

AMERICAN ARBITRATION ASSOCIATION

Bridgewater Associates, LP

Claimant,

versus

Lawrence Minicone and Zachary Squire

Respondents.

DEMAND FOR ARBITRATION

Requested hearing location: New York City, New York

November 7, 2017

Wilmer Cutler Pickering Hale and Dorr LLP
7 World Trade Center
250 Greenwich Street
New York, NY 10007

Counsel for Claimant

This Demand for Arbitration is submitted on behalf of the Claimant in accordance with Section R-4 of the Employment Arbitration Rules and Mediation Procedures of the American Arbitration Association (“AAA”), effective November 1, 2009 (“the AAA Rules”).

I. THE PARTIES TO THE ARBITRATION

1. The Claimant is Bridgewater Associates, LP, a limited partnership based in Westport, Connecticut (“Claimant” or “Bridgewater”). Bridgewater’s principal place of business is:

Bridgewater Associates, LP
One Glendinning Place
Westport, CT 06880
Tel: 1 203 226 3030

2. In this arbitration, Claimant is represented by:

Robert J. Gunther Jr.
John V.H. Pierce
Thomas E. Anderson
Margaret Artz
Jeffrey Coleman
Wilmer Cutler Pickering Hale and Dorr LLP
7 World Trade Center
250 Greenwich Street
New York, NY 10007
Tel: 1 212 230 8800
Fax: 1 212 230 8888

All communications to the Claimant in this arbitration should be made to the Claimant’s representatives at the address set forth above.

3. The Respondents in this arbitration are Messrs. Lawrence Minicone and Zachary Squire who, upon information and belief, are co-founders and owners of Tekmerion Capital Management, LLC (“TCM”).

4. Respondent Minicone’s address is:

Mr. Lawrence Minicone
406 Silver Creek
Norwalk, CT 06850

5. Respondent Squire’s address is:

Mr. Zachary Squire
180 West End Avenue, 15P
New York, NY 10023

6. Pursuant to Section R-4(b)(i)(2) of the AAA Rules, Bridgewater has provided the Respondents with a copy of this Demand for Arbitration by sending it via express courier to the above addresses.

II. NATURE AND CIRCUMSTANCES OF THE DISPUTE

7. This dispute arises from the Respondents' misappropriation of certain confidential and proprietary trade secret material owned, developed and used by Bridgewater to understand and predict the movement of markets, construct high-quality portfolios, control risk in investments, and provide effective investment advice to clients. On information and belief, Respondents Minicone and Squire, who were formerly employed by Bridgewater, misappropriated this confidential and proprietary trade secret material from Bridgewater in violation of their employment and other agreements with Bridgewater, and are now improperly using such material at TCM.

A. *Bridgewater's Proprietary Financial Technologies*

8. Bridgewater is an asset management firm founded in 1975. It is currently the world's largest hedge fund, managing approximately \$160 billion for approximately 350 of the largest and most sophisticated global institutional clients including public and corporate pension funds, university endowments, charitable foundations, sovereign wealth funds, and central banks. Considered a pioneer in the financial services arena, Bridgewater has developed many of the industry's most innovative strategies and produces one of the most widely read daily market analyses.

9. Since the early 2000s, assets under Bridgewater's management have achieved very significant growth. This success can be attributed in large part to Bridgewater's commitment to an investment approach that is fundamental, applied systematically, and implemented in a highly diversified manner. Bridgewater has developed a deep understanding of macroeconomic fundamentals and how these fundamentals influence supply and demand of different asset classes. It applies this expertise in a systematic process guided by institutional knowledge and explicit rules that are the product of rigorous testing.

10. As an industry innovator, Bridgewater has developed several unique approaches to analyze the behavior of the domestic and global markets and economies in which it operates. Bridgewater draws on an opportunity set consisting of more than 100 markets across the major global asset classes, including nominal government bonds, inflation-linked government bonds, currencies, equities, commodities, corporate credit, and sovereign credit. Bridgewater assesses the specific drivers of each market from multiple perspectives.

11. Bridgewater has also developed an innovative approach to client portfolio construction that includes, among other things, Bridgewater's proprietary methods for evaluating position confidence based on specific market indicators. It draws on a set of highly sensitive internal tools and strategies developed over the course of four decades. As a result, assets under Bridgewater's management yield high and consistent returns that are uncorrelated to markets and other managers. These practices consistently garner Bridgewater top industry honors.

12. At least five highly-valuable, confidential, and proprietary financial technologies developed and used by Bridgewater are at issue in this dispute.

a. *First*, Bridgewater developed and uses a proprietary Slack Measure Process to monitor “slack” or economic capacity in a market. This Slack Measure Process is composed of two proprietary aspects: (i) the selection of certain macroeconomic measures, and (ii) the methodology that aggregates those measures to indicate an output gap or GDP gap.

b. *Second*, Bridgewater developed and uses a proprietary Statistics Based Growth Estimator technology, which is protected by a Trade Secret Agreement (“TSA”) signed by all employees who work with, or have worked with, this technology. This technology consists of two proprietary aspects: (i) the selection of economic statistics and surveys, and (ii) a translation algorithm that aggregates the statistical inputs and produces a measure of economic growth.

c. *Third*, Bridgewater developed and uses proprietary Signal Construction methodologies to measure the strength of confidence of a market view, or how much of its maximum leverage it should take on a given position.

d. *Fourth*, Bridgewater developed and uses a Risk Control Process to maintain diverse and robust portfolios that are not over-exposed to a particular country, region, market, and/or economic scenario at any given time. This process involves “Covar capping,” Bridgewater’s proprietary application of risk controls that limit common risk exposure over a set of similar positions. This process minimizes the negative effects of any single source of risk and ensures a greater degree of diversification to improve a portfolio’s ratio of risk to return.

e. *Fifth*, Bridgewater uses a proprietary method to formulate views on the U.S. short-rate market and implements those views in its own short-rate trading system. This trading system reflects proprietary understanding of the drivers of short-rate markets and the translation of that understanding into views on short-rate markets. That understanding is applicable across short-rate markets globally.

13. The Respondents, together or individually, had exposure to each of these technologies during their employment at Bridgewater and have wrongfully misappropriated, misused and/or wrongfully disclosed confidential and proprietary aspects of such technologies, including in the course of their work at TCM.

B. Minicone’s and Squire’s Exposure to Bridgewater’s Proprietary Financial Technologies and Agreement to Keep Them Confidential

14. Respondent Minicone joined Bridgewater as a Data Analyst in the Research Department in August 2008. In 2010, he became a Research Associate. When he joined Bridgewater, Respondent Minicone signed an Employment Agreement, which was updated from time to time. The most recent Employment Agreement, executed by Respondent Minicone on August 3, 2011,

is attached hereto as Exhibit A.¹ That Agreement required, among other things, that Respondent Minicone maintain the confidentiality of Bridgewater's proprietary information and technologies, and not "use, divulge, disclose or otherwise make accessible to any other person or entity any Confidential Information." Ex. A at 3.

15. Such Confidential Information included: "information concerning finances, strategic or financial plans, business plans, trade secrets, intellectual property and Developments[,] . . . methods, techniques, operations, investments, project information, [and] marketing plans[.]" *Id.* at 4. Respondent Minicone expressly agreed in that Agreement that his "obligations with respect to Confidential Information will continue after [his] employment with Bridgewater, regardless of whether [he] resign[s] or [his] employment is terminated, with or without cause." *Id.*

16. Respondent Minicone was continuously employed by Bridgewater from August 2008 until April 2013. During the course of his employment, Respondent Minicone was exposed to Bridgewater's proprietary information and technologies. In particular, and without limitation, Respondent Minicone was exposed to the process for selecting the most indicative macro-economic inputs and aggregating them to produce an assessment of economic capacity. Respondent Minicone also worked on a project to construct Bridgewater's short-rate trading system. He was also exposed to data sets and algorithms used in the Statistics Based Growth Estimator.

17. In the course of his work as a Research Associate on Bridgewater's Statistics Based Growth Estimator project, Respondent Minicone entered into a TSA, attached hereto as Exhibit B, in which he acknowledged and agreed that the information obtained from Bridgewater or generated by Respondent Minicone in connection with the project was trade secret information and promised (i) not to "use or disclose" such information other than as specifically set forth in the Trade Secret Agreement, (ii) not to "remove from Bridgewater's facilities or reproduce or recreate any" such information other than with Bridgewater's express consent, and (iii) "not [to] retain any Confidential Information in any tangible form" after the termination of his employment. Ex. B at 2-3.

18. Respondent Squire joined Bridgewater as an Investment Associate in the Research Department in August 2010, and later moved to the Account Management and Trading Departments. When he joined Bridgewater, Respondent Squire signed an Employment Agreement, which was updated from time to time. The most recent Employment Agreement, executed by Respondent Squire on January 29, 2013, is attached hereto as Exhibit C. Like Respondent Minicone's Employment Agreement, Respondent Squire's Agreement required, among other things, that he keep confidential Bridgewater's proprietary information and technologies, and not "use, divulge, disclose or otherwise make accessible to any other person or entity any Confidential Information." Ex. C at 3.

19. Such Confidential Information included: "information concerning finances, strategic or financial plans, business plans, trade secrets, intellectual property and Developments[,] . . .

¹ A subsequent one-page update to Minicone's Employment Agreement was executed on August 6, 2012 adjusting his compensation and incorporating by reference the remaining provisions of the full Employment Agreement of August 3, 2011.

methods, techniques, operations, investments, project information, [and] marketing plans[.]” *Id.* at 4. Like Respondent Minicone, Respondent Squire expressly agreed that his “obligations with respect to Confidential Information will continue after [his] employment with Bridgewater, regardless of whether [he] resign[s] or [his] employment is terminated, with or without cause.” *Id.*

20. Respondent Squire was continuously employed by Bridgewater from August 2010 until September 2013. During the course of his employment, Respondent Squire, like Respondent Minicone, was exposed to Bridgewater’s proprietary information and technologies. In particular, and without limitation, Bridgewater’s Risk Control Process and Covar capping method as a member of the account management group.

C. Minicone’s and Squire’s Departure from Bridgewater and Wrongful Disclosure and Use of Bridgewater’s Confidential Information and Trade Secrets

21. In 2013, Respondents Minicone and Squire left Bridgewater. Sometime after leaving Bridgewater, the Respondents co-founded TCM, a competing asset management firm. In the course of founding and developing the business of TCM, the Respondents misappropriated and misused Bridgewater’s highly valuable trade secrets for their own benefit. Bridgewater has recently learned of documents created by TCM that demonstrate the Respondents’ misappropriation and misuse of Bridgewater’s trade secrets. By virtue of such misappropriation and misuse, Respondents Minicone and Squire are in breach of their Employment Agreements and Respondent Minicone is also in breach of the TSA.

22. Each of the five technologies described below constitutes Confidential Information or trade secret material as defined in the Respondents’ Employment Agreements or in the TSA, and each has been improperly misappropriated, misused and/or disclosed by the Respondents in the course of their work at TCM.

1. Slack Measure Process

23. Bridgewater’s proprietary Slack Measure Process was initially developed in the 1980s and has been refined and improved over the years.

24. Respondent Minicone, among others, was exposed to, and had access to and knowledge of, Bridgewater’s proprietary information regarding the Slack Measure Process. Specifically, and without limitation, Respondent Minicone worked on a research project while employed at Bridgewater that exposed him to the various inputs used for the proprietary Slack Measure Process.

25. Respondents have misappropriated Bridgewater’s proprietary Slack Measure Process to develop TCM’s “output gap” indicator, as shown in the image below from TCM’s Q1 2017 Strategy presentation, attached hereto as Exhibit D.

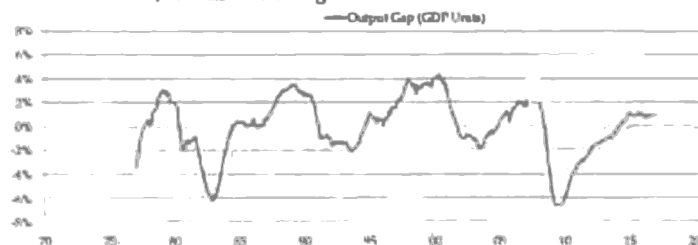
IP Step 3: Indicators

To construct our output gap indicator, we:

- A) Survey hundreds of data sets to isolate those that best capture the concept, which we then quantify into a real-time measure.
- B) Combine the relevant raw data into our estimate by 1) understanding which data are timely and 2) verifying that the data correspond to observable measures (e.g. inflation) as expected. We then test the indicator to ensure consistent performance.

With tested real-time proprietary estimates, we are able to evaluate macro conditions rapidly as they unfold.

Below we show the estimate, as well as the diagnostics we use to track its evolution as data comes in:



Estimate Diagnostics						
	GDP	Industrial Production	UI Rate	Capacity Utilization	UnderCap. Employment	Estimate Total
Weight in Forecast	25%	30%	18%	18%	10%	100%
Current Est. to GDP (mean)	1.1%	1.1%	1.1%	1.0%	1.0%	0.9%

26. The Respondents' list of inputs (identified in the first row under the "Estimate Diagnostics" table) is substantially similar to the choice of inputs employed by Bridgewater to determine slack measure using Bridgewater's proprietary Slack Measure Process. The use of the phrase "Estimate Diagnostics," which is identical to language used by Bridgewater, is further indicative of the Respondents' misuse of Bridgewater's proprietary information.

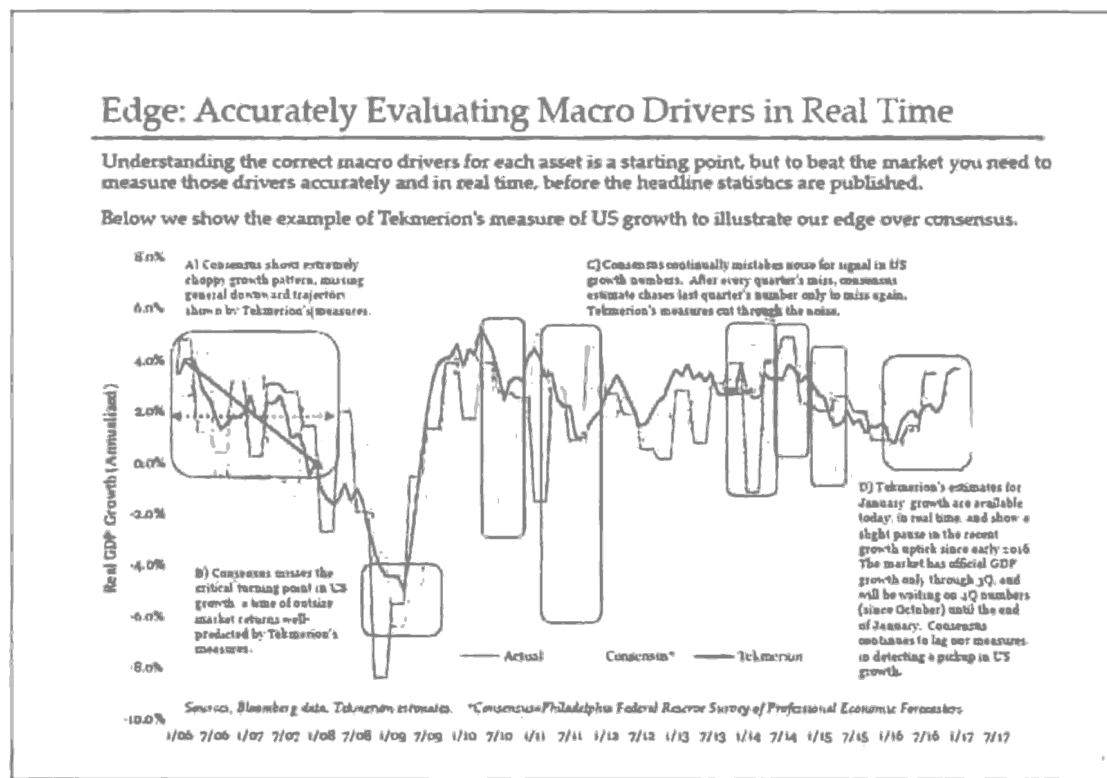
27. Furthermore, the output gap indicator (shown in red, above) is substantially similar to slack measurements generated using Bridgewater's proprietary Slack Measure Process over the same timeline. The substantial similarity between TCM's output gap and Bridgewater's slack measurements could only be the result of unauthorized misappropriation of Bridgewater's proprietary methodologies.

2. Statistics Based Growth Estimator

28. Bridgewater's proprietary Statistics Based Growth Estimator technology was developed in the 2000s and has been refined and improved over the years.

29. Respondent Minicone helped develop and was exposed to proprietary and confidential information relating to Bridgewater's proprietary Statistics Based Growth Estimator technology during his employment at Bridgewater. Specifically, and without limitation, Respondent Minicone was exposed to both the data inputs for the Estimator and the proprietary methodologies used to transform the data into a measure similar to reported GDP growth.

30. At TCM, Respondent Minicone has misappropriated Bridgewater's proprietary Statistics Based Growth Estimator technology in direct violation of the TSA he entered into with Bridgewater. TCM's growth estimate is shown below in an image from TCM's Q1 2017 Strategy presentation.



31. TCM's growth estimates (shown in blue) are substantially similar to growth estimates generated using Bridgewater's proprietary Statistics Based Growth Estimator technology over the same timeline. The substantial similarity between TCM's growth estimates and growth estimates generated using Bridgewater's proprietary Statistics Based Growth Estimator technology could only result from the unauthorized misappropriation of Bridgewater's proprietary methodologies that transform statistical inputs into measures of economic growth.

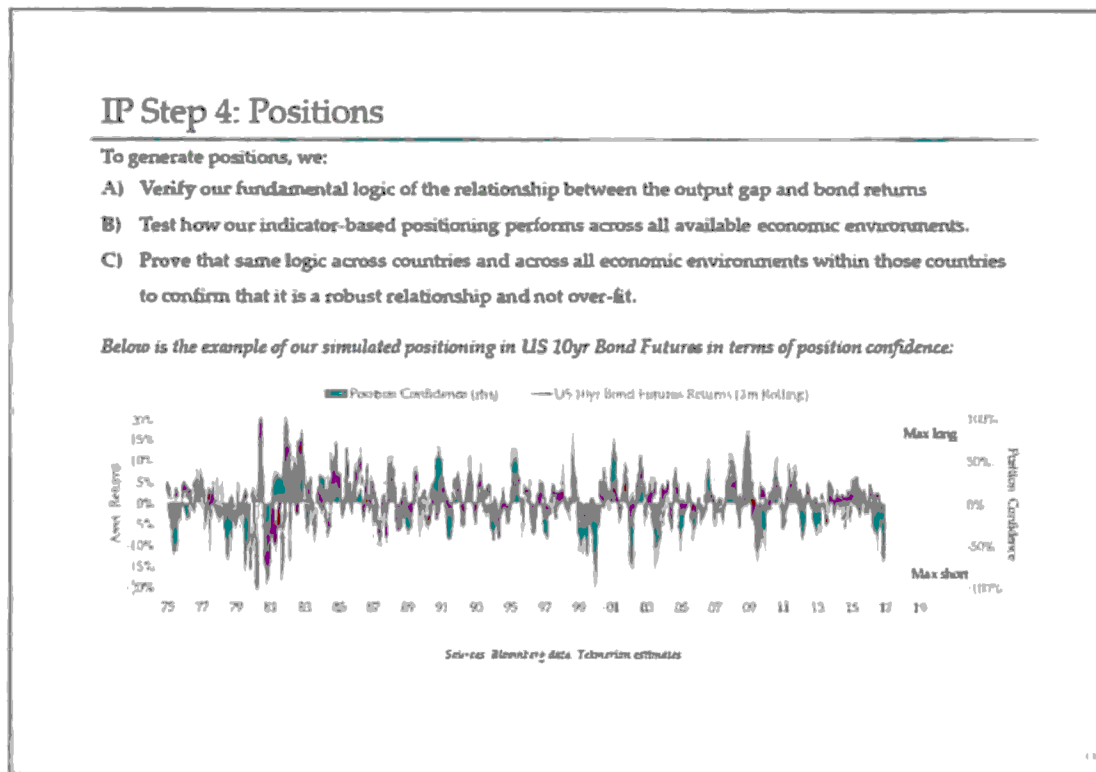
3. Signal Construction Methodologies

32. Bridgewater's proprietary Signal Construction methodologies were developed in the 1980s and have been refined and improved over the years.

33. Respondents Minicone and Squire were exposed to, and had access to and knowledge of, Bridgewater's proprietary information regarding its Signal Construction methodologies during their employment at Bridgewater. Specifically, and without limitation, during the course of their work in research analytics, Respondents Minicone and Squire were exposed to this proprietary information at least as part of a proprietary package of automated tasks (i.e., macros) that run on Microsoft Excel.

34. Upon information and belief, the Respondents have misappropriated Bridgewater's proprietary Signal Construction methodologies in violation of their Employment Agreements. TCM's simulated positioning curve is shown below in an image from TCM's Q1 2017 Strategy presentation. TCM's position confidence percentages (shown in blue, below) are substantially similar (if not identical) to position confidence percentages generated using Bridgewater's proprietary Signal Construction methodologies over the same timeline.

