*8-\$5\$7 32/<62/ &+(0,&\$/6 /,0,7(' &,1 1R8 *- 3/& 5HJL 2IILFH \$GG3UOHRWW 1R 7KLUG 3KDVH *,'& 9DSL 'LVW 9DOVDG 9DSL *- ,1 (PDLO ,GXMDUDWSRO\VRO #&R@WODFFWRP1R

:+,67/(%/2:(5 32/, & < 9,*, / 0(& + \$1, 60))

3XUVXDQW WR WKH 3URYLVLRQV RI WKH &RPSDQLHV \$FW DQG 6(%, /2 DQG 6(%, 3,7 5HJXODWLRQ

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- D*XMDUDW 3RO\VRO & KHP& RDPSDDQ/LEPHLOWLHHG/HV LQ WKH FRQGXFW RI WKH DI FRQVWLWKOHQDVVIDLU DQG WUDQVSDEUHQ0%/RSPWDQQQJHUKLJKHVW VWDQGDU(SURIHVVLROKDROQLHW/PW\ LQWHJULWE\HDKODGYLHRWUKLFDO
- E 7 RZDUGV WKLV HQG WKH & RPSDQ\ KDV DGRSWHG WKH & RPSDQOG\¶V & RGH (WKLFV FD&OROGHIGR) & RQGXZKWFK OD\V GRZQ WKH SULQFLSOHV DQG VWDQG JRYHUQDWFKMHLRQV RI WKH & RPSDQ\ DQG LWV HPSOR\HHV \$Q\ DFWXDO RU & RGH KRZVELOFYHJUQLILFDQW RU SHUFHLYHG DV VXFK ZRXOG EH D PDWWH WK& HRPSDQ\
- F \$FFRUGLOV/KOLV :KLVWOH % O3RF20HUFKSBNO/LEFHHQ IRUPXODWHG ZLWK D YLHZ WR PHFKDQLVP IRU HPSOR\HHV RI WKH & RPSDQ\ WR DSSURDFK WKH \$XG & RPPLWWHH RU DQ\ RWKHU \$XWKRUL]HG 3HUSV/FROWHRFFW/HKH G&LR/FFSODROV/XDHBG/ PDQDJHPHLOQW/WDQFHV RI XQHWKLFDO EHKDYLRU DFY/UXRDOOD WRURV2XFRSHV/FK/HH & RGH& RRQGXFW RU LQVWDQFHV RI OHDN RI XQSXEOLVKHG SULFH VHQV
- G7KH 3ROLF\ SURYLGHV D IUDPHZRUN WR SURPRWH UHVSRQVLEOH DQG SURWHFWK/LWWK199H %ORZHU ZLVKLQJ WR UDLVH DUFURHQFKHOUZQUWDWF1R084WWK/HHULRX & RPSDQ\ RU DQ\ RWKHU LQVWDQFHV UHTXLULQJ DWWHQWLRQ DQG LQ
- H 7KH 3ROLF\QHLWKHU UHOHDVHV :KLVWOHF%RQQRIZGHHJQQLMMQLBMA2KLAMWKRHRLXUUVGHXWRNR RI WKHZLRUUNQRU LV LW WR EH PLVXVHG WR VXUIDFH D JZIRHUYNDQIFH6DD0WERI&GW D VLWXDWLRQ
 - I 6HFWLRQ DQG RI WKH & RPSDQLHV \$FW 5HJXODWLRQ R ([FKDQJH %RDUG RI ,QGLD /LVWLQJ 2EOLJDWLRQ DQG 'LVFORVXUH 5 DQG 5HJXODWLRQ \$ RI 6HFXULWLHV DQG ([FKDQJH %RDUG RI ,QVLGHU 7UDGLQJ 5HJXODWLRQV DV DPHQGHG IURP WLPH WR WLF DOO OLVWHG FRPSDQLHV DQG RWKHU SUHVFULEHG FRPSDQLHV WR HVV WKH ³:KLVWOH %ORZHU 3ROLF\' IRU DOO LWV (PSOR\HHV DQG 'LUHFW \$FFRUGLQJO\ WKLV 3ROLF\ LV IRUPXODWHG ZLWK D YLHZ WR SURYLGF

