWH
ILQDQFH´ RUJDQL]DWRQV KHSH[WHP LVW UDLVH IXQGV ZLWRXWEHLQJ UHP RYHG RUGHSODWRUP HG
IURP P RUH WDGLWRQDOILQDQFLDOSWRQV &URZGIXQGLQJ LV RQH VXFK DQWLQDWH ILQDQFLDOP RGHO
WKDWLV H[SORLWG E\ H[WHP LVW ZKR ZDQWR VRDFLWGRQDWRQV IURP ODUJH QXP EHUV RI SHRSOH

3 HRSOH ZKR SXVKHG 7UXP S¶V DHV DERXWKH HQHFWRQ LQ WKH UXQXS WR WKH &DSLWROD WDWFN
HWK PRZ GXQGHG WKURXJK * LYH6 HQG* R D &KULVWDQ IXQGUDLVLQJ VLWH Z KLFK KDV GHP RQVWDWHG
P RUH VRODUDQFH IRUH[WHP LVW WKDQ WKH P RUH WDILFNHG * R) XQG0 H * R) XQG0 H UHP RYHG
3 UR 7UXP S DFWLYLVW0 DWW¼UD\ QDUGV ³9RWHU,QWHJULW\ 3URMHFW FDP SDLJQ IURP LWV VLWH VKRUW0
DRRR

WKH 5 HSXEOLF ZKLFK UDLVHG P LOOLRQ VR SURP RWH DERXW D VWURQJ HOHFWRQ + DUG UJKW
SRQWFDORSHUDWLYH 5 RJHU6 VRQH VRQHLWG GRQDWRQV RQ VWRSWKH VWDORUJ $

GHDWK QHYHUVSHFLLHG WKH LP SRUWDQFH RI WKH HOHFWRQ ZKHQ P DNLQJ WKHVH GRQDWRQV
EXWWV QRWDEOH WKDWP DQ\ ZKLWH VXSUHP DFLVWLJXHUV RUJURXSV GLVDYRZHG 7UKP S DWGLIHUHQW
WP HV GXULQJ KLV SUHMLGHQF\ DQG %DFKHOHUFKRVH WR JLYH P RQH\ WR WKRVH WKDWGLG QRWGR VR
,QIDFWKH JDYH WKH EXNI RI KLV P RQH\ WR) XHQWV ZKR LQVSLUHG FURZGV RI \RXQJ ZKLWH
QDWRQDOLWV WR UDOO DURXQG 7UKP S¶V HOHFWRQ OHV

³, FDUH DERXWZKDWKDSSHQV DIWUP \ GHDW´ %DFKHOHUZ URWLQ D VXLFLGH QRWDIWUP DNLQJ
WKH GRQDWRQV ³7KDW¶ZK\ , GHFLGHG WR HDYH P \ ZHDOWK WR FHUWLQ FDXVHV DQG SHRSOH´

6RP H GRQRUV ZKR HP EUDFH D UDGLFDOLJKWGHROJ\ P DLQWLQ DQRQ\P LW\ VHQGLQJ VR FDOHG
SULYDF\ FUSWRFXUUHQFLHV ONH WKH KLJK0 FRQWRYHUVLDO RQHUR ZKLFK P DVNV WDQVDFWRQV
IURP SXEOLF YLVLELOLW\ 7KH' DLO 6WRUP HUKDV WDILFNHG LQ0 RQHUR VLQFH DWHDW DQG
VR GRHV) XHQWV DFFRUGLQJ WR6 LP RQ' LFNHUP DQ ZKR FRODERUDWG ZLWK) XHQWV DWWKH WP H
KH KHSHG GHDG 6WRS WKH 6WDOHYHQW EXWGHHFWG IURP KLV³$P HUFD) LWW JURXS LQ
' LFNHUP DQ FOLP HG RQ D - XO OY HVWHDP WKDWWKH EXNI RI) XHQWV UHFHQWXQGLQJ FDP H
IURP D VLQJOH ZHDOWK\ EHQHIDFWRUZ KR JDYH0 RQHUR GRQDWRQV DV RSSRVHG WR$P HUFD) LWW
UHOLQJ RQ D JUDVVURRWV IXQGLQJ P RGHO

) XHQWV DQG WKH QHR 1 D]LJURXS 1 DWRQDO- XVWFH 3 DUW ERWK XVH VHUYLFHV VXFK DV %LW'D\ WR
REVFXUH WKH WDLORI P RQH\ WKDWWBZ V LQWR WKHLUFRIIHUV WKURXJK RQOQH GRQDWRQ IRUP V %LW'D\
JHQHUDWV QHZ %LWFRLQ DGGUHVVHV IRUHDFK RQOQH GRQDWRQ P DNLQJ WKH IBZ RI IXQGV GLIILFXOW
WR WDFH ,]] DG' LQDO4 DVVDP %LUDGHV WKH P LOLWDU\ ZLQJ RI + DP DV DQG 7KH' DLO
6WRUP HUDOR XVH WKLV WHFKQLTXH SDLLQJ LWZ LWK VR FDOHG %LWFRLQ³P L[LQJ´ VHUYLFHV ZKLFK
KDYH EHHQ IP SOFDWG LQ P RQH\ OXQGHULQJ FUP HV WR REVFXUH WKH VRXUFH DQG GHVWLQDWRQ RI VWRP0
IXQGV WKHD