35. The substantial similarity between TCM's position confidence percentages and the position confidence percentages generated using Bridgewater's proprietary Signal Construction methodologies could only result from the unauthorized misappropriation of Bridgewater's proprietary technology to measure the strength of confidence of a market view, or how much of its maximum leverage it should take on a given position.

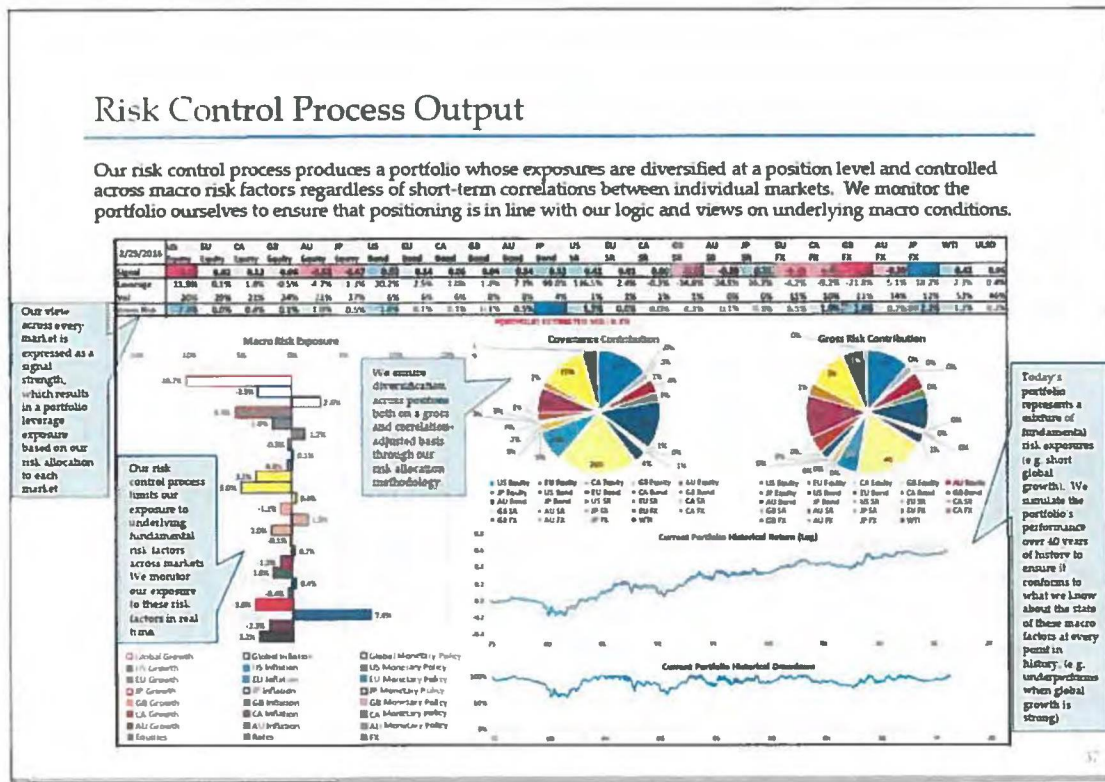


4. Risk Control Process

36. Bridgewater’s proprietary Risk Control Process was developed in the 1980s and has been refined and improved over the years.

37. Respondent Squire, among others, was exposed to, and had access to and knowledge of, Bridgewater’s proprietary information regarding its Risk Control Process. Specifically, and without limitation, Respondent Squire was exposed to this information during his time in the Account Management Department at Bridgewater.

38. Upon information and belief, Respondent Squire has misappropriated Bridgewater’s Risk Control Process in violation of his Employment Agreement. TCM’s “Macro Risk Exposure” diagram, which is functionally equivalent to Bridgewater’s “Covar capping” technique, is shown below in an image from TCM’s Q1 2017 Strategy presentation.



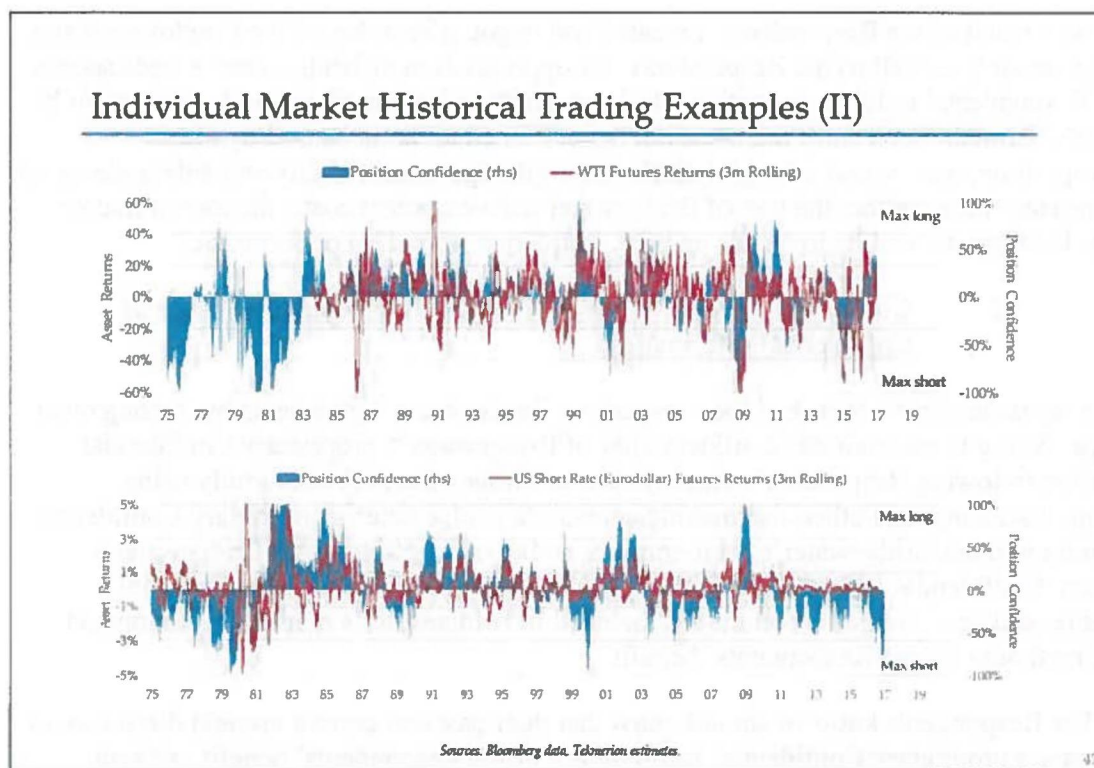
39. Application of risk controls is one of the most sensitive aspects of Bridgewater’s portfolio construction process. Bridgewater brings a unique strategy to portfolio diversification by conceptualizing a portfolio as a whole and controlling for cross-cutting macroeconomic risks using a proprietary method. TCM’s representation of the covariance contribution pie chart is substantially similar to representations used by Bridgewater. Indeed, upon information and belief, the Respondents have misappropriated Bridgewater’s Risk Control Process to construct diversified portfolios for TCM in violation of their Employment Agreements.

5. Short-Rate Trading Technology

40. Bridgewater's proprietary Short-Rate Trading technology was developed in the 1980s and has been refined and improved over the years.

41. Respondent Minicone, among others, was exposed to, and had access to and knowledge of, a part of Bridgewater's proprietary information regarding its Short-Rate Trading technology. Specifically, and without limitation, Respondent Minicone worked on Bridgewater's short-rate trading system while employed at Bridgewater and, in the course of that work, was exposed to Bridgewater's proprietary information and technologies.

42. Upon information and belief, Respondent Minicone has, in violation of his Employment Agreement, misappropriated Bridgewater's proprietary short-rate trading technology when creating TCM's systematic trading process for short trades. TCM's individual market historical trading illustration is shown below in an image from TCM's Q1 2017 Strategy presentation. It reflects a systematic trading approach to short rates that is substantially similar to the confidential information that Respondent Minicone was exposed to, in whole or in part, while he worked at Bridgewater.



43. Bridgewater's short-rate trading technology constitutes extremely sensitive proprietary information that can be used for, among other things, trading in the short-rate market based on investor confidence regarding long and short positions. The Respondents' short-rate graph is substantially similar to Bridgewater's graph, which is generated using proprietary calculation methods and visualization macros to which the Respondents had access while at Bridgewater.

D. The Respondents' Breaches of the Employment and Trade Secret Agreements

44. By misusing and misappropriating Bridgewater's confidential information and proprietary trade secrets in the manner set forth above, Respondents Minicone and Squire have violated the terms of their Employment Agreements and, with respect to the Statistics Based Growth Estimator technology, Respondent Minicone has violated the terms of the TSA. As further demonstrated above, Respondents Minicone and Squire have violated the terms of their Employment Agreements, and Respondent Minicone has violated the terms of the TSA, by failing to keep and maintain the secrecy of Bridgewater's proprietary information and using such information for their own benefit.

45. While the Respondents' wrongful use of Bridgewater's proprietary information is abundantly clear from the limited number of Respondents' documents that Bridgewater has already obtained, Bridgewater reasonably believes that the Respondents' improper use of Bridgewater's confidential and proprietary information far exceeds that revealed by such limited documentation. Bridgewater believes that disclosure in these proceedings will reveal further continuing breaches of the contractual obligations of Respondents Minicone and Squire under their Employment Agreements and of Respondent Minicone under the TSA.

46. As a result of the Respondents' repeated and ongoing breaches of the Employment and TSA Agreements, as well as the Respondents' misappropriation of Bridgewater's trade secrets and the Respondents' unfair competition, Bridgewater's business has been and continues to be irreparably harmed. Such harm includes, but is not limited to, harm caused by the misappropriation, misuse and wrongful disclosure of Bridgewater's highly valuable trade secrets and proprietary information, the loss of Bridgewater's development costs, the loss of trading profit by Bridgewater and its investors and the destruction of trading opportunities.

1. Count One – Breach of the Employment Agreements (Misuse of Confidential Information)

47. Respondents have breached their respective Employment Agreements by, among other things, (a) failing to maintain the confidentiality of Bridgewater's proprietary Confidential Information following Respondent's employment at Bridgewater; (b) wrongfully using, divulging, disclosing, and otherwise making accessible Bridgewater's proprietary Confidential Information without Bridgewater's prior consent; and (c) wrongfully using Bridgewater's proprietary Confidential Information (including and without limitation, the confidential information and transformation techniques included in Bridgewater's market prediction and analysis methods) for the Respondents' benefit.

48. The Respondents know or should know that their past and current use and disclosure of Bridgewater's proprietary Confidential Information for the Respondents' benefit, without authorization or consent, constitutes a breach of their respective Employment Agreements. Specifically, and without limitation, Respondents Minicone and Squire signed Employment Agreements defining "Confidential Information" as, among other things, "information concerning finances, strategic or financial plans, business plans, *trade secrets*, intellectual property and Developments[,] . . . methods, techniques, operations, investments, project information, [and] marketing plans[.]" (emphasis added).

49. Pursuant to their Employment Agreements, the Respondents owed Bridgewater a duty to maintain the confidentiality and secrecy of Bridgewater's Confidential Information as defined in their Employment Agreements as, among other things, trade secrets.

50. The Respondents continue, willfully and deliberately, to breach their respective Employment Agreements in disregard of Bridgewater's rights.

51. Bridgewater has been irreparably harmed by the Respondents' breaches and is entitled to a permanent injunction as well as damages in an amount to be determined.

2. Count Two – Respondent Minicone's Breach of the TSA

52. Respondent Minicone has breached, and is currently breaching, the TSA that he executed with Bridgewater. By signing the TSA, Respondent Minicone further acknowledged that Bridgewater's proprietary Statistics Based Growth Estimator is a highly valuable trade secret owned by Bridgewater, and promised not to misappropriate it.

53. Specifically, Respondent Minicone has breached the TSA by, among other things, (i) wrongfully using and disclosing Bridgewater's proprietary material (including and without limitation, the confidential information and transformation techniques included in Bridgewater's market prediction and analysis methods) for the Respondents' benefit without prior authorization; (ii) wrongfully reproducing and/or recreating Bridgewater's proprietary material without Bridgewater's express permission; and (iii) failing to expressly notify Bridgewater of the Respondents' performance of services relating to asset management, trading, investing in or researching financial markets, and publishing materials regarding the same.

54. Respondent Minicone knows or should know that his past and current use and disclosure of Bridgewater's proprietary information for the Respondents' benefit without authorization or consent constitutes a breach of the TSA.

55. In addition, Respondent Minicone has also violated additional obligations he undertook pursuant to the terms of the TSA with regard to the Statistics Based Growth Estimator in the event that his employment at Bridgewater were to terminate:

If my employment with Bridgewater terminates for any reason I will thereafter notify Bridgewater in writing prior to the performance of any services by me that relate, directly or indirectly, to 1) asset management 2) trading, investing in or researching financial markets, or 3) the publication, regardless of the medium in which such publication occurs, of material pertaining to such matters. . . . I will further provide such additional information as may be reasonably requested by Bridgewater to ensure my compliance with this Agreement.

56. Respondent Minicone continues to willfully and deliberately breach the TSA in disregard of Bridgewater's rights.

57. Bridgewater has been irreparably harmed by Respondent Minicone's breaches and is entitled to a permanent injunction as well as damages in an amount to be determined.

3. Count Three – Respondents' Trade Secret Misappropriation

58. Each of Bridgewater's confidential and proprietary investment technologies detailed herein constitute, and have been maintained by Bridgewater as, valuable trade secrets. Respondents Minicone and Squire have improperly, and without prior authorization or consent, misappropriated Bridgewater's proprietary trade secrets relating to the financial and market prediction methodologies described above.

59. Respondents Minicone and Squire knew and understood that Bridgewater's financial and market prediction technologies described herein constituted valuable trade secrets that conferred a competitive advantage on Bridgewater. The Respondents further knew and understood that Bridgewater's trade secrets were acquired under circumstances whereby the Respondents had a duty to maintain the secrecy of the proprietary information and/or to limit its use and disclosure.

60. The Respondents know or should know that their past and current use of Bridgewater's proprietary information for the Respondents' benefit, without authorization or consent, constitutes misappropriation of Bridgewater's trade secrets. Respondents Minicone and Squire know and understand that their use of Bridgewater's trade secrets, without Bridgewater's express or implied authorization or consent, was and is improper, and constitutes misappropriation of Bridgewater's trade secrets. The Respondents continue, and will continue, their unauthorized use and misappropriation of Bridgewater's technologies in disregard of Bridgewater's rights.

61. Bridgewater has been irreparably harmed by the Respondents' misappropriation and is entitled to a permanent injunction as well as damages in an amount to be determined.

4. Count Four – Respondents' Unfair Competition

62. Respondents Minicone and Squire have engaged in unfair competition against Bridgewater.

63. The proprietary information described above was developed by, and is the property of, Bridgewater. Such proprietary information confers upon Bridgewater, among other things, a competitive advantage in the marketplace and is employed by Bridgewater in its daily business and investment operations.

64. The Respondents had access to and knowledge of Bridgewater's proprietary technology and information during their tenure at Bridgewater. Bridgewater has not provided, and did not provide, Respondents Minicone or Squire with authorization, either express or implied, to use and/or disclose such information after the Respondents left Bridgewater.

65. Respondents Minicone and Squire have violated the terms of their Employment Agreements and Respondent Minicone has violated the terms of the TSA to keep and maintain the secrecy of Bridgewater's proprietary information and have used such information for their own benefit and to the detriment of Bridgewater. The Respondents' actions amount to offenses

against public policy that are immoral, unethical, and unscrupulous, and that cause substantial injury to Bridgewater in further violation of the Connecticut Unfair Trade Practices Act. *See* C.G.S. §§ 42-110a-b.

66. Bridgewater has been irreparably harmed by the Respondents' unfair competition and is entitled to a permanent injunction as well as damages in an amount to be determined.

III. THE AGREEMENT TO ARBITRATE

67. The Employment Agreements, at page 6 of Exhibits A and C, set forth the parties' agreement regarding the settlement of disputes and include a broad agreement to arbitrate "*any claims*" that Bridgewater may have against the Respondents:

Bridgewater . . . may submit any claims against [Respondents] to binding arbitration as set forth above, or may instead elect to commence an action in a court of law . . .

Either [Respondents] or Bridgewater may initiate arbitration proceedings by filing a demand for arbitration at the New York office of the AAA. The arbitrator's fee and any fees and costs owed to the AAA will be divided equally between [the Respondents] and Bridgewater; [each party] will be responsible for [its] own attorneys' fees and disbursements. . . .

[A]ll matters pertaining to the arbitration will be kept confidential including, but not limited to, the existence of the arbitration, any pleadings, briefs or other documents exchanged, any testimony or other oral submissions and/or any awards. Accordingly, you and Bridgewater agree that the foregoing will not be disclosed, except to your and Bridgewater's legal counsel, tax advisors or any other person necessary to the conduct of the arbitration, except that such information may be disclosed as required by law or by Bridgewater for legitimate business purposes.

68. Respondents Minicone and Squire both signed their respective Employment Agreements and are bound by the identical arbitration agreements therein. Further, Respondent Minicone signed and is bound by the TSA with respect to his work on the Statistics Based Growth Estimator technology. As described herein, the Respondents' actions subsequent to their departure from Bridgewater violate these agreements. Bridgewater's claims for breach of these agreements are properly subject to the arbitration agreements in the Employment Agreements.

IV. THE CONSTITUTION OF THE TRIBUNAL

69. Although the parties' arbitration agreement does not specify the number of arbitrators, Bridgewater believes that this arbitration is of a sufficient value and complexity that a panel of three arbitrators should be appointed. Bridgewater proposes to discuss this issue with the Respondents following the filing and service of this Demand for Arbitration.

V. THE GOVERNING LAW AND LOCATION OF HEARINGS

70. Pursuant to page 6 of Respondents' Employment Agreements, the Agreements are to be governed by, construed and enforced in accordance with the laws of the State of Connecticut.

71. Pursuant to Section R-4(b)(i)(1) of the AAA Rules, Bridgewater requests that the hearing location be New York City, New York.

VI. RELIEF REQUESTED

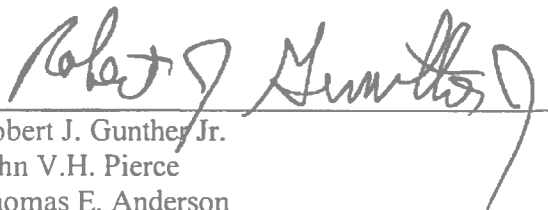
72. As a consequence of the foregoing, Bridgewater respectfully requests that the Arbitral Tribunal issue an award:

- a) declaring that each of the identified confidential and proprietary financial technologies described herein constitute Confidential Information and trade secrets owed by Bridgewater;
- b) declaring that Respondents Minicone and Squire have no right to use Bridgewater's Confidential Information or trade secrets for their own benefit and have no right to disclose Bridgewater's trade secrets to any third party, including but not limited to third party investors or customers;
- c) declaring that Respondents Minicone and Squire have misappropriated Bridgewater's Confidential Information and trade secrets;
- d) declaring that Respondents Minicone and Squire have breached, and are currently breaching, their respective Employment Agreements and that Respondent Minicone has breached, and is currently breaching, the TSA, which agreements are valid and enforceable according to their terms;
- e) declaring that Respondents Minicone and Squire have acted willfully and deliberately in misappropriating, misusing and/or disclosing Bridgewater's Confidential Information and trade secrets and in competing unfairly with Bridgewater;
- f) permanently enjoining the Respondents from using, disclosing, or otherwise benefiting from Bridgewater's Confidential Information and trade secrets, including an injunction preventing the Respondents from using, promoting, offering for sale, or selling (1) the Slack Measure Process; (2) the Statistics Based Growth Estimator technology; (3) the Signal Construction methodologies; (4) the Risk Control Process; and (5) the Short-Rate Trading technology;
- g) awarding damages to Bridgewater in an amount to be determined;
- h) awarding any other relief the Arbitral Tribunal determines to be just and proper.

73. Bridgewater reserves the right to modify and/or expand its claims or request for relief, as appropriate, during the course of the arbitration.

Respectfully submitted,

November 7, 2017



Robert J. Gunther Jr.
John V.H. Pierce
Thomas E. Anderson
Margaret Artz
Jeffrey Coleman
Wilmer Cutler Pickering Hale and Dorr
7 World Trade Center
250 Greenwich Street
New York, NY 10007
Tel: 1 212 230 8800
Fax: 1 212 230 8888

FILED: NEW YORK COUNTY CLERK 07/16/2020 11:37 AM

INDEX NO. 652855/2020

NYSCEF DOC. NO. 38

RECEIVED NYSCEF: 07/16/2020

Exhibit A



PRIVILEGED & CONFIDENTIAL

August 3, 2011

Lawrence Minicone
406 Silver Creek
Norwalk, CT 06850

Dear Lawrence:

It is with great pleasure that we extend this offer to continue as an at will employee with Bridgewater Associates, LP, ("Bridgewater"). Effective July 1, 2011, the terms and conditions of your existing employment agreement shall be amended and restated as provided herein:

Title/Function

Research Associate for the Research department, initially reporting to Kavita Saini.