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- D 7KLV 3ROLF\ LV DSSOLFDEOH WR DOO 'LUHFWRUV (PSOR\HHV DQG RW &RPSDQ\
- E 7KH 3URWHFWHG 'LVFORVXUH PD\ EH DUHDV RI FRQFHUQ LQ UHVSHFW WKLV 3BOQLGFWXPPDUKLHJUHHGZLWK LQ WKLV SROLF\

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- D ³'LVFLSOLQDU\´\$**PWDBQQ** DQ\DFWLRQ WKDW FDQ EH WDNHQ RQ WKH FRP WKLHQYHVWLJDWLRQ SURFHHEOXLWQQNRWLQQLFROLXWGHLGQJWR D ZDUQLQJ UHFRYH ORVVHV LQFXUU&HROPSEDQWKKN/XVSHQVLRQ GLVPLVVDO IURP WKH VHUYLFH' RU DQ\VXFK DFWLRQ DVELHVILGWHHFIRKOGYLWGRHULQJ WKPHDWUWDHYLLW\RI WKH
- E 3(PSOR\HHPHDQV HYHU\ HPSOR\HH RI WKH &RPSDQ\ LQFOXGLQJ WKH 'LU WLPHHPSOR\PRIQWKRPSDQ\
- F ³3URWHFWHG 'LVF190HRDYOXUHD FRQFHUQ UDLVHG E\D ZU120VGWHHQQFBLRRRSGQLFD\ IDLWWKK10GWVFORVGHHVPRRQQVWUQDMRHD197DWLRQ WKDW PD\HYLGHQFH XQHWKLF1 DFWLYLW\ZLWK UHVSHFW WR WKH & RPSDQ\ 3URWHFVDHQGGQRLWFFORVXUH VSHFXODWLYH RU LQ WLKQHWQHDWS5XUHHWB0WDLQRQDVQ66RVQKFROXXOVGL1RBQQWDLQ DV PX VSHFLLIQLFRUPDWLRQ DV SRVVLEOH WR DOORZ IRU SURSHU DVVHVVPHQW WKH FRQFHW/0X540DQ161QF\RID SUHOLPLQDUS\ULPQFYHHGY3VULHDWLYH
- G ³6 XEMHFRWHDQV D SHUVRQ DJDLQVW RU LQ UHODWLRQ WR ZKRP D 3URWH HYLGHQDFWHKHUHG GXULQJ WKHQFYRHXVUW HJBOIWDLORQ
- H 3: KLVWOH % O RPZHDUQV DQ (PSOR\HH ZKR PDNHV D 3URWHFW3+RGO'LLF/FORVXUH

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7KH & RPSDQ\ DV D SROLF\ FRQG18E1Q1FUDLO21LQ1DQWGLRRQL KDUDVVPRHQDW YLFW DQ1RWKXHOUIDHL19SOR\P1SQ1DWFWLFH EHLQJ DGRSWHG DJDLQVW :KL1Z1WODGH %ORZHU

- D (QVXUH WKDW WKH :KLVWOH %ORZHU DQG RU WKH SHUVRQ SURFHVVI LVDU@IRW YLFWLPL]H@/RRU GRLQJ
- E 7UH DYWFWLPL]RDIW: KIRWQWOH % ORZHU DV D VHULRXV PDWWHU LQFOXGLQJ \$FWLDRJODLQVW SHUVRQ V FDXVLLQFJWRLUPLD]RDIWDWRKZRU209% JORZHU
- F (QVXUH FRP15ROQHMLKGHQRVILDCGHLQWVLW\ R%JORIZWHWJOH
- G 1RW DWWHPSW WR FRQFHDO HYLGLHWQFFOHRRVIXWUKHH 3URWHFWHG
- H 7DNH 'LVFLSOLQDU\ \$FWLRQ IRU HYHQW FRXYSHRUKHUGFWXQRGUHJUQW/K:LKVLV3WRODHEF %ORZHU RU DQ\ SHUVRQ SURFHVVLQJ WKH 3URWRHQHKWHVGW'ULR/FORWXUH FRQFHDOV HYLGHQFH RI WKH 3URWHFWPHDGG'HVFORVXUH PDGH WR EH
- I 3URYLGH DQ RSSRUWXQLW\RIEHLQJKHDUG WR WKH 653HEUMYREQWLQYROY

& 29(5\$*(2) 32/,& <

- D 7KH 3ROLF \ IPROYOHSUMDFDVQLGHHVYHQWV ZKLFK KDYH WDNHQ SODFH VXVSI SODEQIYROYLQJ
 - > \$Q DEXVBXRWKRULW\
 - > %UHDFKHRRSOR\PHQW FRQWUDFW