$OH[- RQHV ZKR SOD\ HG D SLYRWDO URH LQ VRZ LQJ GRXEWDERXWWKH @@qGLQB'DXRLP@@GBEDWP0

3HWH6DQGDQRWKHU'OYHVWHDPHUZKRWKHFRPSDQ\HYHQWXDOO VXVSHQGHG XVHG KLV OYHVWHDPV DQG D SULYDWH7HEUDUDP FKDQQHORR RUJDQL]WDQVRUDWRQ DQG OBGJLQJ IRU -DQXDU DWWQGHHV ,QWKH UXQXS WRWKH &DSLWROD WDFN 63/& FDOXDWHG WKDW6DQGHHDUQHG RYHU LQ'OYH GRQDWRQV %HIRUH KLV -DQXDU DFWLYLWHV 6DQGZDV P RVWNQRZQ IRUXVLQJ KLV UDGLR VKRZ DQG<RX7XEH FKDQQHORR SURP RWH SDWRWHYHQW VXFK DV D ODFNXWHU WKFNHUSURWHVWQ: DVKLQJWRQ' & DIDLOHG EILNHUOHG VKXWGRZQ RI WKH VRXWKHUQ ERUGHU DQG WKH DUP HG RFFXSDWRQ RI WKH 0 DXHXUZLOOH UHIXJH LQ2 UHJRQ WKDWDVWVG IRU GD\V DQG HQGHG ZLWK GR]HQV RI DUUHVWV DQG WKH GHDWK RI RQH SDUWLSDQW 6DQGLV DOVR D IUHTXHQWFROODERUDWRUZLWK$OH[-RQHV RI ,QIRZDUV

7LP 3RRO D<RX7XEH SHUFRUP HUZKR SOD\HG D FULWFDOUROH LV VSUHDGLQJ GRXEWV DERXWWKH HOHFWRQ JHQHUDWV VLJQLFDQWSHUVRQDOSURILWIURP KLV SHUFRUP DQFHV ZKLFK KDYH LQFOXGHG JXHVWSRW IURP HOHFWRQ OH SHGGOHU 7DUR R WKH 3URXG%R\ 0 DUNHUH7D\ORU * UHHQ DQG GLVLQIRUP DWRQ SHGGOHU-DFN3RVREHF 3RRQ\V IROORZ HUV JDYH KLP P RQH\ WKURXJK <RX7XEH\V 6XSHU&KDUJHUQ LQWKH UXQXS WR WKH DWWDFN 6XSHU&KDUJHU IRU YLHZ HUV RI D YLGHR VWUHDP WR JLYH WKHLUFRP P HQW JUHDWHU YLVLELOLW RQ WKH VLWH GXULQJ HDFK VWUHDP ,Q WKHLU6XSHU&KDUJHU 3RRQ\V IROORZ HUV DSSHDUHG WR DGYRFDWH YLROHQFH LQ WKH UXQXS WR WKH DWWDFN RQ WKH &DSLWROD DQG FHOEUDWHG WKHLUZLKHV FRP LQJ LQWR IUXLWRQ DI WHUZ DUGV

5HYHQXH IURP VDOHV

$GKHUHQWV RI D UDGLFDOLJKWGHRJ\ DOYR P DUN HWWKHP VHOHV OLNH URFNEDQGV VHOOQJ P HUFKDQGLVH OLNH WWKLUW DQG KRWQJ HYHQW Z LWK WFNHWHV $OH[-RQHV RI ,QIRZDUV Z KR SOD\HG D FULWFDOUROH LQ LQVSLULQJ SHRSOH WR VKRZ XS DWWKH &DSLWROQ -DQXDU QRWRUXV) SHGGOHV GLHDU VXSSOHP HQW DQG RWKHUSURGXFW DQG WKHVH VDOHV DSSHDUWR EH D

SULQFLSDOGRQDWRQGXULQJWKH-DQXDU6XQGD\6KRZGRZQ2QHRIWKHDUWLVWVRQWKHOLVW RI6XSHUGRQRUVZDV-RQHV

WKH 6WDQGDUGV DQG ,QIRUPDWLRQ NHHSLP LQ RIILFH %XW63/& DOVR IRXQG WKDW RQHMT¶,QIRZDUV6WRUH ZHEVLWH ZKLFK KRVWV KLV SURGXFWVERDVWHG DVLJQLLFDQWXSWDNLQ WDIIF ZKLOH KH SURP RWHG 6WRS WKH 6WDOKHSLQJ WR GHP RQVWUDWH KRZ VHQQJ P HUFKDQGLVH P D\ KDYH FRQWLEXWHG WR KLV GHFLVLRQ P DNLQJ SURFHVV DWWKDWWP H

([WHP LWWURXSV VHQP DQ\ RWKHUSURGXFWVWR WDA DIRDW7KH QHR 1 D] LJURXS 1 DWRQDO - XVWLFH 3 DUW RYHUODSV LQ LGHRORJ\ ZLWK D ERRNVHOHUFDQHG$QWHSH + D `@Ð @