Compensation

Your salary will be paid at the rate of \$152,000 per annum (less applicable deductions and withholdings), payable in accordance with Bridgewater's regular payroll practices. This salary shall remain in effect until your next review.

In addition, you will be eligible to receive a discretionary bonus, payable in accordance with Bridgewater policy (as may be amended from time to time). The amount of this discretionary bonus, if any, will be determined by Bridgewater in its sole discretion using any criteria that Bridgewater chooses to employ. Depending on factors including the level of your performance and Bridgewater's performance, as determined by Bridgewater in its sole discretion, we anticipate that your annual discretionary bonus through your next annual review will be approximately \$38,000, and will be within a range of \$0 to \$76,000 (less applicable deductions and withholdings).

In order to be eligible for a discretionary bonus you must be in "active working status" at the time of the bonus payment. For purposes of this agreement, "active working status" means that you have not resigned (or given notice of your resignation) or been terminated (or been given notice of your termination). Furthermore, a pro-rated bonus will not be paid if you resign or are terminated during the year.

Representation

Except as otherwise disclosed in writing to Bridgewater's Corporate Counsel department, you represent that you accept employment with Bridgewater without any contractual restrictions, express or implied, with respect to any prior employers and/or positions that would preclude you from accepting this offer of employment or would in any way restrict you from performing your duties as a Bridgewater employee. You understand that this offer and your continued employment at Bridgewater are contingent on the accuracy of this representation.

Compliance with Policies and Procedures

You agree to be bound by and to comply fully with all Bridgewater policies and procedures for employees including, but not limited to, all terms and conditions set forth in the employee handbook, Code of Ethics and any other memoranda and communications applicable to you pertaining to policies, procedures, rules and regulations, as currently in effect and as may be created and/or amended from time to time.

Resignation/Termination with or without Cause

In the event that you resign (or have given notice of your resignation) or are terminated (or have been given notice of your termination), with or without cause, prior to Bridgewater's payment of any discretionary bonus, you will receive any salary which has been earned but unpaid up to the date of your resignation or termination. You will not be entitled to receive any discretionary bonus whatsoever, including any anticipated discretionary bonus payment referred to in this agreement (other than any discretionary bonus already paid to you as of the date of your resignation or termination).

Registration

Your position may require testing and/or registrations. All necessary testing and/or registrations requirements must begin within two (2) months of your being notified of such requirement and must be completed within a period that Bridgewater, in its sole discretion, determines.

Restrictive Covenants

The restrictive covenants applicable to you, which you agree to comply with fully and which you acknowledge will be strictly enforced by Bridgewater are set forth in Exhibit A attached hereto.

Confidentiality of Employment Agreement

You agree that the terms of your employment with Bridgewater are confidential. Accordingly, in consideration of your employment and/or continued employment, you also agree that beginning on the date you execute this agreement and continuing through three (3) years after the last date of your employment, you will not disclose the terms of this agreement to anyone except your immediate family, tax advisors and legal counsel, except as otherwise required by law or in a legal proceeding to enforce the terms of this agreement. If you receive a subpoena or request for disclosure of this agreement and/or the terms of this agreement, you agree to provide prompt written notice to the Director, Corporate Counsel of Bridgewater prior to responding to such subpoena or request; you further agree to cooperate with Bridgewater in taking appropriate steps to maintain the confidentiality of terms of this agreement.

Notwithstanding the foregoing, you may disclose your compensation and the restrictive covenants and relevant provisions regarding your ongoing obligations to Bridgewater, including with respect to your obligations regarding Bridgewater's Confidential Information, proprietary information and trade secrets, to any prospective and future employers and/or positions.

Outside Services

During your employment with Bridgewater you agree to devote your full attention and time during business hours to the business and affairs of Bridgewater and use your best efforts to perform the responsibilities assigned to you faithfully and efficiently. You agree that you will not engage in any other business activities or render services of a business or commercial nature on your own behalf or on behalf of any other person, corporation or other entity, whether for compensation or otherwise, without Bridgewater's prior written approval. All approved outside business activities, if any, must be conducted subject to any procedures and restrictions relating thereto that may be established from time to time by Bridgewater.

Benefits

Details of your benefits, including your eligibility to be covered under Bridgewater's health insurance plan, subject to its exclusions and limitations, were provided to you on the commencement of your employment.

Time Off

You will be granted time off in accordance with Bridgewater's policies (as may be amended from time to time).

Confidential Information & Proprietary Information

You understand that during your employment, you will have access to confidential and proprietary information ("Confidential Information"). You may not, either during or at any time subsequent to your employment, without Bridgewater's prior written consent, use, divulge, disclose or otherwise make accessible to any other person or entity any Confidential Information, except (i) while employed by Bridgewater, in the business of and for the benefit of Bridgewater; and (ii) except as otherwise required by law. In this connection, if you receive a subpoena or request for disclosure of Confidential Information, you agree to provide prompt written notice to the Director, Corporate Counsel of Bridgewater prior to responding to such subpoena or request; you further agree to cooperate with Bridgewater in taking appropriate steps to maintain the confidentiality of the Confidential Information.

For purposes of this agreement, "Confidential Information" means any non-public information (whether oral, written or contained on computer systems or other media) relating to the business or affairs of:

- 1) Bridgewater or its affiliates, or
- 2) any existing or former client of Bridgewater or its affiliates, or
- 3) any existing or former officer, director, employee or shareholder of Bridgewater, or
- 4) any consultants, vendors or such other third parties whose information Bridgewater has an obligation to protect

wherever and however obtained.

Such Confidential Information includes, but is not limited to, information concerning finances, strategic or financial plans, business plans, trade secrets, intellectual property and Developments (as defined below), methods, techniques, operations, investments, project information, marketing plans, future transactions, employee lists and employees' compensation and management's compensation. Confidential Information also includes the systemized investment decision-making process utilized by Bridgewater (including the use of economic statistics in buy-sell decisions and the use of leverage in the investment decision-making process), the process and/or techniques by which fundamental and technical data is utilized in investment decision-making rules, the multiple formulas on which Bridgewater's investment management systems are based (including information derived during the creation of those formulas, the insights which the formulas express, the weight afforded to the results of each of the formulas in the context of each system and the process by which the formulas and modifications thereto are developed), portfolio construction theories, information regarding Bridgewater's organizational structure (including the allocation of responsibilities and general construction of Bridgewater's departments, businesses, subsidiaries and the employees assigned to them), strategies and processes related to trade execution and broker/dealer management and information pertaining to Bridgewater's relationships with its clients, consultants and vendors (including the identity of, services provided and the compensation arrangements with such clients, consultants and vendors).

Confidential Information also includes information encompassed in materials, surveys, charts, drawings, designs, plans, proposals, reports, research, marketing and sales plans, costs, quotations, specification sheets and recording media. Confidential Information further includes information which relates directly or indirectly to the computer systems and computer technology of Bridgewater and its affiliates including, but not limited to, source codes, object codes, reports, flow charts, architecture diagrams, screens, algorithms, use manuals, installations and/or operation manuals, computer software, spreadsheets, data computations, formulas, techniques, databases and any other information related to computer networks, systems, applications or similar matters.

Your obligations with respect to Confidential Information will continue after your employment with Bridgewater, regardless of whether you resign or your employment is terminated, with or without cause. Upon your resignation or the termination of your employment for any reason, you will promptly deliver to Bridgewater all Confidential Information (in whatever form or media, including all drafts, originals and copies) that is in your possession, custody or control.

Furthermore, you acknowledge and agree that if you join a Competitive Business (as defined in Exhibit A hereto) subsequent to the cessation of your employment, any of Bridgewater's Confidential Information, proprietary information and intellectual property (including Developments) obtained by you during your employment would benefit you and be subject to the risk of inevitable disclosure in the course of any new position you may hold to the competitive disadvantage of Bridgewater.

You further understand that it is Bridgewater's policy not to use or accept any confidential information of third parties (including your former employers) without appropriate written authorization. You may not use or disclose to Bridgewater or any of its affiliates such confidential information of third parties without written authorization approved by Bridgewater.

You also may not, either during or at any time subsequent to your employment, disparage Bridgewater and/or its present or former affiliates, directors, officers, shareholders, employees or clients, whether directly or indirectly, in any manner whatsoever (whether related to the business of Bridgewater or otherwise), except as otherwise required by law. Senior members of the management of Bridgewater make the same commitment not to disparage its employees, except as otherwise required by law. Please note that business-related communications, including, but not limited to, statements about work performance, criticism of work performance or information related to cessation of employment, do not constitute disparaging statements and will not violate this provision. Please also note that, pursuant to applicable law, the filing of any legal action by Bridgewater or you does not constitute disparagement and will not violate this provision.

Intellectual Property

You agree that Bridgewater is the exclusive owner of all ideas, products, materials, discoveries, inventions, improvements, methods, processes, trade secrets, trademarks, branding, domain names, computer programs and code, research, original works of authorship, writings or other work product conceived, developed, used, authored or made by you that are within the scope of, or otherwise related to, the business of Bridgewater or its affiliates or are conceived, developed, used, authored or made on Bridgewater's time or with the use of Bridgewater's facilities, resources or materials (collectively, "Developments"). In addition, any copyrightable subject matter embodied in any Development will be considered a "work made for hire" within the meaning of the copyright laws of the United States of America (17 U.S.C. § 101 *et seq.*) with initial ownership of such subject matter vesting in Bridgewater. To the extent any Development is not entitled to protection as a "work made for hire," you will assign all right, title and interest, including all patent and other intellectual property rights, in and to such Development to Bridgewater. Whenever requested to do so by Bridgewater, you will execute any and all applications, assignments or other instruments that Bridgewater deems necessary to evidence the foregoing assignment or to apply for and obtain patents or trademark or copyright registrations in the United States or any foreign country or otherwise to protect Bridgewater's interest therein (without additional compensation to you). Furthermore, you hereby appoint each of Bridgewater's managers, acting severally, as your attorney-in-fact to execute such documents on your behalf. Such obligations will continue beyond the termination of your employment with Bridgewater with respect to Developments conceived, developed, used, authored or made by you during the term of your employment with Bridgewater.

You further agree and represent that, except as disclosed by you in writing prior to the commencement of your employment with Bridgewater, as of the date that you execute this agreement, you have no rights to any intellectual property previously made or acquired by you.

Injunctive Relief

You acknowledge that your breach of this agreement will result in material and substantial irreparable injury to Bridgewater for which there is no adequate remedy at law and that it will not be possible to measure damages for such injuries precisely. Accordingly, you agree that in the event of such breach or threat thereof, and without limiting the remedies available to Bridgewater (which will include money damages), Bridgewater will be entitled to obtain a temporary restraining order and/or a preliminary injunction restraining you from engaging in activities prohibited by this agreement, together with such other relief as may be required to enforce any of the provisions of this agreement.

Severability and Governing Law

It is the intent and understanding of each party hereto that if any term, restriction, covenant or promise (including any time periods contained in the restrictive covenants) is found to be unenforceable by a court or tribunal of competent jurisdiction, then such term, restriction, covenant or promise will be deemed modified to the minimal extent necessary to make it enforceable. If any provision of this agreement is declared void or unenforceable by a court or tribunal of competent jurisdiction, all other provisions will nonetheless remain in full force and effect. This agreement will be governed by, and construed and enforced in accordance with the laws of the State of Connecticut, without regard to its conflict of laws provisions.

Mediation and Arbitration

You agree that you will submit all claims that you may have against Bridgewater (including its past, present and future management in both their individual and official capacities) to non-binding mediation pursuant to the procedures described in Exhibit A. You agree to submit any claims not resolved by mediation to binding arbitration under the National Rules for the Resolution of Employment Disputes of the American Arbitration Association ("AAA"). The claims that you agree to submit include, without limitation, all employment-related matters (such as discrimination claims under federal, state or local law) and exclude claims for workers' compensation and unemployment benefits.

Bridgewater (including its past, present and future management in both their individual and official capacities) may submit any claims against you to binding arbitration as set forth above, or may instead elect to commence an action in a court of law. **IN THE LATTER EVENT, ALL PARTIES KNOWINGLY, VOLUNTARILY AND IRREVOCABLY WAIVE ALL RIGHT TO A TRIAL BY JURY IN SUCH AN ACTION.**

Either you or Bridgewater may initiate arbitration proceedings by filing a demand for arbitration at the New York office of the AAA. The arbitrator's fee and any fees and costs owed to the AAA will be divided equally between you and Bridgewater; you will be entirely responsible for your own attorneys' fees and disbursements. In the event that you allege a claim of discrimination, Bridgewater will, on your written request, advance directly to the arbitrator and/or the AAA your share of the arbitrator's fee (pending the arbitrator's determination and decision as to which party should pay such fee(s)). Furthermore, if you prevail on this claim of discrimination, the arbitrator may, in his or her discretion, make an award of reasonable attorneys' fees and disbursements incurred by you in connection with the arbitration. Likewise, if the arbitrator determines that you have acted in bad faith or have asserted claims that, if asserted in a lawsuit in federal court, would justify an award of sanctions under Rule 11 of the Federal Rules of Civil Procedure, the arbitrator may, in his or her discretion, make

an award of reasonable attorneys' fees and disbursements incurred by Bridgewater in connection with the arbitration. Except in the case of claims for discrimination, the arbitrator will have no authority to award punitive damages.

You and Bridgewater agree that all matters pertaining to the arbitration will be kept confidential including, but not limited to, the existence of the arbitration, any pleadings, briefs or other documents exchanged, any testimony or other oral submissions and/or any awards. Accordingly, you and Bridgewater agree that the foregoing will not be disclosed, except to your and Bridgewater's legal counsel, tax advisors or any other person necessary to the conduct of the arbitration, except that such information may be disclosed as required by law or by Bridgewater for legitimate business purposes.

Judgment on the award rendered by the arbitrator may be entered in any court having jurisdiction thereof and be enforced accordingly. You hereby irrevocably waive any objection to venue (including any objection based on inconvenient or improper forum) of any action or proceeding to enforce any arbitrator's award or any other matter related to such arbitration proceeding.

Waiver

The waiver by either party of a breach of any provision of this agreement will not be construed as a waiver of any subsequent breach. The failure of a party to insist on strict adherence to any provision of this agreement on one or more occasion(s) will not be considered a waiver or deprive that party of the right thereafter to insist on strict adherence to that provision or any other provision of this agreement.

Assignment

This agreement will be binding on and will inure to the benefit of you and your heirs, assigns, executors, administrators and other legal representatives and will be binding on and will inure to the benefit of Bridgewater and its successors and assigns, including, without limitation, any corporation or other entity into which Bridgewater is merged or which acquires all or substantially all of the assets of Bridgewater. Bridgewater reserves the right to assign this agreement to its successors and assigns.

Furthermore, you agree that your obligations under this agreement apply equally to any position that you may hold with any affiliate of Bridgewater, including any investment fund or limited partnership sponsored by Bridgewater.

Acknowledgment

You represent and warrant that you have read this agreement, have consulted with your own advisors (if you so chose) regarding the terms of this agreement and are fully aware of its content and legal effect.

Modification

With the exception of any trade secret or similar agreement signed by you during the course of your employment, this agreement (including Exhibit A) contains the entire understanding of the parties regarding the subject matter hereof and may be modified only in a document signed by the parties. You acknowledge that in executing this agreement you have not relied on any oral or written

representations or understandings other than those explicitly contained herein. This document supersedes any and all oral or written understandings regarding the terms of your employment with Bridgewater or any of its affiliates.

At Will Employment

Nothing in this agreement is intended to create a fixed term of employment at Bridgewater. Your employment at Bridgewater is on an at will basis, meaning that Bridgewater will be free to terminate your employment at any time, with or without cause, and with or without notice, and that you will be free to resign from your employment with Bridgewater at any time.

* * *

If you accept this offer, please sign and date this agreement in the space provided below and return a copy to Paula Ziskin, Human Resources, Bridgewater Associates, LP, One Glendinning Place, Westport, Connecticut 06880 by August 10, 2011. Should you have any questions or feel that you require more time to review the document, please contact your manager or Tom Sinchak, Director, Corporate Counsel, Bridgewater Associates.

Sincerely yours,

Bridgewater Associates, LP



Paula Ziskin
Senior Compensation Analyst

Accepted: LSM
Lawrence Minicone

Date: 8/8/11

PLEASE READ THIS AGREEMENT AND ITS ATTACHMENTS CAREFULLY. NOTE THAT IT CONTAINS AN AGREEMENT TO ARBITRATE CLAIMS AND A WAIVER OF THE RIGHT TO A JURY TRIAL.

*

EXHIBIT A

1. (a) In consideration of your of your continued employment and an increase in your annual target compensation, you agree that beginning on the date you execute this agreement and continuing for two (2) years after the last date of your employment with Bridgewater, you will not:

(i) directly or indirectly engage in any business (whether as an employee, consultant, director, partner, member, or shareholder) that is in competition with any business of Bridgewater ("Competitive Business");

(ii) directly or indirectly solicit any business, or do any business that involves the managing or trading of assets, for or with any entity known by you to have been an investor or client of Bridgewater during the twelve (12) months prior to the termination of your employment. Such knowledge will be conclusively presumed in the event and to the extent that (a) you had personal involvement with or exposure to the investor or client, directly or indirectly, (b) you were provided access by virtue of your position to information that identified the entity or entities as a Bridgewater investor or client, or (c) the entity or entities had been publicly identified as a Bridgewater investor or client; and/or

(iii) directly or indirectly seek to diminish the relationships between Bridgewater or its affiliates and any of their investors, or clients, or seek, directly or indirectly, to divert such relationships for your personal benefit or to such firm or other person or entity with whom you may then be employed or otherwise associated.

You further agree that beginning on the date you execute this agreement and continuing for one (1) year after the last date of your employment, you will not:

directly or indirectly solicit or induce or cause others to solicit or induce, any person who is employed by Bridgewater or its affiliates or who was employed by Bridgewater or its affiliates within six (6) months of your last date of employment to terminate his or her employment with Bridgewater or its affiliates or to accept employment with any entity other than Bridgewater or its affiliates.

The foregoing restrictive covenants will apply in full force and effect regardless of whether you resign or are terminated with or without cause.

(b) For purposes of this agreement, "Competitive Business" means:

(i) any business, profession, or other endeavor that uses or is planning to use or is developing or planning to develop any investment or trading strategy (or any substantially similar investment strategies) that was used, developed, or investigated by Bridgewater during your employment, including, but not limited to, the global macro fundamental approach; and

(ii) any firm that is a Bridgewater investor or client as of the last date of your employment or who had been an investor or client within the twelve (12) months prior thereto, regardless of whether you serviced or had contact with them while employed by Bridgewater, to the extent that such investor or client engages, as a material part of its business, in the actual management of assets.

"Competitive Business" does not include any business, profession, or other endeavor that engages in multiple businesses, including an asset management business, provided you do not engage in any business, work or otherwise provide services for the asset management business or any other business that is in competition with Bridgewater or otherwise provide research services to the asset management business or any other business that is in competition with Bridgewater.

(c) You agree that the foregoing terms, conditions, and restrictions are fair and reasonable, are reasonably required for the protection of Bridgewater and that if your employment with Bridgewater were to terminate, such restrictions would not preclude you from securing suitable employment commensurate with your skills and abilities. You also understand, acknowledge, and agree that Bridgewater will not have an adequate remedy at law for a violation of the provisions hereof, and that Bridgewater shall have the right to have such provisions enforced by way of temporary restraining order or injunction against any breach or threatened breach of such terms, conditions and restrictions, or any other equitable relief, in addition to and not in lieu of any other rights Bridgewater may have at law or otherwise under this Agreement.

(d) Any action for a temporary restraining order, injunction, or other equitable relief brought to enforce the terms hereof may be brought only in the courts of the State of Connecticut, County of Fairfield, or in the United States District Court for the District of Connecticut. By your execution and delivery of this Agreement, you submit to the exclusive jurisdiction of the above-referenced courts, waive any objection to such jurisdiction on the grounds of venue or forum non conveniens or any similar grounds, consent to service of process by mail or in any other manner permitted by law, and irrevocably agree to be bound by any judgment rendered thereby in connection with this Agreement. This consent to jurisdiction shall not be deemed to confer rights on any person other than Bridgewater.

Notwithstanding anything to the contrary herein, if Bridgewater seeks to enjoin your alleged violation of any restriction in this Agreement, you agree that Bridgewater may bring the action in any court or before any judicial body having jurisdiction over such a claim.

(e) You understand and agree that in the event your employment with Bridgewater is terminated, whether by Bridgewater or by you, and regardless of the reason, the restrictions contained herein, as well as all other applicable terms, conditions, and provisions of this Agreement, shall survive.