*8-\$5\$7 32/<62/ &+(0,&\$/6 /,0,7(' &,1 1R8 *- 3/& 5HJL 2IILFH \$GG3UOHRWW 1R 7KLUG 3KDVH *,'& 9DSL 'LVW 9DOVDG 9DSL *- ,1 (PDLO,GXMDUDWSROVVRO#&JR@WODFFWCP1R

- > 0 D Q L S X O B W E R R S DOD \WD UH F R U G V
- ➢ /HDN RI 8QSXEOLVKHG 3ULFH 6HQVLWLYH ,QIRUPDWLRQ 836,
- >) LQ DQ FLDO RU FRPSOLDQEQ FLOUXUGHLJQX.D DUUDLXWGLHRYUU DVXXG/SHFWHG
- ≥ & ULPLQDO RIIHQUEHSKHDUYFLXQVRVQLRWQKVH FRPSDQU\HRSUXWUDWLRQ
- > 3HUIRUDWELREQUIEGHQWLDO SURSULHWDU\LQIRUPDWLRQ
- > 'HOLEHUDWH YLORDOZDWUHRIQUORDWLRQ
- > 0 L V D S S U R S UR LUD FWLLVRXQ/H R I & FXPQSOBVQ \D V V H W V
- > % UHDFK RI&®OHGRXIFW
- > \$Q DFWGIRVFULPLQDWHRKQDODVVPHQW
- > \$Q\RWKHUXQHWKLFDGOHHLOPSEUHKKGDHYQLVRU

7KH DERYH OLVW LV RQO\ LOOXVWUDWLYH DHQ[OK DYXKRWOQ OF HQRW EH FRQVL

E 3ROLF\ VKRXOG QRW EH XVHG DV D URXWH IRU UDLVLQJ PDOLFLRXV RU FROOHDJXHV

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- D 1R XQIDLU WUHDWPHQW ZLOO EH PHWHG RXW WR D :KLVWOH %ORZHU UHSRUW3HUGEWDHFWHG 'LVFORVXUH XQGHU WKLV 3ROLF\ 7KH \$XGLW & RPPI WR WDNH VFWHCSLVPLWJFN WKH GLIILFXOWLHV ZKLFK WKH :KLVWOH %ORZHU UHVXOW RI PDNLQJ W'KLMFF30DHRWXHUFHWHG
- E 7KH LGHQWLW\ RI WKH :KLVWOH %ORZHU VKDOO EH NHSW FRQILGHQWL D QHHG WRENDQ/RLZ/
- F \$Q\ RWKHU (PSOR\HH DVVLVLVQLQHJVLVQLBWDKWHXVBDQLLG/KLQJHYLGHQFH VKDOO SURWHFWHKGHWBPH H[WHQW DV%K07KEHLKLVWOH
- G 3URWHFWLRQ WR :KLVWOH %ORZHU XQGHU WKLV 3ROLF\ VKDOO EH DY 'LVFORVLX/UH
 - > PDGHLQJBBC6/K
 - > WKH :KLVWOH %ORZHU KDV UHDVRQDEOH LQIRUPDWLRQQRGU GRFXPHQ
 - > QRW IRU SHUVRQDO JDLQ RU DQEKEERWHLFWW, DJDLQVW WKH
- H :KLVWOH %ORZHUV ZKR PDNH DQ\ 3URWHFWHG 'LVFKOER/¥HXTUXHHVQWZOK\LFK IRXQG WRRDECHDLGH IULYRORXV RU PDOLFLRXV VKDOO EH OLDEOH WR 'L' EH GHFLGHG E\ W& KRHPR\$LXVG/MOHHU 3VRKOLVF\
- I 3URWHFWLRQ XQGHU WKLV 3ROLF\ ZRXOG QRW PHDQ SURWHFWLRQ IUR RI IDORWLERJXV DOOHJDWLRQV PDGH E\ D :KLVWOH %ORZHU NQRZLQJ LW ZLWK D FIDOLLEDQ WHQWLRQ
- J,QUHVSHFW RIVXFK: KLVWOH %ORZHUV WKH \$XGLW & RPPLWWHH Z WDNHUHFRPDPSHSQUGSULDWH GDLF/WILSROQLQDU\