(f) In the event you violate any of the terms of this agreement you agree to indemnify, hold harmless and reimburse Bridgewater for any and all losses, costs, fees (including, without limitation, reasonable attorneys' fees), expenses, disbursements, and damages of Bridgewater in connection with the enforcement hereof. For purposes of clarification, your participation in the process outlined in Section 3 below would not obligate you to pay Bridgewater's legal fees or other expenses. Rather such obligation would apply only in the event you accepted a position and had actually begun performing services or activities that a court or other competent authority determined to be in violation of the restrictions contained herein.

(g) In the event that any part of this Agreement is deemed invalid, illegal, or incapable or being enforced as a result of any law or public policy, all other terms, conditions, and provisions of this Agreement shall nevertheless remain in full force and effect.

2. Upon the termination of your employment you shall be required to provide a mailing and email address at which you can be contacted during the period that the non-compete restrictions contained herein remain in effect. During that time, Bridgewater may request on not more than a quarterly basis that you certify, in writing, your current employment status including the name and address of any employer and a brief description of your duties. A failure to provide such certification within seven (7) days shall result in a presumption by Bridgewater that you are in violation of your non-compete agreement and may result in further investigation. Such investigation may include contacting your last known place of employment to determine whether you are still employed there or such other measures as Bridgewater shall deem appropriate.

3. For the purpose of expeditiously, economically and in good faith resolving any potential dispute you may have that relates in any way to Bridgewater or your employment with Bridgewater, including, but not limited to any potential dispute as to whether a proposed new employer, position, profession, endeavor or business is a Competitive Business within the meaning of this agreement and thereby avoiding violations of the foregoing provisions, you and Bridgewater agree to the following procedures:

A. Mediation of Disputes with Respect to Prospective New Employment

(i) Prior to accepting any new employment or a new position, or engaging in any new business, you will inform the President of Bridgewater in writing (with a copy to the Corporate Counsel of Bridgewater) of the name, address and nature of the prospective employer, position or business, as well as the duties you are expected to perform.

(ii) Within a reasonable period of time thereafter, Bridgewater will notify you in writing as to whether it objects to the proposed employment, position or new business. Bridgewater recognizes its obligation to respond to you in a timely manner. Therefore, if a court or other tribunal of competent jurisdiction determines that Bridgewater unreasonably delayed in responding

or failed to respond to you, and further that such delay or failure resulted in the revocation of a bona fide offer of employment or position that did not constitute a Competitive Business or was not otherwise prohibited by the terms of this Exhibit or your Employment Agreement, Bridgewater will pay you an amount equal to six (6) months of your last base salary at Bridgewater (less applicable deductions and withholdings). Please note that Bridgewater will not be obligated to pay you any other amounts or damages.

(iii) If Bridgewater determines that the prospective employment, position or business endeavor is not a Competitive Business and is not otherwise prohibited by the terms of this Exhibit or your Employment Agreement, or if both you and your proposed employer agree in writing to any conditions specified by Bridgewater, you may accept the prospective employment or position or engage in the prospective business endeavor, subject to such conditions and any restrictions and obligations regarding Confidential Information, proprietary information, trade secrets and related matters set forth herein or in any other Bridgewater policy to which you are subject. Please note that Bridgewater reserves the right to reverse its determination if the nature of the prospective employer, position or business endeavor or your duties change in any material respect within the two (2) year period from your last date of employment.

(iv) If Bridgewater determines that the prospective employment, position or business endeavor is a Competitive Business, and/or is otherwise prohibited by the terms of this Exhibit or your Employment Agreement, and/or if you and/or your new employer are unwilling to accept conditions proposed by Bridgewater with respect to the new employment, then within seven (7) business days after receiving the notification, you must:

- inform the President of Bridgewater in writing of your decision not to accept the prospective employment or position or not to engage in the prospective business endeavor; or
- meet at Bridgewater Headquarters, currently located at One Glendinning Place, Westport, Connecticut to discuss the reasons that you believe that the prospective employment, position or business is not a Competitive Business and is not otherwise prohibited by the terms of this Exhibit or your Employment Agreement, or that you and/or your new employer will not accept the conditions proposed by Bridgewater; and

(v) If, after the meeting described in subsection (iv) above, the matter still has not been resolved the parties agree to submit the matter to non-binding mediation before one (1) mediator at JAMS, 620 Eighth Avenue, 34th Floor, New York, NY 10018. You and Bridgewater will attempt to agree on a mediator but, if the parties cannot agree, within seven (7) days of JAMS providing a list of mediators, Bridgewater will make the final decision. Once a mediator is selected, Bridgewater will send a written notice to JAMS and/or

the mediator, requesting that the mediation be scheduled as promptly as possible. Bridgewater will be responsible for paying JAMS costs (including the mediator's fee), but you will be responsible for your own attorneys' fees and any expenses incurred by you.

You must participate in the foregoing procedure before commencing an arbitration with respect to any claim you may have that relates to whether your new employment is with a Competitive Business or is otherwise prohibited by the terms of this Exhibit or your Employment Agreement.

If you refuse to participate in the foregoing procedure and either Bridgewater or you subsequently commence an arbitration or legal proceeding, you agree that your refusal to participate will be deemed prima facie evidence that the prospective or new employment, position or business endeavor is a Competitive Business or is otherwise prohibited by the terms of this Exhibit or your Employment Agreement. Moreover, nothing herein is intended to limit or otherwise restrict Bridgewater from enforcing its rights under this agreement at the conclusion of the procedure described above (or at any time if you engage in or Bridgewater reasonably believes that you will engage in a Competitive Business, or commence work in a position that is otherwise prohibited by the terms of this Exhibit or your Employment Agreement, prior thereto).

B. Mediation of Other Disputes

(i) You agree that prior to asserting any other claim against Bridgewater (including its past, present and future management in both their individual and official capacities), you will provide a written statement setting forth the details of your claim to the President of Bridgewater (with a copy to the Corporate Counsel of Bridgewater).

(ii) Within 30 days of your submission of the written statement, you agree to meet with an employee or employees of Bridgewater at a mutually convenient time at Bridgewater Headquarters, currently located at One Glendinning Place, Westport, Connecticut, in an effort to resolve your claim.

(iii) If a resolution of your claims has not been agreed to after the meeting described in subsection (ii) above, the parties agree to submit the matter to non-binding mediation before one (1) mediator at JAMS using the procedures specified in Section 3(A)(v) above.

Exhibit B

**ACKNOWLEDGMENT OF RECEIPT OF TRADE SECRET INFORMATION
AND AGREEMENT TO MAINTAIN THE SECRECY OF SAID INFORMATION**

I have recently participated in and been exposed to Bridgewater's proprietary **Statistics Based Estimator** project (the "Project"). My participation in this Project began in or about **October, 2011**, and is ongoing. This Project involves sensitive, confidential and proprietary trade secret information belonging to Bridgewater. A general description of the Project is provided in Exhibit A attached hereto.

In consideration of my continued participation in this Project I hereby acknowledge and agree that:

1) (a) the information obtained from Bridgewater or generated by me in connection with the Project (the "Confidential Information") is not available in the public domain in an integrated form, (b) the development of such Confidential Information is the result of extensive effort, time, trial and error, and expense on Bridgewater's part, and (c) said Confidential Information was not known to me before I became employed at Bridgewater;

2) the aforesaid Confidential Information constitutes trade secrets because it (a) derives independent economic value, actual or potential, from not being generally known to, and not being readily ascertainable by proper means by, other persons who can obtain economic value from its disclosure or use, and (b) is the subject of efforts that are reasonable under the circumstances to maintain its secrecy;

3) the Confidential Information will have actual and potential value for the foreseeable future with no time limit;

- 4) the Confidential Information is Bridgewater's property whether in tangible or in remembered form;
- 5) Bridgewater is the sole owner of the Confidential Information;
- 6) my use or disclosure of the Confidential Information would irreparably harm Bridgewater and cause damage to Bridgewater in an amount that cannot be fully calculated. The harm to Bridgewater includes, without limitation, the loss of Bridgewater's development costs, the loss of trading profit by Bridgewater and its investors, the destruction of trading opportunities, and the destruction of the effectiveness of the Confidential Information to predict and benefit from trading opportunities.

I agree that I will not use or disclose the Confidential Information, whether in tangible or remembered form, during my employment by Bridgewater or thereafter, for the benefit of myself or any person, firm, corporation or association other than Bridgewater, unless (1) such Confidential Information becomes generally known to the relevant public in integrated form other than through a violation of any obligation owed to Bridgewater, or (2) the President of Bridgewater advises me in writing that I may disclose the Confidential Information for purposes other than the performance of my duties as an employee of Bridgewater. In the event I contend that Confidential Information falls within sub-paragraph (1) above, I shall provide Bridgewater with written evidence in support of this claim in accordance with the notification provision below, and I shall not use or disclose the Confidential Information unless and until agreed by Bridgewater in writing. Bridgewater shall respond to this notice within sixty (60) days of its receipt thereof.

I agree that I will not remove from Bridgewater's facilities or reproduce or recreate any Confidential Information without express permission of a Chief Investment Officer or the Research Department Manager. I further agree that after the termination of my employment, regardless of the reason for such termination, I will not retain any Confidential Information in any tangible form.

If my employment with Bridgewater terminates for any reason I will thereafter notify Bridgewater in writing prior to the performance of any services by me that relate, directly or indirectly, to 1) asset management 2) trading, investing in or researching financial markets, or 3) the publication, regardless of the medium in which such publication occurs, of material pertaining to such matters. The notification shall include the identity and a brief description of the proposed employer or other entity and a description of the proposed services. I will further provide such additional information as may be reasonably requested by Bridgewater to ensure my compliance with this Agreement. I agree to provide any prospective employer engaged in 1) asset management 2) trading, investing in or researching financial markets, or 3) the publication, regardless of the medium in which such publication occurs, of material pertaining to such matters with a copy of this Agreement prior to the commencement of any employment.

I understand that the business of Bridgewater is global in scope, that Bridgewater engages in investment activities throughout the world, that the Confidential Information relates and is applicable to investments throughout the world, and that it is not necessary for me to be physically present in Connecticut, the United States, or North America to engage in transactions using or research or development concerning or based upon the Confidential Information, and that therefore the scope of this Agreement is worldwide.

I agree that the terms, conditions and restrictions of this Agreement are fair and reasonable. I also understand, acknowledge and agree that Bridgewater will not have an adequate remedy at law for a violation of the provisions hereof, and that Bridgewater shall have the right to have this Agreement enforced by way of temporary restraining order or injunction or any other equitable relief against any breach or threatened breach, in addition to and not in lieu of any other rights Bridgewater may have at law or otherwise.

An action for a temporary restraining order, injunction or other equitable relief (including relief directing affirmative measures to protect the Confidential Information brought in connection herewith) may be brought in the courts of the State of Connecticut, County of Fairfield, or in the United States District Court for the District of Connecticut. By my execution and delivery of this Agreement, I submit to the personal jurisdiction of the above-referenced courts, waive any objection to such jurisdiction on the grounds of venue or forum non conveniens or any similar grounds, consent to service of process by mail or in any other manner permitted by law, and irrevocably agree to be bound by any judgment rendered thereby in connection with this Agreement. This consent to jurisdiction shall not be deemed to confer rights on any person other than Bridgewater.

Notwithstanding anything to the contrary herein, if Bridgewater seeks to enjoin my alleged violation of this Agreement, I agree that Bridgewater may bring an action in any court or before any judicial body having jurisdiction over such a claim.

I understand and agree that in the event my employment with Bridgewater is terminated, whether by Bridgewater or by me, and regardless of the reason, the restrictions contained herein, as well as all other applicable terms, conditions and provisions of this Agreement, shall survive.

In the event I violate any of the foregoing terms I agree to indemnify, hold harmless and reimburse Bridgewater for any and all losses, disbursements and damages incurred in connection with such violation.

In the event that any part of this Agreement is deemed invalid, illegal or incapable of being enforced as a result of any law or public policy, I agree that the court shall reform the Agreement by reducing the restrictions to the minimal extent necessary to make it enforceable and by enforcing the other terms as written. I agree that if the court shall determine that reformation is not possible, that the court shall excise the term held to be unenforceable and that all other terms, conditions and provisions of this Agreement shall nevertheless remain in full force and effect and enforced as written.

Any notification required to be sent by me to Bridgewater shall be delivered either 1) by hand, 2) by email to Bridgewater's Corporate Counsel at Corporate_Counsel@bwater.com (with confirmation of receipt), or 3) via nationally recognized overnight courier addressed to: Bridgewater Associates, LP, 1 Glendinning Place, Westport, CT 06880 Attn: Corporate Counsel.

This Agreement shall be governed by and interpreted and enforced in accordance with the laws of the State of Connecticut, without giving effect to the conflicts of law provisions thereof.

I understand and agree that the terms of my letter employment agreement with Bridgewater (the "Employment Agreement") remain in full force and effect. I understand and agree that in the event any portion of the Employment Agreement is determined by a court or arbitration panel of competent jurisdiction to be unenforceable, such determination shall not affect in any way the enforceability of any of the terms of this Agreement.

I understand and agree that the terms of the Bridgewater Code of Ethics and the Employee Handbook remain in full force and effect, except to the extent any of the terms of those documents are inconsistent with the terms of this Agreement, in which case the terms of this Agreement shall control.

Dated at Westport, CT this 15 day of ^{November}~~October~~, 2011



Lawrence Minicone

Exhibit A

Project Name:

Statistics Based Estimator

Employee Name:

Lawrence Minicone

Date Initially Exposed:

October, 2011

Project Description:

Bridgewater created a timely coincident estimate of economic growth based on the integration of both economic statistics and surveys. Both long and short-term estimates can be created, and estimates for different categories of growth (such as demand, production, etc) can also be produced. The methods used can and have been applied across countries, and the tool created to generate the estimates could also be used more broadly as a more general aggregator of various indicators into an estimate.

Exhibit C



PRIVILEGED & CONFIDENTIAL

January 29, 2013

Zachary Squire
180 West End Avenue, 15P
New York, NY 10023

Dear Zachary:

It is with great pleasure that we extend this offer to continue as an at will employee with Bridgewater Associates, LP, ("Bridgewater"). Effective January 1, 2013, the terms and conditions of your existing employment agreement shall be amended and restated as provided herein:

Title/Function

Investment Associate for the Trading department, initially reporting to Anand Mehta.

Compensation

Your salary will be paid at the rate of \$200,000 per annum (less applicable deductions and withholdings), payable in accordance with Bridgewater's regular payroll practices. This salary shall remain in effect until your next review. You shall also receive a one-time payment of \$3,000 (less applicable deductions and withholdings) payable upon return of the signed agreement, in accordance with Bridgewater's regular payroll practices.

In addition, you will be eligible to receive a discretionary bonus, payable in accordance with Bridgewater policy (as may be amended from time to time). The amount of this discretionary bonus, if any, will be determined by Bridgewater in its sole discretion using any criteria that Bridgewater chooses to employ. Depending on factors including the level of your performance and Bridgewater's performance, as determined by Bridgewater in its sole discretion, we anticipate that your annual discretionary bonus through your next annual review will be approximately \$50,000, and will be within a range of \$0 to \$100,000 (less applicable deductions and withholdings).

In order to be eligible for a discretionary bonus you must be in "active working status" at the time of the bonus payment. For purposes of this agreement, "active working status" means that you have not resigned (or given notice of your resignation) or been terminated (or been given notice of your termination). Furthermore, a pro-rated bonus will not be paid if you resign or are terminated during the year.

Representation

Except as otherwise disclosed in writing to Bridgewater's Corporate Counsel department, you represent that you accept employment with Bridgewater without any contractual restrictions, express or implied, with respect to any prior employers and/or positions that would preclude you from accepting this offer of employment or would in any way restrict you from performing your duties as a Bridgewater employee. You understand that this offer and your continued employment at Bridgewater are contingent on the accuracy of this representation.

Compliance with Policies and Procedures

You agree to be bound by and to comply fully with all Bridgewater policies and procedures for employees including, but not limited to, all terms and conditions set forth in the employee handbook, Code of Ethics and any other memoranda and communications applicable to you pertaining to policies, procedures, rules and regulations, as currently in effect and as may be created and/or amended from time to time.

Resignation/Termination with or without Cause

In the event that you resign (or have given notice of your resignation) or are terminated (or have been given notice of your termination), with or without cause, prior to Bridgewater's payment of any discretionary bonus, you will receive any salary which has been earned but unpaid up to the date of your resignation or termination. You will not be entitled to receive any discretionary bonus whatsoever, including any anticipated discretionary bonus payment referred to in this agreement (other than any discretionary bonus already paid to you as of the date of your resignation or termination).

Registration

Your position may require testing and/or registrations. All necessary testing and/or registrations requirements must begin within two (2) months of your being notified of such requirement and must be completed within a period that Bridgewater, in its sole discretion, determines.

Restrictive Covenants

The restrictive covenants applicable to you, which you agree to comply with fully and which you acknowledge will be strictly enforced by Bridgewater are set forth in Exhibit A attached hereto.

Confidentiality of Employment Agreement

You agree that the terms of your employment with Bridgewater are confidential. Accordingly, in consideration of your employment and/or continued employment, you also agree that beginning on the date you execute this agreement and continuing through two (2) years after the last date of your employment, you will not disclose the terms of this agreement to anyone except your immediate family, tax advisors and legal counsel, except as otherwise required by law or in a legal proceeding to enforce the terms of this agreement. If you receive a subpoena or request for disclosure of this agreement and/or the terms of this agreement, you agree to provide prompt written notice to the Director, Corporate

Counsel of Bridgewater prior to responding to such subpoena or request; you further agree to cooperate with Bridgewater in taking appropriate steps to maintain the confidentiality of terms of this agreement.

Notwithstanding the foregoing, you may disclose your compensation and the restrictive covenants and relevant provisions regarding your ongoing obligations to Bridgewater, including with respect to your obligations regarding Bridgewater's Confidential Information, proprietary information and trade secrets, to any prospective and future employers and/or positions.

Outside Services

During your employment with Bridgewater you agree to devote your full attention and time during business hours to the business and affairs of Bridgewater and use your best efforts to perform the responsibilities assigned to you faithfully and efficiently. You agree that you will not engage in any other business activities or render services of a business or commercial nature on your own behalf or on behalf of any other person, corporation or other entity, whether for compensation or otherwise, without Bridgewater's prior written approval. All approved outside business activities, if any, must be conducted subject to any procedures and restrictions relating thereto that may be established from time to time by Bridgewater.

Benefits

Details of your benefits, including your eligibility to be covered under Bridgewater's health insurance plan, subject to its exclusions and limitations, were provided to you on the commencement of your employment.

Time Off

You will be granted time off in accordance with Bridgewater's policies (as may be amended from time to time).

Confidential Information & Proprietary Information

You understand that during your employment, you will have access to confidential and proprietary information ("Confidential Information"). You may not, either during or at any time subsequent to your employment, without Bridgewater's prior written consent, use, divulge, disclose or otherwise make accessible to any other person or entity any Confidential Information, except (i) while employed by Bridgewater, in the business of and for the benefit of Bridgewater; and (ii) as otherwise required by law. In this connection, if you receive a subpoena or request for disclosure of Confidential Information, you agree to provide prompt written notice to the Director, Corporate Counsel of Bridgewater prior to responding to such subpoena or request; you further agree to cooperate with Bridgewater in taking appropriate steps to maintain the confidentiality of the Confidential Information.

For purposes of this agreement, "Confidential Information" means any non-public information (whether oral, written or contained on computer systems or other media) relating to the business or affairs of:

- 1) Bridgewater or its affiliates, or
- 2) any existing or former client of Bridgewater or its affiliates, or
- 3) any existing or former officer, director, employee or shareholder of Bridgewater, or
- 4) any consultants, vendors or such other third parties whose information Bridgewater has an obligation to protect

wherever and however obtained.

Such Confidential Information includes, but is not limited to, information concerning finances, strategic or financial plans, business plans, trade secrets, intellectual property and Developments (as defined below), methods, techniques, operations, investments, project information, marketing plans, future transactions, employee lists and employees' compensation and management's compensation. Confidential Information also includes the systemized investment decision-making process utilized by Bridgewater (including the use of economic statistics in buy-sell decisions and the use of leverage in the investment decision-making process), the process and/or techniques by which fundamental and technical data is utilized in investment decision-making rules, the multiple formulas on which Bridgewater's investment management systems are based (including information derived during the creation of those formulas, the insights which the formulas express, the weight afforded to the results of each of the formulas in the context of each system and the process by which the formulas and modifications thereto are developed), portfolio construction theories, information regarding Bridgewater's organizational structure (including the allocation of responsibilities and general construction of Bridgewater's departments, businesses, subsidiaries and the employees assigned to them), strategies and processes related to trade execution and broker/dealer management and information pertaining to Bridgewater's relationships with its clients, consultants and vendors (including the identity of, services provided and the compensation arrangements with such clients, consultants and vendors).

Confidential Information also includes information encompassed in materials, surveys, charts, drawings, designs, plans, proposals, reports, research, marketing and sales plans, costs, quotations, specification sheets and recording media. Confidential Information further includes information which relates directly or indirectly to the computer systems and computer technology of Bridgewater and its affiliates including, but not limited to, source codes, object codes, reports, flow charts, architecture diagrams, screens, algorithms, use manuals, installations and/or operation manuals, computer software, spreadsheets, data computations, formulas, techniques, databases and any other information related to computer networks, systems, applications or similar matters.

Your obligations with respect to Confidential Information will continue after your employment with Bridgewater, regardless of whether you resign or your employment is terminated, with or without cause. Upon your resignation or the termination of your employment for any reason, you will promptly deliver to Bridgewater all Confidential Information (in whatever form or media, including all drafts, originals and copies) that is in your possession, custody or control.

Furthermore, you acknowledge and agree that if you join a Competitive Business (as defined in Exhibit A hereto) subsequent to the cessation of your employment, any of Bridgewater's Confidential Information, proprietary information and intellectual property (including Developments) obtained by you during your employment would benefit you and be subject to the risk of inevitable disclosure in the course of any new position you may hold to the competitive disadvantage of Bridgewater.

You further understand that it is Bridgewater's policy not to use or accept any confidential information of third parties (including your former employers) without appropriate written authorization. You may not use or disclose to Bridgewater or any of its affiliates such confidential information of third parties without written authorization approved by Bridgewater.

You also may not, either during or at any time subsequent to your employment, disparage Bridgewater and/or its present or former affiliates, directors, officers, shareholders, employees or clients, whether directly or indirectly, in any manner whatsoever (whether related to the business of Bridgewater or otherwise), except as otherwise required by law. Senior members of the management of Bridgewater make the same commitment not to disparage its employees, except as otherwise required by law. Please note that business-related communications, including, but not limited to, statements about work performance, criticism of work performance or information related to cessation of employment, do not constitute disparaging statements and will not violate this provision. Please also note that, pursuant to applicable law, the filing of any legal action by Bridgewater or you does not constitute disparagement and will not violate this provision.

Intellectual Property

You agree that Bridgewater is the exclusive owner of all ideas, products, materials, discoveries, inventions, improvements, methods, processes, trade secrets, trademarks, branding, domain names, computer programs and code, research, original works of authorship, writings or other work product conceived, developed, used, authored or made by you that are within the scope of, or otherwise related to, the business of Bridgewater or its affiliates or are conceived, developed, used, authored or made on Bridgewater's time or with the use of Bridgewater's facilities, resources or materials (collectively, "Developments"). In addition, any copyrightable subject matter embodied in any Development will be considered a "work made for hire" within the meaning of the copyright laws of the United States of America (17 U.S.C. § 101 *et seq.*) with initial ownership of such subject matter vesting in Bridgewater. To the extent any Development is not entitled to protection as a "work made for hire," you will assign all right, title and interest, including all patent and other intellectual property rights, in and to such Development to Bridgewater. Whenever requested to do so by Bridgewater, you will execute any and all applications, assignments or other instruments that Bridgewater deems necessary to evidence the foregoing assignment or to apply for and obtain patents or trademark or copyright registrations in the United States or any foreign country or otherwise to protect Bridgewater's interest therein (without additional compensation to you). Furthermore, you hereby appoint each of Bridgewater's managers, acting severally, as your attorney-in-fact to execute such documents on your behalf. Such obligations will continue beyond the termination of your employment with Bridgewater with respect to Developments conceived, developed, used, authored or made by you during the term of your employment with Bridgewater.

You further agree and represent that, except as disclosed by you in writing prior to the commencement of your employment with Bridgewater, as of the date that you execute this agreement, you have no rights to any intellectual property previously made or acquired by you.

Injunctive Relief

You acknowledge that your breach of this agreement will result in material and substantial irreparable injury to Bridgewater for which there is no adequate remedy at law and that it will not be possible to measure damages for such injuries precisely. Accordingly, you agree that in the event of such breach or threat thereof, and without limiting the remedies available to Bridgewater (which will include money damages), Bridgewater will be entitled to obtain a temporary restraining order and/or a preliminary injunction restraining you from engaging in activities prohibited by this agreement, together with such other relief as may be required to enforce any of the provisions of this agreement.

Severability and Governing Law

It is the intent and understanding of each party hereto that if any term, restriction, covenant or promise (including any time periods contained in the restrictive covenants) is found to be unenforceable by a court or tribunal of competent jurisdiction, then such term, restriction, covenant or promise will be deemed modified to the minimal extent necessary to make it enforceable. If any provision of this agreement is declared void or unenforceable by a court or tribunal of competent jurisdiction, all other provisions will nonetheless remain in full force and effect. This agreement will be governed by, and construed and enforced in accordance with the laws of the State of Connecticut, without regard to its conflict of laws provisions.

Mediation and Arbitration

You agree that you will submit all claims that you may have against Bridgewater (including its past, present and future management in both their individual and official capacities) to non-binding mediation pursuant to the procedures described in Exhibit A. You agree to submit any claims not resolved by mediation to binding arbitration under the National Rules for the Resolution of Employment Disputes of the American Arbitration Association ("AAA"). The claims that you agree to submit include, without limitation, all employment-related matters (such as discrimination claims under federal, state or local law) and exclude claims for workers' compensation and unemployment benefits.

Bridgewater (including its past, present and future management in both their individual and official capacities) may submit any claims against you to binding arbitration as set forth above, or may instead elect to commence an action in a court of law. **IN THE LATTER EVENT, ALL PARTIES KNOWINGLY, VOLUNTARILY AND IRREVOCABLY WAIVE ALL RIGHT TO A TRIAL BY JURY IN SUCH AN ACTION.**

Either you or Bridgewater may initiate arbitration proceedings by filing a demand for arbitration at the New York office of the AAA. The arbitrator's fee and any fees and costs owed to the AAA will be divided equally between you and Bridgewater; you will be entirely responsible for your own attorneys' fees and disbursements. In the event that you allege a claim of discrimination, Bridgewater will, on your written request, advance directly to the arbitrator and/or the AAA your share of the arbitrator's fee (pending the arbitrator's determination and decision as to which party should pay such fee(s)). Furthermore, if you prevail on this claim of discrimination, the arbitrator may, in his or her discretion, make an award of reasonable attorneys' fees and disbursements incurred by you in connection with the arbitration. Likewise, if the arbitrator determines that you have acted in bad faith or have asserted claims that, if asserted in a lawsuit in federal court, would justify an award of sanctions under Rule 11 of the Federal Rules of Civil Procedure, the arbitrator may, in his or her discretion, make

an award of reasonable attorneys' fees and disbursements incurred by Bridgewater in connection with the arbitration. Except in the case of claims for discrimination, the arbitrator will have no authority to award punitive damages.

You and Bridgewater agree that all matters pertaining to the arbitration will be kept confidential including, but not limited to, the existence of the arbitration, any pleadings, briefs or other documents exchanged, any testimony or other oral submissions and/or any awards. Accordingly, you and Bridgewater agree that the foregoing will not be disclosed, except to your and Bridgewater's legal counsel, tax advisors or any other person necessary to the conduct of the arbitration, except that such information may be disclosed as required by law or by Bridgewater for legitimate business purposes.

Judgment on the award rendered by the arbitrator may be entered in any court having jurisdiction thereof and be enforced accordingly. You hereby irrevocably waive any objection to venue (including any objection based on inconvenient or improper forum) of any action or proceeding to enforce any arbitrator's award or any other matter related to such arbitration proceeding.

Waiver

The waiver by either party of a breach of any provision of this agreement will not be construed as a waiver of any subsequent breach. The failure of a party to insist on strict adherence to any provision of this agreement on one or more occasion(s) will not be considered a waiver or deprive that party of the right thereafter to insist on strict adherence to that provision or any other provision of this agreement.

Assignment

This agreement will be binding on and will inure to the benefit of you and your heirs, assigns, executors, administrators and other legal representatives and will be binding on and will inure to the benefit of Bridgewater and its successors and assigns, including, without limitation, any corporation or other entity into which Bridgewater is merged or which acquires all or substantially all of the assets of Bridgewater. Bridgewater reserves the right to assign this agreement to its successors and assigns.

Furthermore, you agree that your obligations under this agreement apply equally to any position that you may hold with any affiliate of Bridgewater, including any investment fund or limited partnership sponsored by Bridgewater.

Acknowledgment

You represent and warrant that you have read this agreement, have consulted with your own advisors (if you so chose) regarding the terms of this agreement and are fully aware of its content and legal effect.

Modification

With the exception of any trade secret or similar agreement signed by you during the course of your employment, this agreement (including Exhibit A) contains the entire understanding of the parties regarding the subject matter hereof and may be modified only in a document signed by the parties. You acknowledge that in executing this agreement you have not relied on any oral or written

representations or understandings other than those explicitly contained herein. This document supersedes any and all oral or written understandings regarding the terms of your employment with Bridgewater or any of its affiliates.

At Will Employment

Nothing in this agreement is intended to create a fixed term of employment at Bridgewater. Your employment at Bridgewater is on an at will basis, meaning that Bridgewater will be free to terminate your employment at any time, with or without cause, and with or without notice, and that you will be free to resign from your employment with Bridgewater at any time.

* * *

If you accept this offer, please sign and date this agreement in the space provided below and return a copy to Paula Ziskin, Human Resources, Bridgewater Associates, LP, One Glendinning Place, Westport, Connecticut 06880 by February 5, 2013. Should you have any questions or feel that you require more time to review the document, please contact your manager or Tom Sinchak, Director, Corporate Counsel, Bridgewater Associates.

Sincerely yours,

Bridgewater Associates, LP


Paula Ziskin
Senior Compensation Analyst

Accepted: 
Zachary Squire

Date: 4/16/2013

PLEASE READ THIS AGREEMENT AND ITS ATTACHMENTS CAREFULLY. NOTE THAT IT CONTAINS AN AGREEMENT TO ARBITRATE CLAIMS AND A WAIVER OF THE RIGHT TO A JURY TRIAL.

EXHIBIT A

1. (a) In consideration of 1) your continued employment, and 2) the one time payment provided herein, you agree that beginning on the date you execute this agreement and continuing for two (2) years after the last date of your employment with Bridgewater, you will not:

- (i) directly or indirectly engage in any business (whether as an employee, consultant, director, partner, member or shareholder) that is in competition with any business of Bridgewater (“Competitive Business”); and/or
- (ii) directly or indirectly solicit any business, or do any business that involves the managing or trading of assets, for or with any entity known by you to have been an investor or client of Bridgewater during the twelve (12) months prior to the termination of your employment. Such knowledge will be conclusively presumed in the event and to the extent that (a) you had personal involvement with or exposure to the investor or client, directly or indirectly, (b) you were provided access by virtue of your position to information that identified the entity or entities as a Bridgewater investor or client, or (c) the entity or entities had been publicly identified as a Bridgewater investor or client; and/or
- (iii) directly or indirectly engage in any role involving counterparty credit, trading or trading relations at any entity that (a) provided broker/dealer services to Bridgewater, or (b) any counterparty with which Bridgewater traded on behalf of its clients, in either case during the one (1) year prior to the term of your employment;
- (iv) directly or indirectly engage in any business (whether as an employee, consultant, director, partner, member or shareholder) that develops or markets, or is planning to develop or market software or other programs that are based on, use, or otherwise incorporate, in whole or in part (a) any investment, trading or portfolio construction process, methodology or strategy, or (b) the systematized investment decision-making process, that was used by Bridgewater (as to either (a) or (b)) during the term of your employment.
- (v) directly or indirectly seek to diminish the relationships between Bridgewater or its affiliates and any of their investors, or clients, or seek, directly or indirectly, to divert such relationships for your personal benefit or to such firm or other person or entity with whom you may then be employed or otherwise associated.

You further agree that beginning on the date you execute this agreement and continuing for one (1) year after the last date of your employment, you will not:

directly or indirectly solicit or induce or cause others to solicit or induce, any person who is employed or engaged by Bridgewater or its affiliates as an

employee, consultant, or independent contractor, or who was so employed or engaged by Bridgewater or its affiliates within six (6) months of your last date of employment, to terminate his or her employment or engagement with Bridgewater or its affiliates or, in the case of an employee, to accept employment with any entity other than Bridgewater or its affiliates.

The foregoing restrictive covenants will apply in full force and effect regardless of whether you resign or are terminated with or without cause.

(b) For purposes of this agreement, "Competitive Business" means:

- (i) any business, profession, or other endeavor that uses or is planning to use or is developing or planning to develop any investment or trading strategy (or any substantially similar investment strategies) that was used, developed, or investigated by Bridgewater during your employment, including, but not limited to, the global macro fundamental approach; and
- (ii) any firm that is a Bridgewater investor or client as of the last date of your employment or who had been an investor or client within the twelve (12) months prior thereto, regardless of whether you serviced or had contact with them while employed by Bridgewater, to the extent that such investor or client engages, as a material part of its business, in the actual management of assets.

"Competitive Business" does not include any business, profession, or other endeavor that engages in multiple businesses, including an asset management business, provided that you do not engage in any business, work or otherwise provide services for the asset management business or any other business that is in competition with Bridgewater or otherwise provide research services to the asset management business or any other business that is in competition with Bridgewater.

(c) You agree that the foregoing terms, conditions, and restrictions are fair and reasonable, are reasonably required for the protection of Bridgewater and that if your employment with Bridgewater were to terminate, such restrictions would not preclude you from securing suitable employment commensurate with your skills and abilities. You also understand, acknowledge, and agree that Bridgewater will not have an adequate remedy at law for a violation of the provisions hereof, and that Bridgewater shall have the right to have such provisions enforced by way of temporary restraining order or injunction against any breach or threatened breach of such terms, conditions and restrictions, or any other equitable relief, in addition to and not in lieu of any other rights Bridgewater may have at law or otherwise under this Agreement.

(d) Any action for a temporary restraining order, injunction, or other equitable relief brought to enforce the terms hereof may be brought only in the courts of the State of Connecticut, County of Fairfield, or in the United States District Court for the District of

Connecticut. By your execution and delivery of this Agreement, you submit to the exclusive jurisdiction of the above-referenced courts, waive any objection to such jurisdiction on the grounds of venue or forum non conveniens or any similar grounds, consent to service of process by mail or in any other manner permitted by law, and irrevocably agree to be bound by any judgment rendered thereby in connection with this Agreement. This consent to jurisdiction shall not be deemed to confer rights on any person other than Bridgewater.

Notwithstanding anything to the contrary herein, if Bridgewater seeks to enjoin your alleged violation of any restriction in this Agreement, you agree that Bridgewater may bring the action in any court or before any judicial body having jurisdiction over such a claim.

(e) You understand and agree that in the event your employment with Bridgewater is terminated, whether by Bridgewater or by you, and regardless of the reason, the restrictions contained herein, as well as all other applicable terms, conditions, and provisions of this Agreement, shall survive.

(f) In the event you violate any of the terms of this agreement you agree to indemnify, hold harmless and reimburse Bridgewater for any and all losses, costs, fees (including, without limitation, reasonable attorneys' fees), expenses, disbursements, and damages of Bridgewater in connection with the enforcement hereof. For purposes of clarification, your participation in the process outlined in Section 3 below would not obligate you to pay Bridgewater's legal fees or other expenses. Rather such obligation would apply only in the event you accepted a position and had actually begun performing services or activities that a court or other competent authority determined to be in violation of the restrictions contained herein.

(g) In the event that any part of this Agreement is deemed invalid, illegal, or incapable of being enforced as a result of any law or public policy, all other terms, conditions, and provisions of this Agreement shall nevertheless remain in full force and effect.

2. Upon the termination of your employment you shall be required to provide a mailing and email address at which you can be contacted during the period that the non-compete restrictions contained herein remain in effect. During that time, Bridgewater may request on not more than a quarterly basis that you certify, in writing, your current employment status including the name and address of any employer and a brief description of your duties. A failure to provide such certification within seven (7) days shall result in a presumption by Bridgewater that you are in violation of your non-compete agreement and may result in further investigation. Such investigation may include contacting your last known place of employment to determine whether you are still employed there or such other measures as Bridgewater shall deem appropriate.

3. For the purpose of expeditiously, economically and in good faith resolving any potential dispute you may have that relates in any way to Bridgewater or your

employment with Bridgewater, including, but not limited to any potential dispute as to whether a proposed new employer, position, profession, endeavor or business is a Competitive Business within the meaning of this agreement and thereby avoiding violations of the foregoing provisions, you and Bridgewater agree to the following procedures:

A. Mediation of Disputes with Respect to Prospective New Employment

Prior to accepting any new employment or a new position, or engaging in any new business, you will inform the President of Bridgewater in writing (with a copy to the Corporate Counsel of Bridgewater) of the name, address and nature of the prospective employer, position or business, as well as the duties you are expected to perform.

Within a reasonable period of time thereafter, Bridgewater will notify you in writing as to whether it objects to the proposed employment, position or new business. Bridgewater recognizes its obligation to respond to you in a timely manner. Therefore, if a court or other tribunal of competent jurisdiction determines that Bridgewater unreasonably delayed in responding or failed to respond to you, and further that such delay or failure resulted in the revocation of a bona fide offer of employment or position that did not constitute a Competitive Business or was not otherwise prohibited by the terms of this Exhibit or your Employment Agreement, Bridgewater will pay you an amount equal to six (6) months of your last base salary at Bridgewater (less applicable deductions and withholdings). Please note that Bridgewater will not be obligated to pay you any other amounts or damages.

If Bridgewater determines that the prospective employment, position or business endeavor is not a Competitive Business and is not otherwise prohibited by the terms of this Exhibit or your Employment Agreement, or if both you and your proposed employer agree in writing to any conditions specified by Bridgewater, you may accept the prospective employment or position or engage in the prospective business endeavor, subject to such conditions and any restrictions and obligations regarding Confidential Information, proprietary information, trade secrets and related matters set forth herein or in any other Bridgewater policy to which you are subject. Please note that Bridgewater reserves the right to reverse its determination if the nature of the prospective employer, position or business endeavor or your duties change in any material respect within the two (2) year period from your last date of employment.

If Bridgewater determines that the prospective employment, position or business endeavor is a Competitive Business, and/or is otherwise prohibited by the terms of this Exhibit or your Employment Agreement, and/or if you and/or your new employer are unwilling to accept conditions proposed by Bridgewater with respect to the new employment, then within seven (7) business days after receiving the notification, you must:

- inform the President of Bridgewater in writing of your decision not to accept the prospective employment or position or not to engage in the prospective business endeavor; or
- meet at Bridgewater Headquarters, currently located at One Glendinning Place, Westport, Connecticut to discuss the reasons that you believe that the prospective employment, position or business is not a Competitive Business and is not otherwise prohibited by the terms of this Exhibit or your Employment Agreement, or that you and/or your new employer will not accept the conditions proposed by Bridgewater; and

If, after the meeting described in subsection (iv) above, the matter still has not been resolved, the parties agree to submit the matter to non-binding mediation before one (1) mediator at JAMS, 620 Eighth Avenue, 34th Floor, New York, NY 10018. You and Bridgewater will attempt to agree on a mediator but, if the parties cannot agree, within seven (7) days of JAMS providing a list of mediators, Bridgewater will make the final decision. Once a mediator is selected, Bridgewater will send a written notice to JAMS and/or the mediator, requesting that the mediation be scheduled as promptly as possible. Bridgewater will be responsible for paying JAMS costs (including the mediator's fee), but you will be responsible for your own attorneys' fees and any expenses incurred by you.

You must participate in the foregoing procedure before commencing an arbitration with respect to any claim you may have that relates to whether your new employment is with a Competitive Business or is otherwise prohibited by the terms of this Exhibit or your Employment Agreement.

If you refuse to participate in the foregoing procedure and either Bridgewater or you subsequently commence an arbitration or legal proceeding, you agree that your refusal to participate will be deemed prima facie evidence that the prospective or new employment, position or business endeavor is a Competitive Business or is otherwise prohibited by the terms of this Exhibit or your Employment Agreement. Moreover, nothing herein is intended to limit or otherwise restrict Bridgewater from enforcing its rights under this agreement at the conclusion of the procedure described above (or at any time if you engage in or Bridgewater reasonably believes that you will engage in a Competitive Business, or commence work in a position that is otherwise prohibited by the terms of this Exhibit or your Employment Agreement, prior thereto).

B. Mediation of Other Disputes

(i) You agree that prior to asserting any other claim against Bridgewater (including its past, present and future management in both their individual and official capacities), you will provide a written statement setting forth the details of your claim to the President of Bridgewater (with a copy to the Corporate Counsel of Bridgewater).

(ii) Within 30 days of your submission of the written statement, you agree to meet with an employee or employees of Bridgewater at a mutually convenient time at Bridgewater Headquarters, currently located at One Glendinning Place, Westport, Connecticut, in an effort to resolve your claim.