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- D \$00 3URWHFWHG 'LVFORVXUHV VKRXOG EH DGGUHVVHG WR WKH 9LJLC
- & KDLUPDQ RI W&KRIP\$P\$LGALWIMMER RAWKH 'HVLJQDWHG 'LUHFWRU LQ H[FHSWLR

7 KH FRQ 06/19/17/00/10/11/00/12/00/06 HU

<u>9LJLODQFH</u> 2IILFHU

1DPH 'LSDNNXPDU 6DQJKDQL \$GGUHVV3ORW 1R 3RO\VRO %XLOGLQJ QG)ORRU & 1 + 1R +RWHO *LGF 9DSL *XMDUDW,QGLD (PDLOGLSDN#JSFSO QHW

7KH FRQWDFW GHWDLOV RI WKH 'HVLJQDWHG 'LUHFWRU DUH DV XQGHU

1DPH 6KDLOHVKNXPDU 'HVDL \$GGUHV3VORW 1R 3RO\VRO%XLOGLQJ QG)ORRU & 1 + 1 R +RWHO *LGF 9DSL *XMDUDW,QGLD (PDLO/KDLOHVK#JSFSO QHW

7KH FRQWDFW GHWDLOV RI WKH &KDLUPDQ RI WKH \$XGLW &RPPLWWHH

1DPH 6DQGK\D 0DKHVK %RUDVH GUHV VODW 1R 5 DQMLY 3 ORW QR 6 KHU ± (± 3 XQMDE 6 RFLHW) 0DKDUDVKWUD ,QGLD (PDL<u>OVERUDVH#JP</u>DLO FRP

- E 3URWHFWHG 'LVFORVXUHV VKRXOG EH UHSRUWHGXLQGGZHULWWLQQGG'RQD/V W RIWKWIXWHDVLVHG DQG VKRXOG HLWKHU EH W\SKIGORGUZZUULWWLWQHQ LQ D O
- F 7KH 3URWHFWHG 'LVFORVXUH VKRXOG EH IRUZDUGHG XQGHU D FRYHUL LGHQWUWK\HR:KLVWOH%ORZHU \$QRQ\PRXVGUHVOFWORWUWUDHLVQPHDG\QRWEH

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- D 2Q UHFHLSW RI 3URWHFWHG 'LVFORVXUH WKH \$XGLW & RPPLWWHH DSSURSULDDOWBHIGS\HGLWLLROXYHOV/WLJDWH DOO ZKLVWOH EORZHU UHSRUWV UHJDUG WKH \$XGLW & RPPLWWHVHXIPHO\D\$FMVUVIRDUVPLDVOOD\GHHPILWDW GLVFUHWLRLOQYH7KWWLVJK0KWCQCCEH FRPSOHWHG QRGUBPVD/ORON WZKWHKULHQFHLSW RI WKH 3UR WHVFFWOHRGVXUH
- E 7KH \$XGLW & RPPLWWHH VKDOO KDYH ULJKW WR RXWOOYLHQWHWDLJGDHWWDROOH DQOPD\GHOHJDWH VXFK SRZHUV DQG DXWKRULWLHV DV LW PD\ GHHP & RPSDQ \ IRU FORUXUDXQQQYHVWLJDWLRQ