(iii) If a resolution of your claims has not been agreed to after the meeting described in subsection (ii) above, the parties agree to submit the matter to non-binding mediation before one (1) mediator at JAMS using the procedures specified in Section 3(A)(v) above.

Exhibit D

TEKMERION CAPITAL MANAGEMENT

NEXT GENERATION MACRO INVESTING: FUNDAMENTAL MACRO PLUS AN ANALYTICAL EDGE

Q1 2017

Disclaimer

THIS PRESENTATION IS NOT AN ADVERTISEMENT, OFFER TO SELL, OR A SOLICITATION OF ANY OFFER TO PURCHASE, ANY SECURITIES, ADVISORY SERVICES, INVESTMENTS OR INTERESTS IN TEKMERION CAPITAL FUND, LLC (THE "FUND"), ITS MANAGING MEMBER, OR TEKMERION CAPITAL MANAGEMENT, L. P. (THE "INVESTMENT MANAGER"). THE CONTENTS OF THIS PRESENTATION SHOULD NOT BE CONSIDERED TO BE LEGAL OR TAX ADVICE, OR AN INVESTMENT RECOMMENDATION.

THIS PRESENTATION IS SUBJECT TO A MORE COMPLETE DESCRIPTION AND DOES NOT CONTAIN ALL INFORMATION NECESSARY TO MAKE AN INVESTMENT DECISION; RATHER, ANY OFFERING IS MADE ONLY PURSUANT TO THE RELEVANT PRIVATE PLACEMENT MEMORANDUM, OPERATING AGREEMENTS, AND SUBSCRIPTION DOCUMENTS, ALL OF WHICH MUST BE READ IN THEIR ENTIRETY. OFFERINGS OF THE FUND ARE MADE ONLY TO QUALIFIED ELIGIBLE PERSONS AS DEFINED UNDER CFTC REGULATION 4.7(A).

THIS PRESENTATION IS CONFIDENTIAL, PRIVATE AND NOT INTENDED FOR PUBLIC DISTRIBUTION. IT IS INTENDED SOLELY FOR THE USE OF THE PERSON OR ENTITY TO WHOM IT WAS DELIVERED AND SHALL NOT BE REPRODUCED OR DISTRIBUTED TO ANY OTHER PERSONS OR ENTITIES WITHOUT THE EXPRESS WRITTEN CONSENT OF THE FUND OR ITS INVESTMENT MANAGER.

CERTAIN INFORMATION IN THIS PRESENTATION CONSTITUTES "FORWARD-LOOKING STATEMENTS," WHICH CAN BE IDENTIFIED BY THE USE OF FORWARD-LOOKING TERMINOLOGY SUCH AS "MAY," "WILL," "SHOULD," "EXPECT," "ANTICIPATE," "TARGET," "PROJECT," "ESTIMATE," "CONTINUE" OR "BELIEVE," OR THE NEGATIVES THEREOF OR OTHER VARIATIONS THEREON OR COMPARABLE TERMINOLOGY. DUE TO VARIOUS RISKS AND UNCERTAINTIES, ACTUAL EVENTS OR RESULTS OR THE ACTUAL PERFORMANCE OF ANY INVESTMENT MADE BY THE FUND MAY DIFFER MATERIALLY FROM THOSE REFLECTED OR CONTEMPLATED IN SUCH FORWARD-LOOKING STATEMENTS.

TEKMERION CAPITAL MANAGEMENT HAS HAD LITTLE OR NO EXPERIENCE IN TRADING ACTUAL ACCOUNTS FOR ITSELF OR FOR CUSTOMERS. BECAUSE THERE ARE NO ACTUAL TRADING RESULTS TO COMPARE TO THE HYPOTHETICAL PERFORMANCE RESULTS, CUSTOMERS SHOULD BE PARTICULARLY WARY OF PLACING UNDUE RELIANCE ON THESE HYPOTHETICAL PERFORMANCE RESULTS.

HYPOTHETICAL PERFORMANCE RESULTS HAVE MANY INHERENT LIMITATIONS, SOME OF WHICH ARE DESCRIBED BELOW. NO REPRESENTATION IS BEING MADE THAT ANY ACCOUNT WILL OR IS LIKELY TO ACHIEVE PROFITS OR LOSSES SIMILAR TO THOSE SHOWN. IN FACT, THERE ARE FREQUENTLY SHARP DIFFERENCES BETWEEN HYPOTHETICAL PERFORMANCE RESULTS AND THE ACTUAL RESULTS SUBSEQUENTLY ACHIEVED BY ANY PARTICULAR TRADING PROGRAM.

ONE OF THE LIMITATIONS OF HYPOTHETICAL PERFORMANCE RESULTS IS THAT THEY ARE GENERALLY PREPARED WITH THE BENEFIT OF HINDSIGHT. IN ADDITION, HYPOTHETICAL TRADING DOES NOT INVOLVE FINANCIAL RISK, AND NO HYPOTHETICAL TRADING RECORD CAN COMPLETELY ACCOUNT FOR THE IMPACT OF FINANCIAL RISK IN ACTUAL TRADING. FOR EXAMPLE, THE ABILITY TO WITHSTAND LOSSES OR TO ADHERE TO A PARTICULAR TRADING PROGRAM IN SPITE OF TRADING LOSSES ARE MATERIAL POINTS WHICH CAN ALSO ADVERSELY AFFECT ACTUAL TRADING RESULTS. THERE ARE NUMEROUS OTHER FACTORS RELATED TO THE MARKETS IN GENERAL OR TO THE IMPLEMENTATION OF ANY SPECIFIC TRADING PROGRAM WHICH CANNOT BE FULLY ACCOUNTED FOR IN THE PREPARATION OF HYPOTHETICAL PERFORMANCE RESULTS AND ALL OF WHICH CAN ADVERSELY AFFECT ACTUAL TRADING RESULTS.

Note: The source for all charts, figures, graphs, tables, and other visualizations contained in this document is Bloomberg data and Tekmerion estimates.

This presentation is the property of Tekmerion Capital Management, L.P. and its affiliates. It is legally privileged and confidential and is intended only for the use of the immediate recipient/addressee. No one should print, copy, forward or otherwise reproduce this document in any manner that would allow it to be viewed by any individual other than the original recipient. If the reader of these materials is not the intended recipient, you are hereby notified that any unauthorized disclosure, dissemination, distribution, copying or the taking of any action in reliance on the information herein is strictly prohibited. If you have received this document in error, please immediately notify Tekmerion Capital Management, L. P. and permanently destroy this copy. Thank you.

Table of Contents

Executive Summary.....	4	Appendix III: Additional Strategy Details	
Who We Are: The Next Generation of Macro Traders.....	5	Who We Are: Expanded Skillsets and Experience.....	39
What We Do: Fundamental Macro Plus an Analytical Edge.....	6	Macro Plus: Fundamental Meets Systematic.....	40
How We Do It: Vision, Leadership, and Execution.....	7	Macro Plus vs Quant.....	41
How We Do It Differently: Our Edge.....	8	Backtesting Gross Daily Returns through Crisis Scenarios (I).....	42
Edge: Identifying The Enduring Drivers of Asset Prices.....	9	Backtesting Gross Daily Returns through Crisis Scenarios (II).....	43
Edge: Accurately Evaluating Macro Drivers in Real Time.....	10	Backtesting Gross Daily Returns through Crisis Scenarios (III).....	44
Edge: Budgeting Risk Intelligently.....	11	Individual Market Historical Trading Examples (I).....	45
How We’ve Done: Historical Simulation (I).....	12	Individual Market Return Examples (I).....	46
How We’ve Done: Historical Simulation (II).....	13	Individual Market Historical Trading Examples (II).....	47
Tekmerion in Your Diversified Portfolio.....	14	Individual Market Return Examples (II).....	48
Why Tekmerion: Macro Plus.....	15	Backtesting Methodology.....	49
Why Tekmerion: Why Now.....	16	Backtesting Robustness: Tekmerion vs Quant.....	50
Tekmerion Values.....	17	Appendix IV: Operations	
Service Providers.....	18	Operational Risk Management.....	52
Fund Terms.....	19	Operational Risk Management (cont.).....	53
Appendix I: Strategy Characteristics			
Trading Characteristics.....	21		
Tekmerion vs Investment Alternatives at Equalized Volatility.....	22		
Tekmerion vs CS Macro HF Index at Equalized Volatility.....	23		
Tekmerion in Recessions.....	24		
Tekmerion in Rising Rates.....	25		
Operational Characteristics.....	26		
Appendix II: Investment Process Overview			
Investment Philosophy.....	28		
Investment Process (IP).....	29		
Investment Process: Step-by-Step Example.....	30		
IP Steps 1 & 2: Fundamental Logic & Raw Data.....	31		
IP Step 3: Indicators.....	32		
IP Step 4: Positions.....	33		
IP Meets Edge: US Treasuries Example.....	34		
Portfolio Construction: Risk Guidelines.....	35		
Portfolio Construction/Risk Control Process.....	36		
Risk Control Process Output.....	37		

Executive Summary

We founded Tekmerion to trade how we want our money managed, using a proprietary strategy we developed after having honed our skills at some of the world's leading investment managers.

Investment Philosophy

We trade macro based on **the intuitive, fundamental understanding** of a discretionary trader. But we back up that understanding with **rigorous analysis** to test those ideas and hone in on the ones that truly work, consistently and reliably, across multiple markets in any economic environment.

Investment Process

Our approach allows us to construct a **rigorous, repeatable** investment process differentiated by three distinct edges:

- **Deeper fundamental understanding:** We identify consistent, underlying drivers whose behavior is robust across countries and economic regimes.
- **Real-time measurement of macro drivers:** We measure critical economic drivers faster and more accurately than the market using a unique skill-set honed at leading firms.
- **Proprietary risk management:** We identify risk factors as macroeconomic outcomes rather than market betas in order to avoid the trap of unstable correlations.

In historical back-testing, our strategy delivers **superior risk-adjusted returns uncorrelated to major markets**.*

Team

Our team is a deeply cohesive unit bound together through decades of personal relationships that has brought our business platform and investment strategy to fruition by relentlessly executing on our business strategy through a combination of loyalty, integrity, and perseverance.

Opportunity

As many traditional macro managers stumble, we believe the opportunity set for our strategy has never been better. Heightened uncertainty at a time of critical macroeconomic inflections presents a compelling opportunity set.

*For a comparison of Tekmerion returns with major asset futures, please see page 14.

Who We Are: The Next Generation of Macro Traders

We combine the **fundamental insights** of a **traditional discretionary macro trader** with the **analytical rigor** of a **systematic investment manager** to trade in the world's deepest, most liquid markets.

- Successful experience across multiple aspects of the investment process at top-tier buy-side firms
- Proven track record of professional and academic accomplishment
- High-integrity team with decades-long relationships and overlapping personal and professional ties
- Backed by Mike Novogratz, former GS partner, co-founder and head of Macro at Fortress Investments*

Zachary Squire, Chief Investment Officer

- EM multi-asset trader at HBK, a +\$10B top-tier multistrat
- Head of Trading Strategy for FX, the largest asset class at Bridgewater Associates; recruited directly onto the "Ray team," which supported CIO Ray Dalio's investment strategy research
- Investment professional at D.E. Shaw; reporting directly to the CRO, created new firmwide risk exposure framework across 27 liquid and illiquid trading strategies
- Valedictorian of Princeton University (major: Latin and Ancient Greek)

Reed Morrissey, Chief Executive Officer

- Founding partner & managing member of Tekmerion Capital entities and affiliates
- Investment professional and first hire at Resource Capital spin-out fund specializing in rates/structured credit with +800% returns
- Fulbright Scholar and White House Fellow finalist, graduate of Georgetown University

Lawrence Minicone, Head of Research

- PM at Castleton Commodities with successful cross-asset proprietary trading portfolio
- Investment professional and at Bridgewater Associates, responsible for constructing real-time macroeconomic indicators and authoring regular Daily Observations.
- Graduate of Haverford College

*Note: Mr. Novogratz's involvement is no guarantee of future performance and may not be representative of the experience of other investors

What We Do: Fundamental Macro Plus an Analytical Edge

We trade macro based on **the intuitive, fundamental understanding** of a discretionary trader. But we back up that understanding with **rigorous analysis** to test those ideas and hone in on the ones that truly work, consistently and reliably, across multiple markets in any economic environment.

Fundamental Understanding:

- All our strategies proceed from a fundamental understanding of the macroeconomic drivers of assets
- We identify intuitive drivers similar to those used by traditional discretionary macro traders
- Our idea generation is based on cause-effect relationships, not the data mining of quant managers

Analytical Rigor:

- We test our fundamental views across countries and asset classes using hard, quantifiable data over time horizons encompassing multiple economic environments
- We can apply our fundamental views consistently and repeatably across assets using a broad suite of real-time analytical tools based on our deep research

Macro Markets:

- We trade some of the deepest and most liquid markets in the world
- Our strategies do not rely on one-off trades, or assets or markets that have historically dried up or disappeared
- Our repeatable strategies are scalable to tens of billions in AUM

How We Do It: Vision, Leadership, & Execution

Our story is defined by the ability to see the big picture, lead by example, and persevere to execute our plan methodically, step by step, and deliver as promised.

Vision:

- Recognize latent opportunity in our unique skill-sets at an early career stage
- Identify an unmet market need for a better way of trading macro
- Visualize the long-term business trajectory of a highly scalable strategy in large, liquid markets

Leadership:

- Assemble a high-integrity team with deep relationships
- Sacrifice to establish business platform and trading strategy under onerous constraints
- Position ourselves to capitalize on the opportunity presented by the passing of the torch from old guard macro traders

Execution:

- Follow-through on vision through extended cooperation across continents
- Achieve methodical and systematic delivery of key operational and investment objectives
- Enlist top-tier service providers across the operational spectrum
- Secure seed funding from family office of Michael Novogratz

How We Do It Differently: Our Edge

Macro investing requires three essential skills, and we are differentiated from other macro managers in our approach to all three elements:

1) Identifying the enduring drivers of asset prices:

- Our experience at some of the world's leading investment managers has equipped us with the training and experience to distinguish true fundamental drivers from short-term noise
- We use hard data to verify our fundamental understanding across markets and economic environments to approve or disapprove our hypotheses from which we aim to profit
- Our research process allows us to codify our understanding into a robust, repeatable trading strategy

2) Accurately evaluating those drivers in real time:

- We construct real-time measures of macro indicators that lead the headline stats in order to position ourselves before the markets move

3) Budgeting risk intelligently:

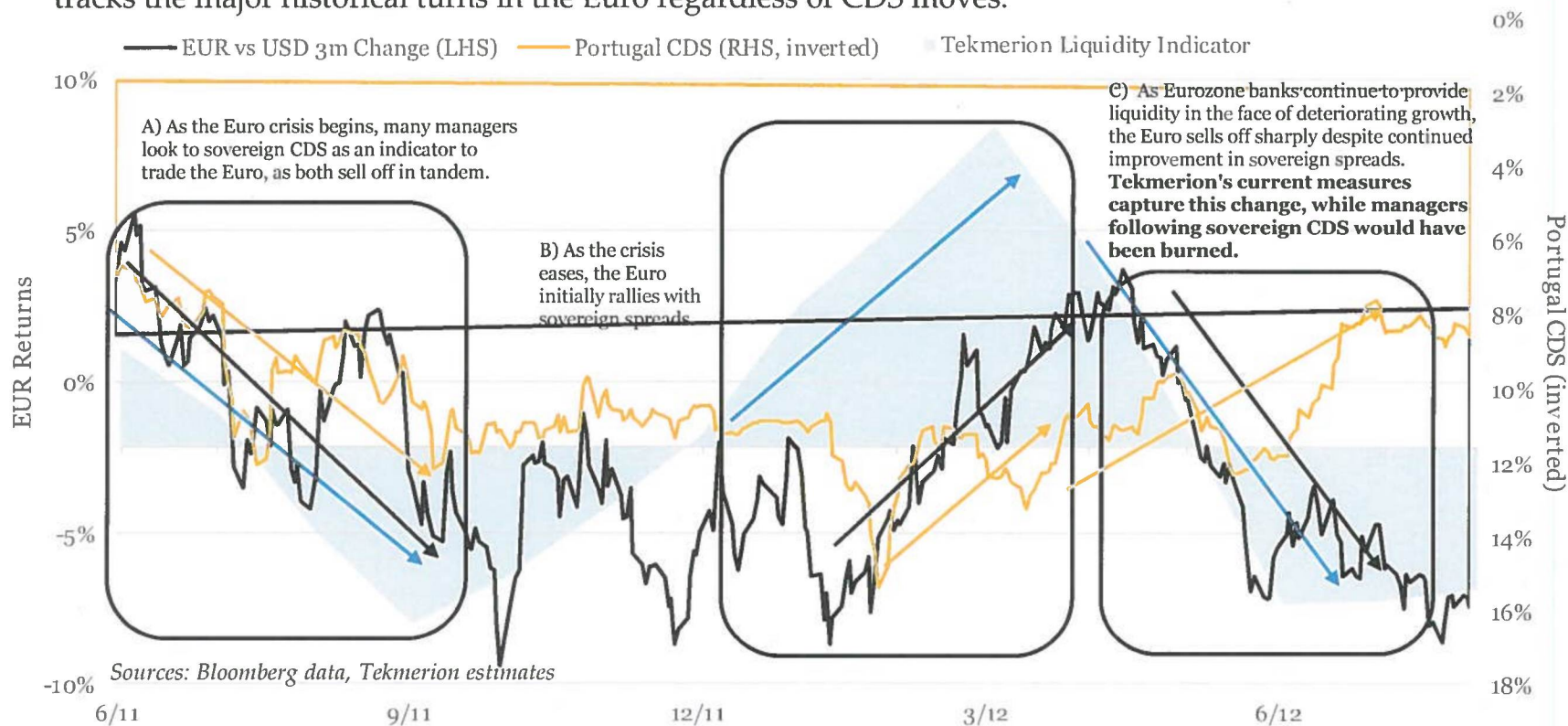
- We assign appropriate conviction to our trades and budget risk accordingly based on long histories of the strength of the drivers we have identified
- We measure and manage risk as exposure to economic fundamentals (e.g. growth, inflation, monetary policy) rather than market betas in a traditional covariance matrix

Edge: Identifying the Enduring Drivers of Asset Prices

Identifying true fundamental drivers of macro assets rather than short-lived correlations differentiates us as macro managers.

Below we show an example of one of our current indicators in the Euro over the period of its crisis.

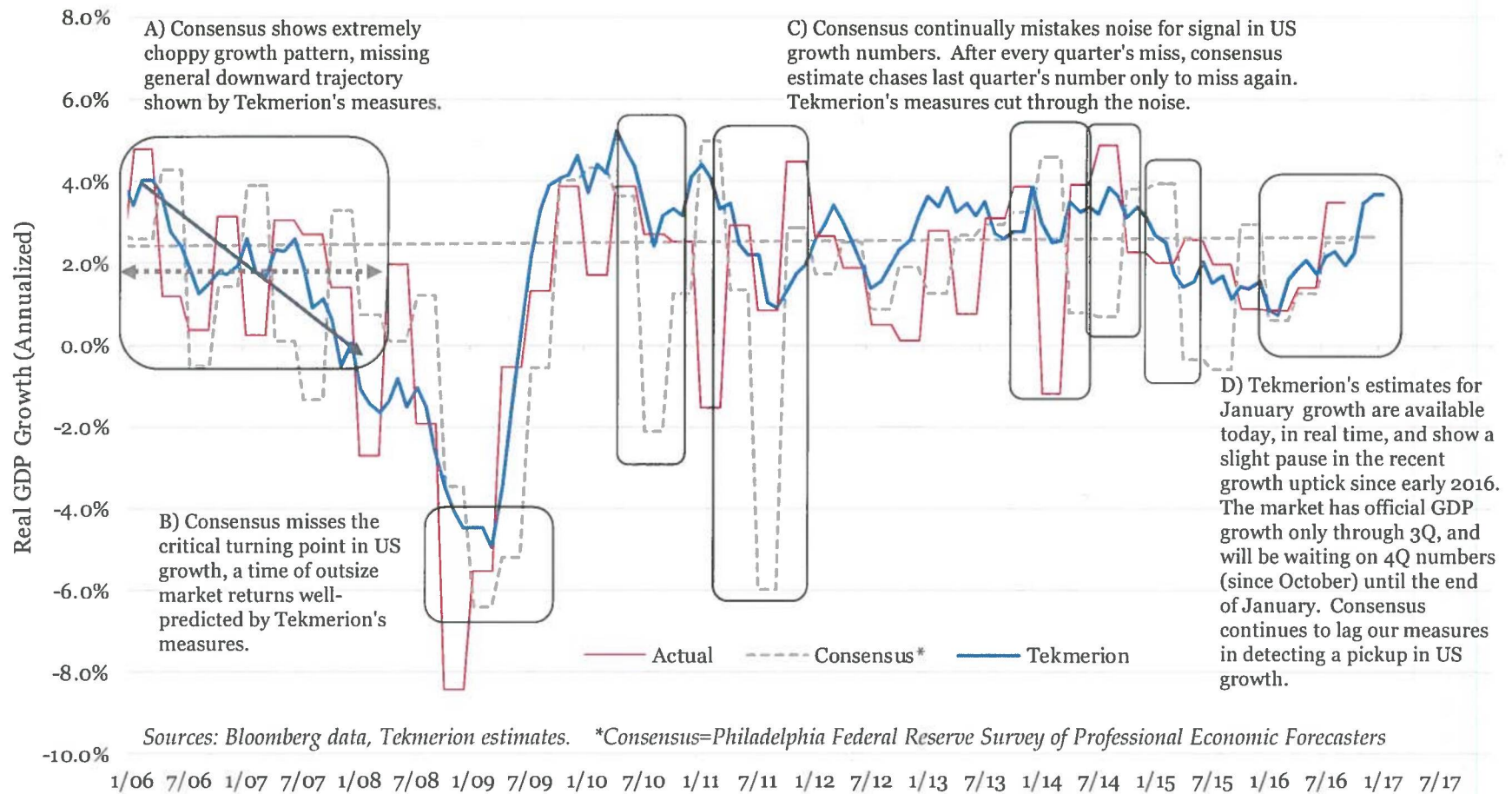
- While many managers looked to sovereign CDS to trade the Euro based on a couple of correlated moves, its relationship with the currency ultimately proved fleeting.
- In contrast, Tekmerion's current proprietary measurement of domestic liquidity conditions—a key FX driver—tracks the major historical turns in the Euro regardless of CDS moves.



Edge: Accurately Evaluating Macro Drivers in Real Time

Understanding the correct macro drivers for each asset is a starting point, but to beat the market you need to measure those drivers accurately and in real time, before the headline statistics are published.

Below we show the example of Tekmerion's measure of US growth to illustrate our edge over consensus.

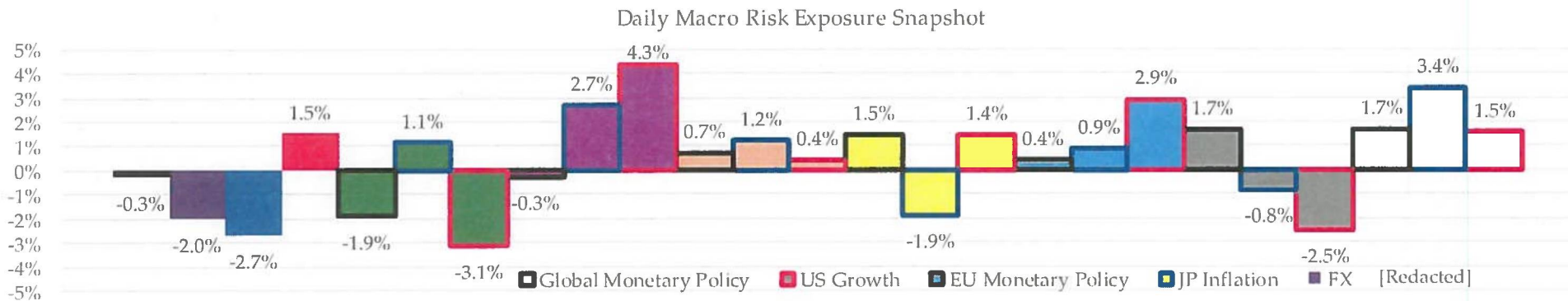


Edge: Budgeting Risk Intelligently

Traditional risk management measures risk as betas to market exposures, and is therefore vulnerable to rapidly shifting correlations and volatility levels. While such shifts occur frequently, they nevertheless catch some managers off guard.

Our proprietary risk management approach measures risk as cross-asset exposures to underlying fundamental macro drivers, and manages exposures to these enduring drivers.

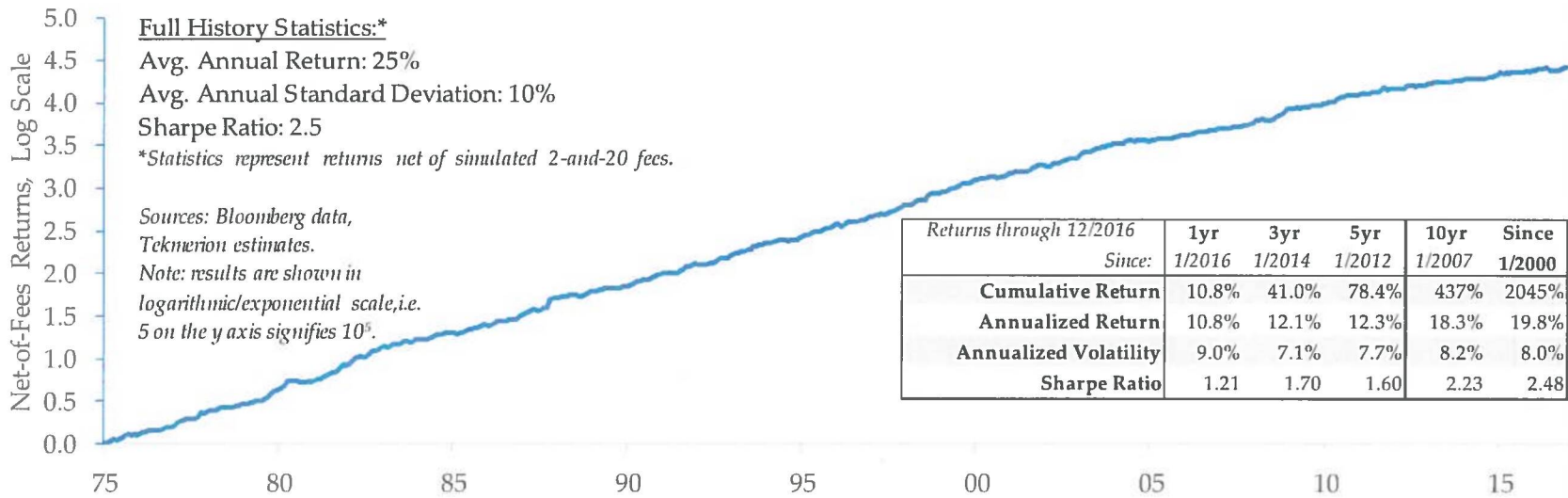
Traditional Risk Management	Macro Plus: Tekmerion Risk Management
<ul style="list-style-type: none"> Defines risk factors as market betas 	<ul style="list-style-type: none"> Defines risk factors as exposures to macroeconomic outcomes
<ul style="list-style-type: none"> Requires fixed assumptions about fundamentally unstable correlations between assets 	<ul style="list-style-type: none"> Relies on stable, enduring, cause-effect relationships between fundamental macro drivers and the assets they affect
<ul style="list-style-type: none"> Uses short-sighted backward-looking volatility measures to quantify asset-level risk 	<ul style="list-style-type: none"> Uses long histories of asset behavior to quantify asset-level risk
<ul style="list-style-type: none"> Vulnerable to “regime shift” 	<ul style="list-style-type: none"> Robust to “regime shift”



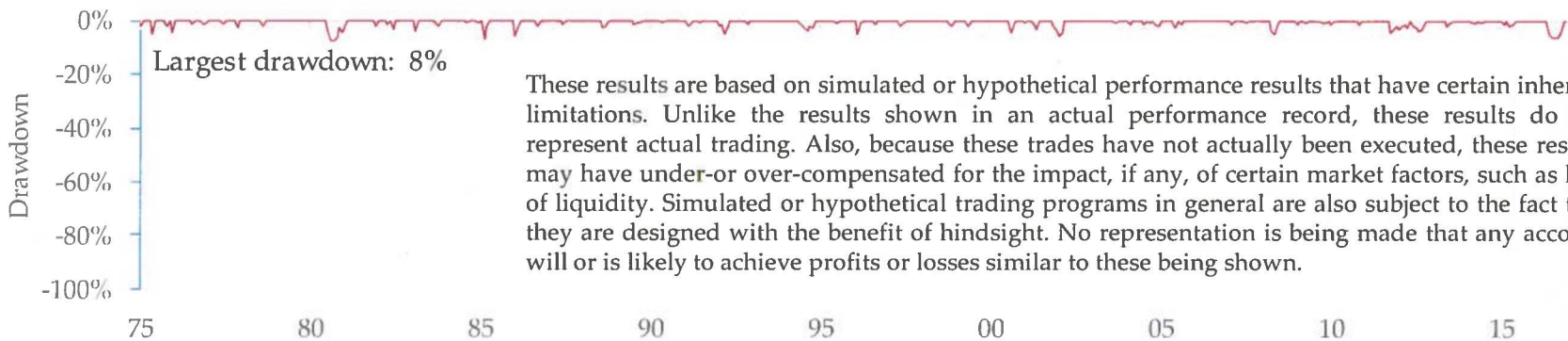
How We've Done: Historical Simulation (I)

Our fundamental analytic macro strategy consistently produces superior risk-adjusted returns over decades of simulated back history.

Tekmerion Simulated Returns: 1/1975-12/2016



Tekmerion Historical Drawdown



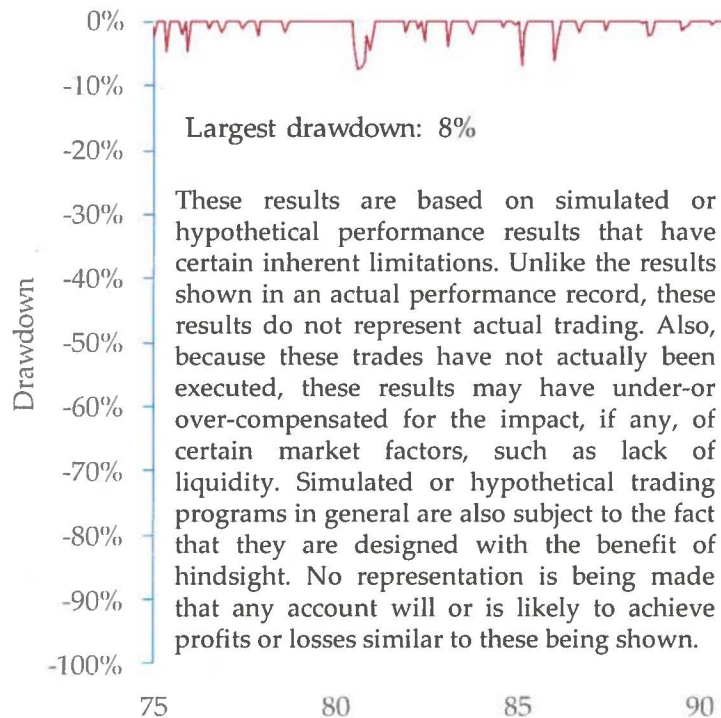
How We've Done: Historical Simulation (II)

Using decades of hard data, we have enough history to understand the true sweet spots in each of our strategies.

Our understanding allows us to manage risk in a way which maintains a high winning percentage (61% of simulated trades).

More importantly, we consistently avoid large losses in our simulated trading. In only 6% of trades do we get it wrong on a large market move. This, combined with the diversification that comes from trading multiple asset classes across global markets, enables us to control drawdowns and avoid permanent impairment of capital.

Tekmerion Historical Drawdown



Trade Result				Win:Loss Ratio	
Market move against us		Market move in our favor		Total	Large Market Moves
Large	Moderate	Moderate	Large		
6%	33%	49%	12%	1.6 : 1	2.0 : 1

Sources: Bloomberg data, Tekmerion estimates

Tekmerion in Your Diversified Portfolio

Tekmerion is designed to deliver consistent attractive returns with controlled drawdown risk and minimal correlation to major assets.

	Tekmerion	US 10Yr Futures	S&P 500 Futures	WTI Futures
Ann. Return	25%	6%	4%	2%
Ann. Volatility	10%	10%	10%	10%
Sharpe Ratio	2.5	0.6	0.4	0.2
Worst Draw down	-8%	-21%	-43%	-44%
Correlation to Tekmerion	-	29%	-25%	-1%

Note: this table displays the volatility-normalized (10% vol) returns of the relevant assets since 1983, the inception of the WTI futures contract. Tekmerion returns are presented net of simulated 2-and-20 fees. Sources: Bloomberg data, Tekmerion estimates.

Unlike many other alternative investments, Tekmerion's strategy focuses exclusively on deep, liquid markets that have remained transactable through periods of market turmoil

- Strategy does not, based on historical simulation, become illiquid or barred from exit when financial conditions are stressed
- Strategy is diversified across assets and biased neither long nor short over time

Based on historical simulation, an allocation to Tekmerion has the potential to **diversify a traditional portfolio** with a return stream offering:

- **attractive, consistent performance,**
- **low or negative correlation,**
- **consistent liquidity,**
- **and manageable levels of risk**

These results are based on simulated or hypothetical performance results that have certain inherent limitations. Unlike the results shown in an actual performance record, these results do not represent actual trading. Also, because these trades have not actually been executed, these results may have under- or over-compensated for the impact, if any, of certain market factors, such as lack of liquidity. Simulated or hypothetical trading programs in general are also subject to the fact that they are designed with the benefit of hindsight. No representation is being made that any account will or is likely to achieve profits or losses similar to these being shown.

Why Tekmerion: Macro Plus

We founded Tekmerion to trade how we want our money managed, using a proprietary strategy we developed after having honed our skills at some of the world's leading investment managers.

Summary

- Managers with experience from top-tier buy-side firms with exceptional professional and academic achievement
- Fundamental understanding of a traditional discretionary macro trader married with analytical rigor of a systematic investment manager
- Differentiated understanding of deep fundamental macro drivers
- Real-time measurement of macro drivers to catch the turns before the market
- Risk management strategy relying on robust fundamental relationships, not ephemeral correlations
- Rigorous investment process is repeatable, auditable, and transparent
- Superior simulated risk-adjusted returns uncorrelated to major asset classes*
- Highly liquid and scalable strategy

*For a comparison of Tekmerion returns with major asset futures, please see page 14.

Why Tekmerion: Why Now

As traditional macro trading is questioned,* the opportunity set for our strategy has never been better:

Heightened Uncertainty:

- Unpredictable economic outlook
- Increased volatility
- Low investor conviction

Plus

Macro inflection points:

- Developed world monetary policy
- Commodities super-cycle
- Asian growth model

Equals

Compelling Opportunity:

- Rely with confidence on persistent underlying fundamental drivers
- Measure changes in important drivers before competition
- Maintain conviction in off-consensus bets

→ Our approach, **grounded in well-tested frameworks and hard data**, positions us to monetize this exceptional opportunity with a **rigorous and repeatable strategy**.

*"Is Discretionary Macro Dead?" – Forbes Magazine, August 17, 2016: <http://www.forbes.com/sites/adamsarhan/2016/08/17/is-discretionary-macro-dead-wheres-joe-dimaggio>

Tekmerion Values

Staying true to our partners, our vision, our values, and our process is the only way we know how to succeed.

Loyalty:

- To the people, partners, and service providers with whom we retain deep, multi-year relationships
- To the vision, passion, and sacrifice with which we approach our work
- To the process and systematic nature of our efforts in both business-building and investment logic

Integrity:

- To each other, our clients, and service providers, holding ourselves to the highest standards
- To our goals and the hard work of achieving them, both of which we are unwilling to compromise
- To the honesty of our investment and business development processes which uphold our platform

Perseverance:

- In dutifully maintaining and enriching our relationships with our partners, clients, and providers
- In achieving our goals and overcoming repeated obstacles through discipline and drive
- In sustaining an unwavering commitment to out-think and out-work our competitors

Tekmerion— An Ancient Greek word meaning “signal” or “sign.”

- In the context of logical argumentation, it denotes an irrefutable axiomatic proof.
- In the context of common parlance, it indicates a boundary stone— a hard physical marker placed on the ground to delineate mine and thine.

Tekmerion represents our business and investment philosophy: while pursuing the most sophisticated and rigorous analysis, we must always remain grounded in the hard practicalities of managing our clients’ assets in the real world. Both perspectives are essential to our success.

Service Providers

- Prime Broker: Morgan Stanley
- Custodian: Morgan Stanley
- Fund Administrator: SS&C
- Accounting: Grant Thornton
- Tax/Audit: Grant Thornton
- Legal:
 - Zeisler PLLC (Primary Counsel)
 - Campbells (Cayman Counsel)
- Compliance: Get The Net, LLC
- Data Retention/IT Security: InfoHedge Technologies

Fund Terms

Founder's Round: Institutional Partners

We are offering an initial pre-launch fundraising round at concessionary fees of 1 and 10 for 7 years on tickets of \$5 million and up. We will reserve capacity for additional investments up to 10x the initial ticket size at these fee levels for additional capital invested within 18 months from the initial ticket.

- Allocation: \$5m Minimum
- Economics: 1 & 10 over 7 years
 - 1-Time Pre-Launch Concession of 1% management fee and 10% performance fee on all investments made within 18 months of initial ticket.
- Capacity: Ratio of 10:1 on initial investment
 - E.g., \$50m initial allocation receives capacity of \$500 if invested within 18 months, at Founder's Round fee level for 7 years.
- Liquidity: One-year lockup, no redemption fees

**APPENDIX I:
STRATEGY CHARACTERISTICS**

Trading Characteristics

Instruments Traded:

- Exchange-listed futures only

Underlying Asset Classes Traded:

- Interest Rates (ten year bonds and short rates/Eurodollars)
- FX
- Broad equity indices
- Global liquid commodities

Typical Investment Holding Periods:

- Several weeks to several months
- Governed by cadence of underlying macro data
- No “high-frequency” or tick-based trading

Target Leverage:

- Gross leverage: typically 2-3x on a 10yr-equivalent DV01 basis (e.g. for Eurodollar futures)
- Net leverage: typically <1x

Target Risk Characteristics:

- 10% target volatility
- 1.4x target Sharpe ratio *net of fees*
- Maximum simulated drawdown 8%

Tekmerion vs Investment Alternatives at Equalized Volatility

Cumulative Performance (Log scale)

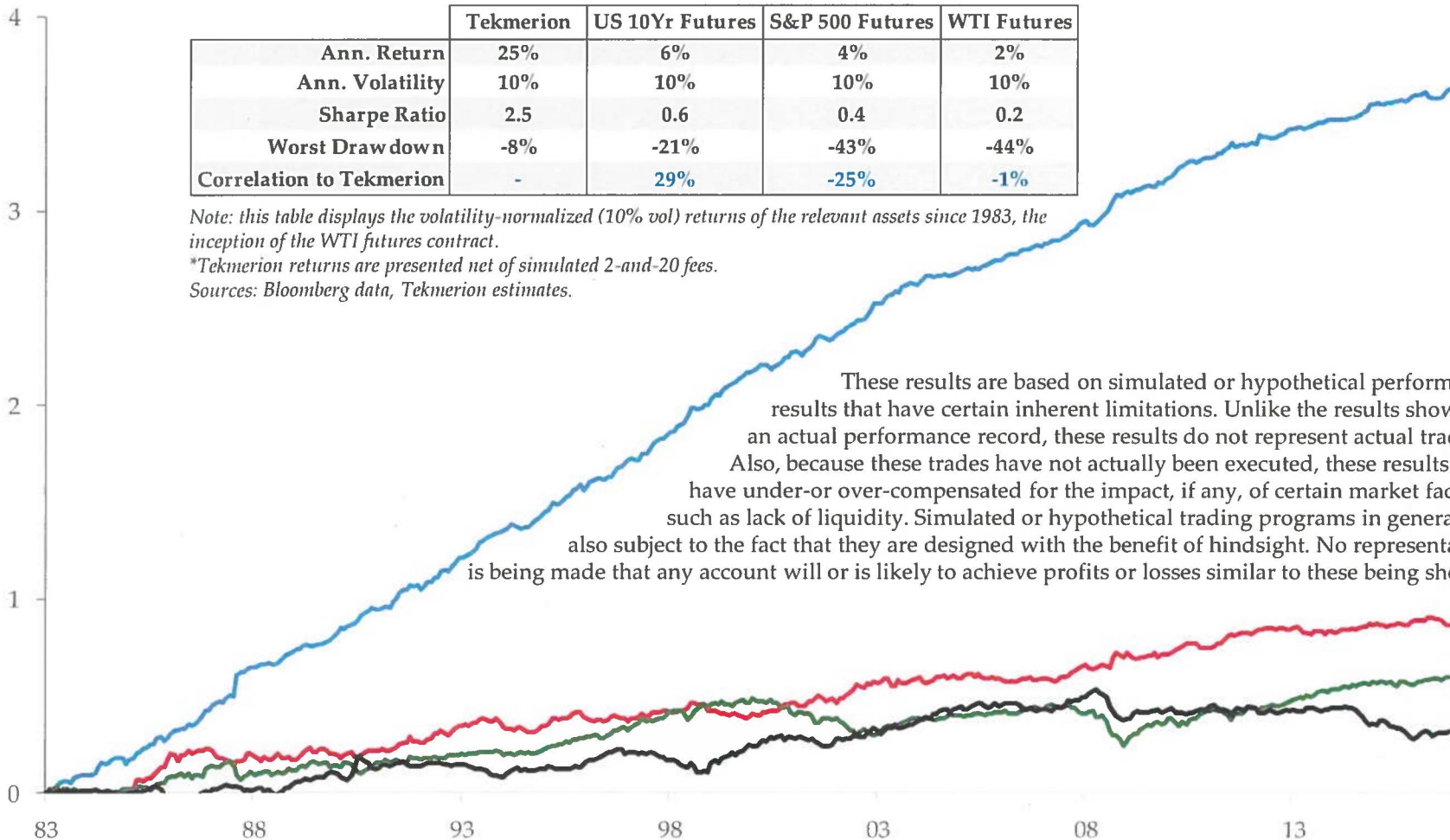
— Tekmerion* — US 10Yr Futures — S&P 500 Futures — WTI Futures

	Tekmerion	US 10Yr Futures	S&P 500 Futures	WTI Futures
Ann. Return	25%	6%	4%	2%
Ann. Volatility	10%	10%	10%	10%
Sharpe Ratio	2.5	0.6	0.4	0.2
Worst Drawdown	-8%	-21%	-43%	-44%
Correlation to Tekmerion	-	29%	-25%	-1%

Note: this table displays the volatility-normalized (10% vol) returns of the relevant assets since 1983, the inception of the WTI futures contract.