- F 7KH LGHQWLW\ RI D 6XEMHFW ZLOO EH NHSW FRQILGHQWLDO WR WKH H QHHORVODZ DQGLOVYKHVWLJDWLRQ
- G 6 X E M H F W V Z L O O Q R U P D O O \ E H L Q I R U P H G R I W K H D O L O Q H Y J H D W W L B Q D W D L W R Q V K D Q G D Y H R S S R U W R W Q I S W B M V G L Q J W K H L U L Q S X H W W G L X U D L W Q K H
- H 7KH 6XEMHFW VKDOO KDYH D GXW\WR FR RSHUDDHWWSZRLQWWKQBRWWOHLWQYHV WR LQWHURHEWWWURXUFW ZLLQWYKHWWKKHSSDWWERRVQV (YLGHQFH VKDOO QRW EH Z GHVWUR\HG RU WDPDSGOLGHZGLWZQWHKVHV VKDOO QRW EH LQIOXHQFHG FRD RU LQWLPLGDWHG E\WKGHX16MGENMENMFRWXQ7GKHLQGXOJLQJ LQ DQ\VXFK DFWL WKDW ZLOO PDNH WKH 6XEMHFWDOFWDDEROCHVIRU GLVFLSOLQDU\
- I \$ UHSRUW VKDOO EH SUHSDUHOLOOYWWHWUMUEEEEEEWASKORHOOZLIRLQHRUI V LQYHVWLJDW WKH PD72VKWLHFUK VKDOO EH VXEPLWWSKIRGPPWLRVWSYSKIRHQ\$129GEEWALSW RI UHSRUW V \$XGLW & RPPLWWXHEHPVLKVDVG160H VDPH UDHORRQ19P2HLQWGKDWWRLTRVQEM & KDLUPDQ IRU 'LVFLSOLQDU\ \$F\$3WLERYQLQDUHWQDHWURQDEOH RSSRUWXQLW\ RI EHLQJ KHDUG V 1R DOOHJDWLRQ RI ZURQJ6GXFELWQHYKRODOLOQEVHWFBRQVPLDGHQUMICGLBQX000EHOVHV WKHUH LV JRRG HYLGHQFH DLQOMXJ5DSWRURWQRI WKH
- J \$IWHU FRQVLGHULQJ WKUHFKRHP\$PRHUQWGDDDWQUGRDQR/UHVDLG WKH & KDLUPDQ \ GHWHUPLQHLQDDQDQL]H WKH 'LVFLSOLQDU\ \$FWLLWRQ DV KH PD\ GHHP
- K, Q FDVH WKH VXEMHFW LV WKH \$XGLW & RPPLWWHH & KDLUPDQ WKHQ W WRWKKEKDLUPDQ RI WKH %RDUG RI 'LUHFWRUV ZKR ZLOO WDNH QHI LQYHVWLJDWLRQ

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7KH : KLVWOH % ORZHU WKH 6 XEMHFW WKH 6 HQLRU 211 LFHU VV KODQOGOHYHU \R (

- > PDLQWDLQ FRFRRSQOHOWHQWHDFOHWWWRDFOHWWWRDWDLQ FRFRRSQOHOWKLV
- > QRW GLVFXVV WKH PDWWHUV XQLGQHIUR UWFKDLOV 3VDRXOFKLEDVODLPQHJEDVOV/LQJV
- > GLVFXVV RQO\ WR WKH H[WHQW RU ZLWK WKH SHUVRQV UHTXLUHG IRU SURFHVVLQQQEVVLJDDWWGRUQHVFWHG&ER\P\$PXLGWLWWHH
- > QRW NHHS WKH SDSHUV XQDWWHQMGLHPGHDQ\ZKHUH DW DQ\
- > NHHS WKH HOHFWURQLF BDVOVZRUCCHV XQGHU

,I DQ\RQH LV IRXQG QRW FRPSO\LQJ ZLWK WKH DERYH KH VKH VKDOO EH K \$FWLRQ DV LV FRQVLGHUHG ILW E\ WKH \$XGLEVH&RPPLWWHH DV WKH FDVH P

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\$00 3URWHFWHG 'LVFORVXDUOHR/QJG28LEWARHWQKWHH,GG)YANJXX10/WLXUDHRWDLDR/QLQJ WKHUHWR VKDOOUELW/DLQHG E\ WKH & RPSDQ\ 6HFUHWDU\ IRU D PLQLPXP SHULRG R PHQWLRQDBISSSLOQLFODDEZOHLI DQ\ ',6&/2685(2) 7+(32/,&< 21 38%/,& '20\$,1

7KLV SROLF\ DQG HYHU\ VXEVHTXHQW PRGLILFDWLRQ DOWHUDWLRQ R VKDOO DOVR EH LQWLPDWHG WR WKH 6WRFN ([FKDQJH ZKHUH WKH VH OLVWHG DQG DOVR SXEOLVKHG RQ WKH RIILFLDO ZHEVLWH RI WKH &RP

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7KH %RDUG RI 'LUHFWRUV RQ WKH UHFRPPHQGDWLRQ RI WKH \$XGLW & DPHQG RU PRGLI\ WKLV SROLF\ LQ ZKROH RU LQ SDUW DV DQG ZKHQ GHH IXUWKHU JXLGHOLQHV SURFHGXUHV DQG UXOHV IURP WLPH WR WLPH

\$33529('\$1'\$'237('

7KLV 3ROLF\ KDV EHHQ DGRSWHG E\ WKH %RDUG RI 'LUHFWRUV RI WKH &RF)HEUXDU\ DQG WKH 3ROLF\ VKDOO EH HIIHFWLYH IURP)HEUXDU\