*Tekmerion returns are presented net of simulated 2-and-20 fees.

Sources: Bloomberg data, Tekmerion estimates.



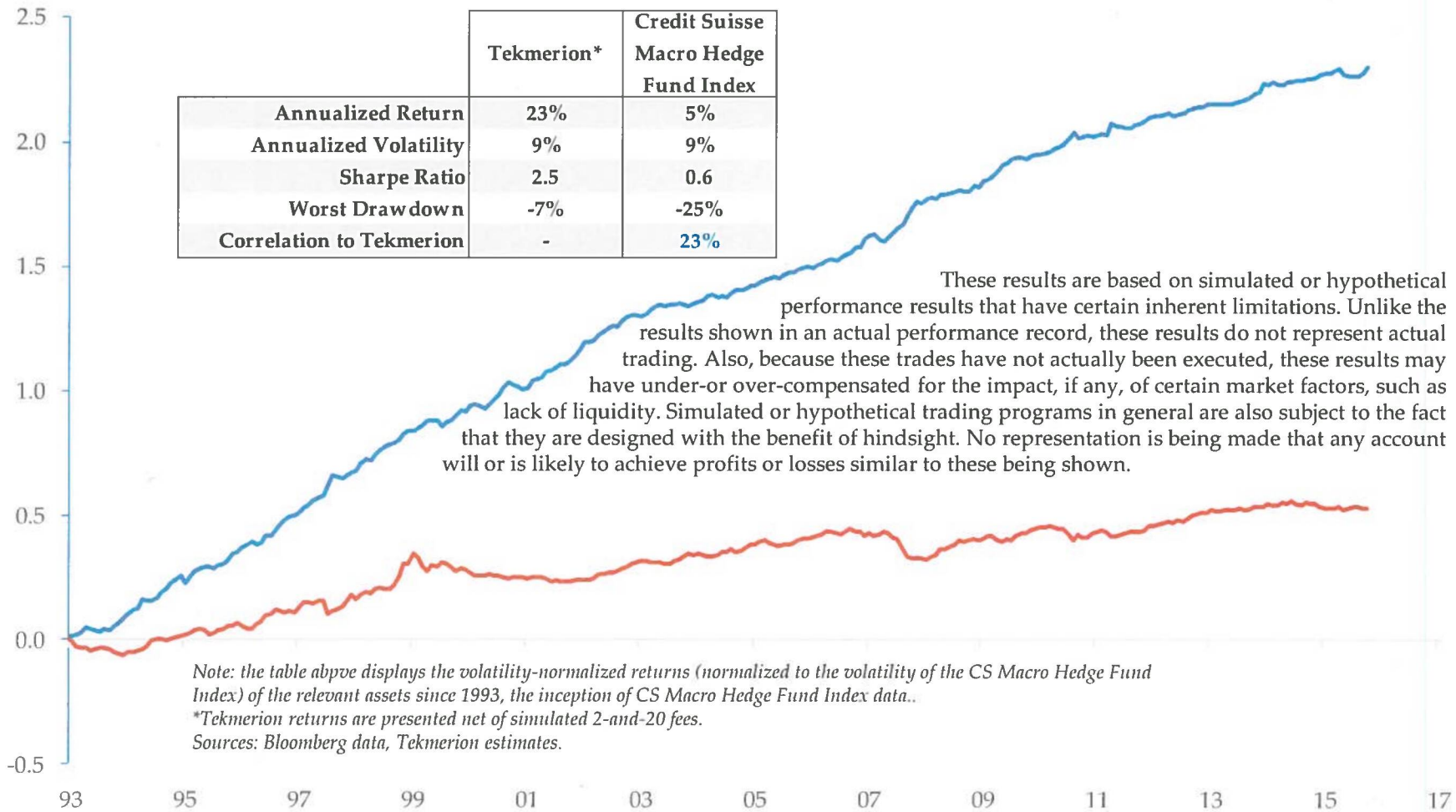
These results are based on simulated or hypothetical performance results that have certain inherent limitations. Unlike the results shown in an actual performance record, these results do not represent actual trading. Also, because these trades have not actually been executed, these results may have under- or over-compensated for the impact, if any, of certain market factors, such as lack of liquidity. Simulated or hypothetical trading programs in general are also subject to the fact that they are designed with the benefit of hindsight. No representation is being made that any account will or is likely to achieve profits or losses similar to these being shown.

Tekmerion vs CS Macro HF Index at Equalized Volatility

Cumulative Performance (Log scale)

— Tekmerion* — Credit Suisse Macro Hedge Fund Index

	Tekmerion*	Credit Suisse Macro Hedge Fund Index
Annualized Return	23%	5%
Annualized Volatility	9%	9%
Sharpe Ratio	2.5	0.6
Worst Drawdown	-7%	-25%
Correlation to Tekmerion	-	23%



Note: the table above displays the volatility-normalized returns (normalized to the volatility of the CS Macro Hedge Fund Index) of the relevant assets since 1993, the inception of CS Macro Hedge Fund Index data..

*Tekmerion returns are presented net of simulated 2-and-20 fees.

Sources: Bloomberg data, Tekmerion estimates.

Tekmerion in Recessions

Cumulative Performance (Log scale)

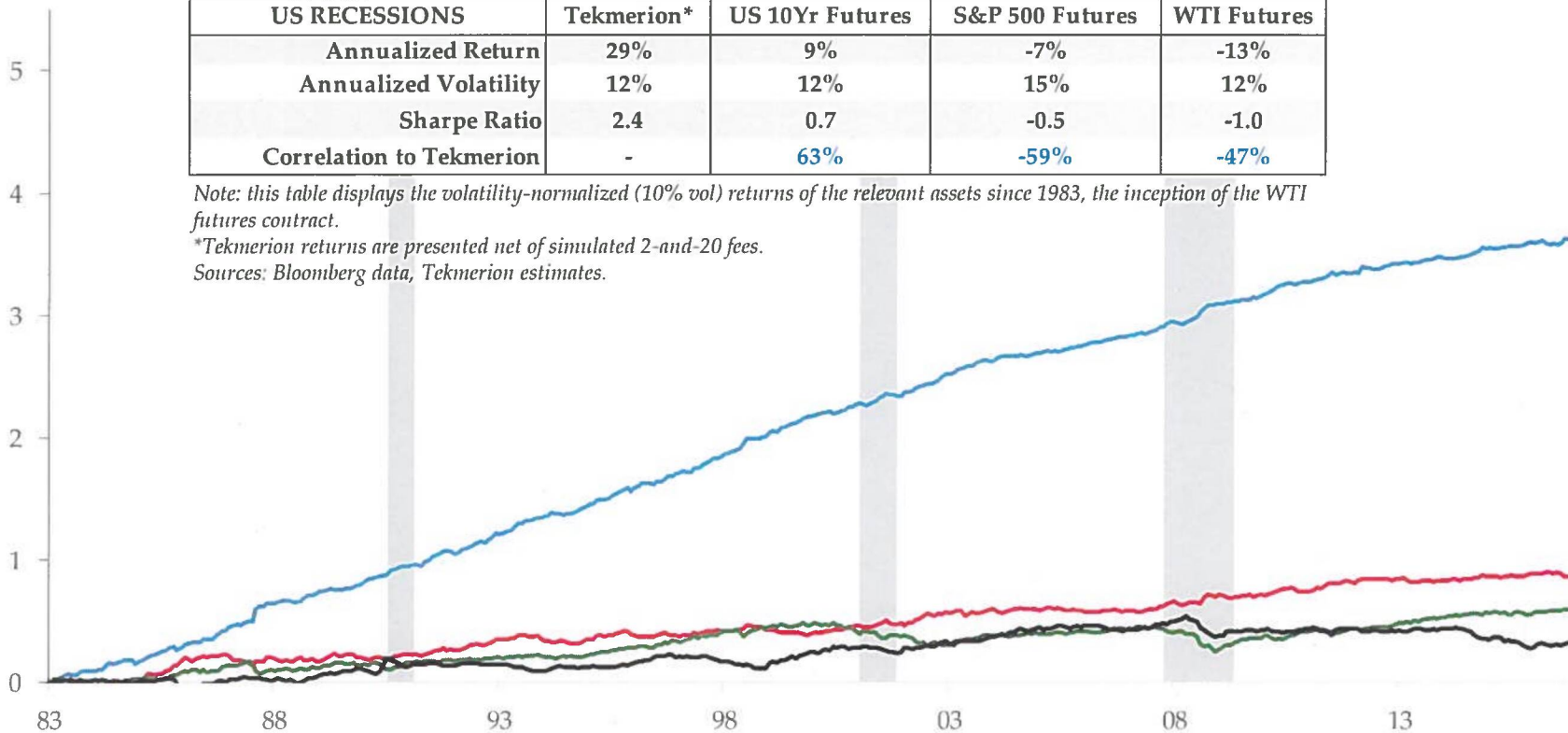
RECESSIONS Tekmerion* US 10Yr Futures S&P 500 Futures WTI Futures

US RECESSIONS	Tekmerion*	US 10Yr Futures	S&P 500 Futures	WTI Futures
Annualized Return	29%	9%	-7%	-13%
Annualized Volatility	12%	12%	15%	12%
Sharpe Ratio	2.4	0.7	-0.5	-1.0
Correlation to Tekmerion	-	63%	-59%	-47%

Note: this table displays the volatility-normalized (10% vol) returns of the relevant assets since 1983, the inception of the WTI futures contract.

*Tekmerion returns are presented net of simulated 2-and-20 fees.

Sources: Bloomberg data, Tekmerion estimates.



These results are based on simulated or hypothetical performance results that have certain inherent limitations. Unlike the results shown in an actual performance record, these results do not represent actual trading. Also, because these trades have not actually been executed, these results may have under-or over-compensated for the impact, if any, of certain market factors, such as lack of liquidity. Simulated or hypothetical trading programs in general are also subject to the fact that they are designed with the benefit of hindsight. No representation is being made that any account will or is likely to achieve profits or losses similar to these being shown.

Tekmerion in Rising Rates

Cumulative Performance (Log scale)

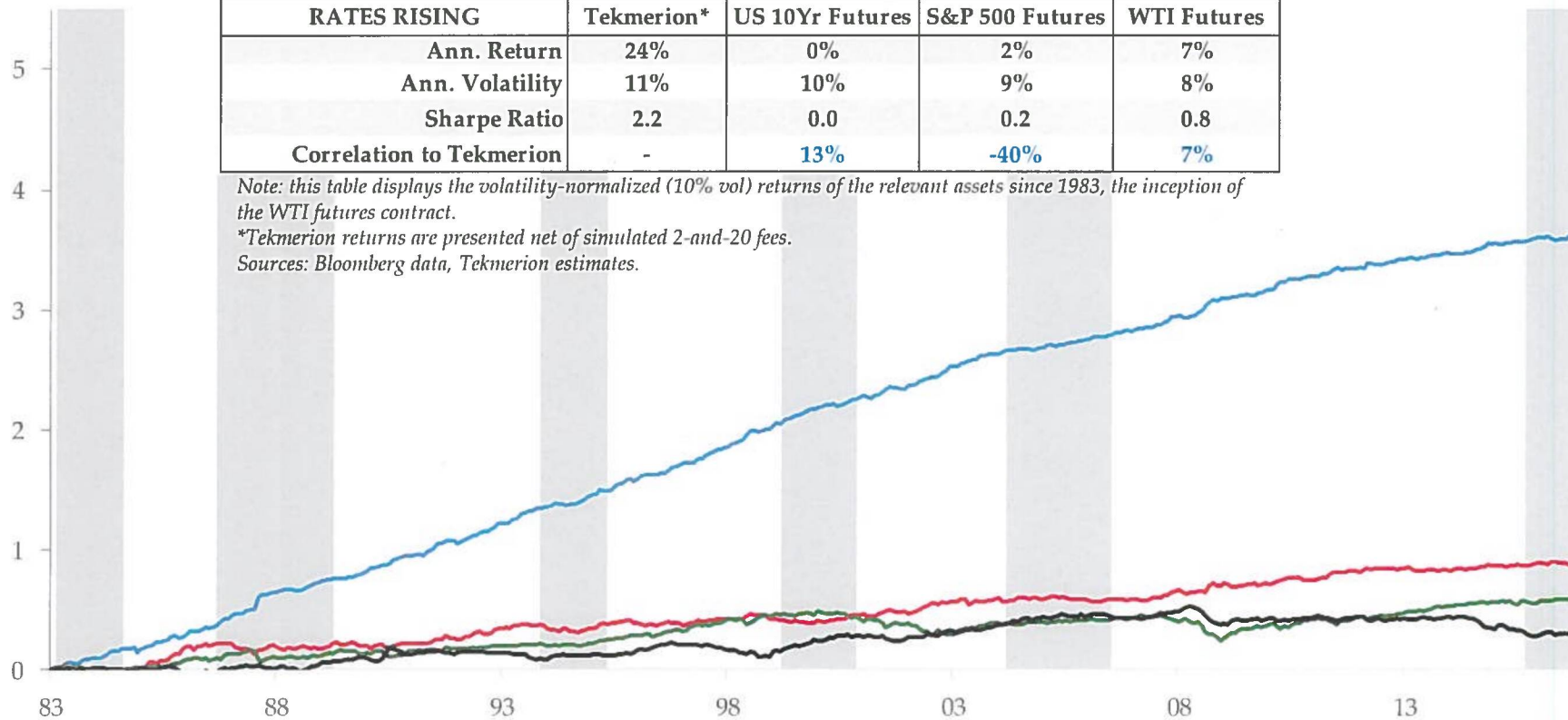
■ Rising Rates
 — Tekmerion*
 — US 10Yr Futures
 — S&P 500 Futures
 — WTI Futures

RATES RISING	Tekmerion*	US 10Yr Futures	S&P 500 Futures	WTI Futures
Ann. Return	24%	0%	2%	7%
Ann. Volatility	11%	10%	9%	8%
Sharpe Ratio	2.2	0.0	0.2	0.8
Correlation to Tekmerion	-	13%	-40%	7%

Note: this table displays the volatility-normalized (10% vol) returns of the relevant assets since 1983, the inception of the WTI futures contract.

**Tekmerion returns are presented net of simulated 2-and-20 fees.*

Sources: Bloomberg data, Tekmerion estimates.



These results are based on simulated or hypothetical performance results that have certain inherent limitations. Unlike the results shown in an actual performance record, these results do not represent actual trading. Also, because these trades have not actually been executed, these results may have under- or over-compensated for the impact, if any, of certain market factors, such as lack of liquidity. Simulated or hypothetical trading programs in general are also subject to the fact that they are designed with the benefit of hindsight. No representation is being made that any account will or is likely to achieve profits or losses similar to these being shown.

Operational Characteristics

Liquidity:

- Only liquid, exchange-listed futures are traded
 - Markets that have remained open and transactable through crises
 - Markets large enough for us to liquidate positions with minimal performance degradation in a crisis scenario or to meet redemptions

Regulatory:

- Tekmerion Capital Management, LP is registered as a Commodity Pool Operator with the NFA and CFTC

Counterparty Risks:

- We face a single FCM, Morgan Stanley
 - All positions with them are held in segregated accounts in our name
- All positions are exchange-listed futures, so we face regulated exchanges and clearinghouses as our ultimate counterparties

Target Investors:

- QEPs: Institutions, family offices and ultra-high-net-worth individuals

**APPENDIX II:
INVESTMENT PROCESS OVERVIEW**

Investment Philosophy

We believe:

- a) macroeconomic fundamentals drive asset returns,
- b) these cause-effect relationships are fundamental to the nature of these assets, and
- c) these relationships should be robust across economic environments and countries.

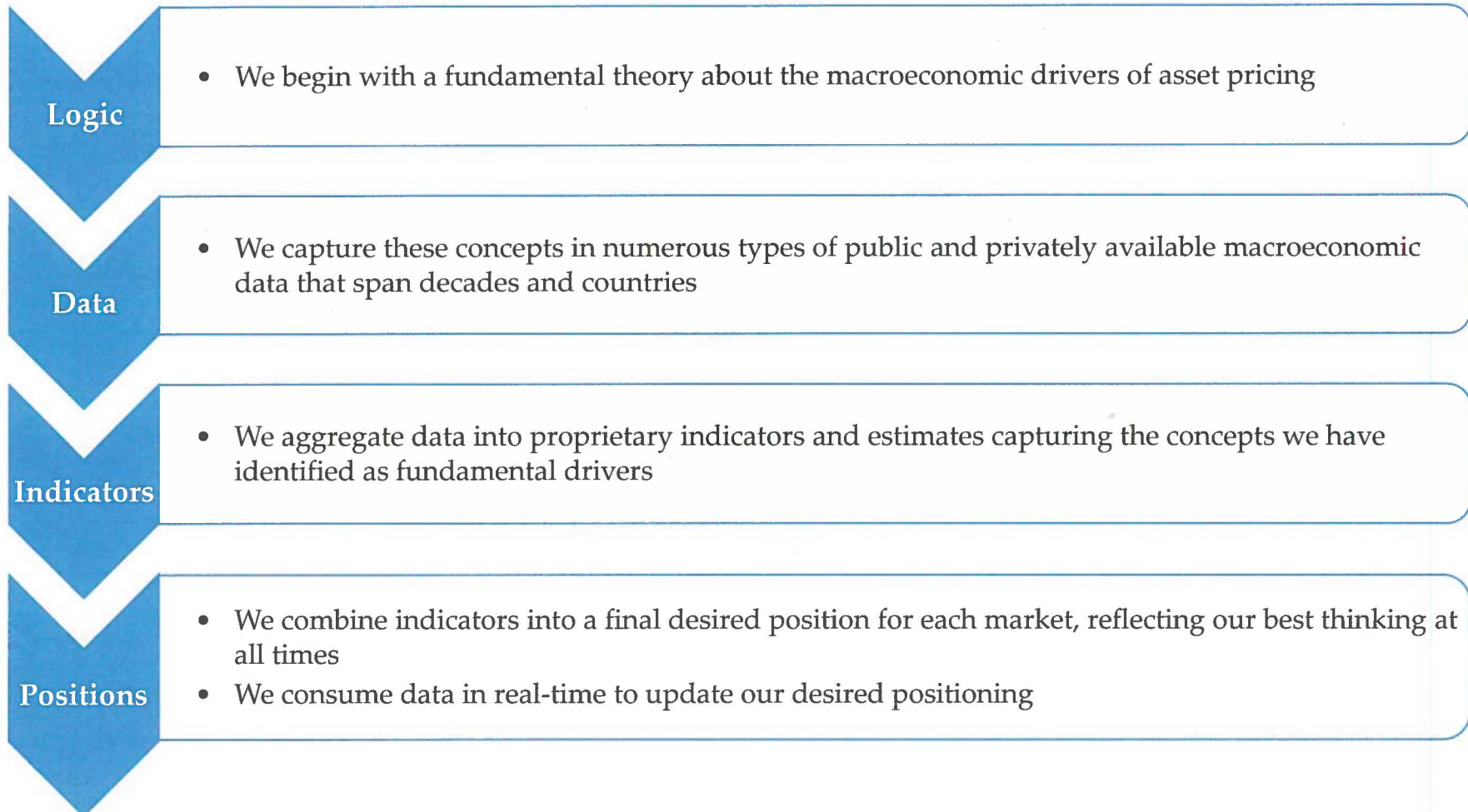
Based on these beliefs, we seek to:

- a) identify true fundamental drivers of macro asset returns,
- b) define and estimate these fundamental drivers using hard data in real-time, and
- c) consistently and systematically apply our approach to produce superior, uncorrelated risk-adjusted returns across global markets over time.

We are skeptical of trading strategies vulnerable to “regime shift”

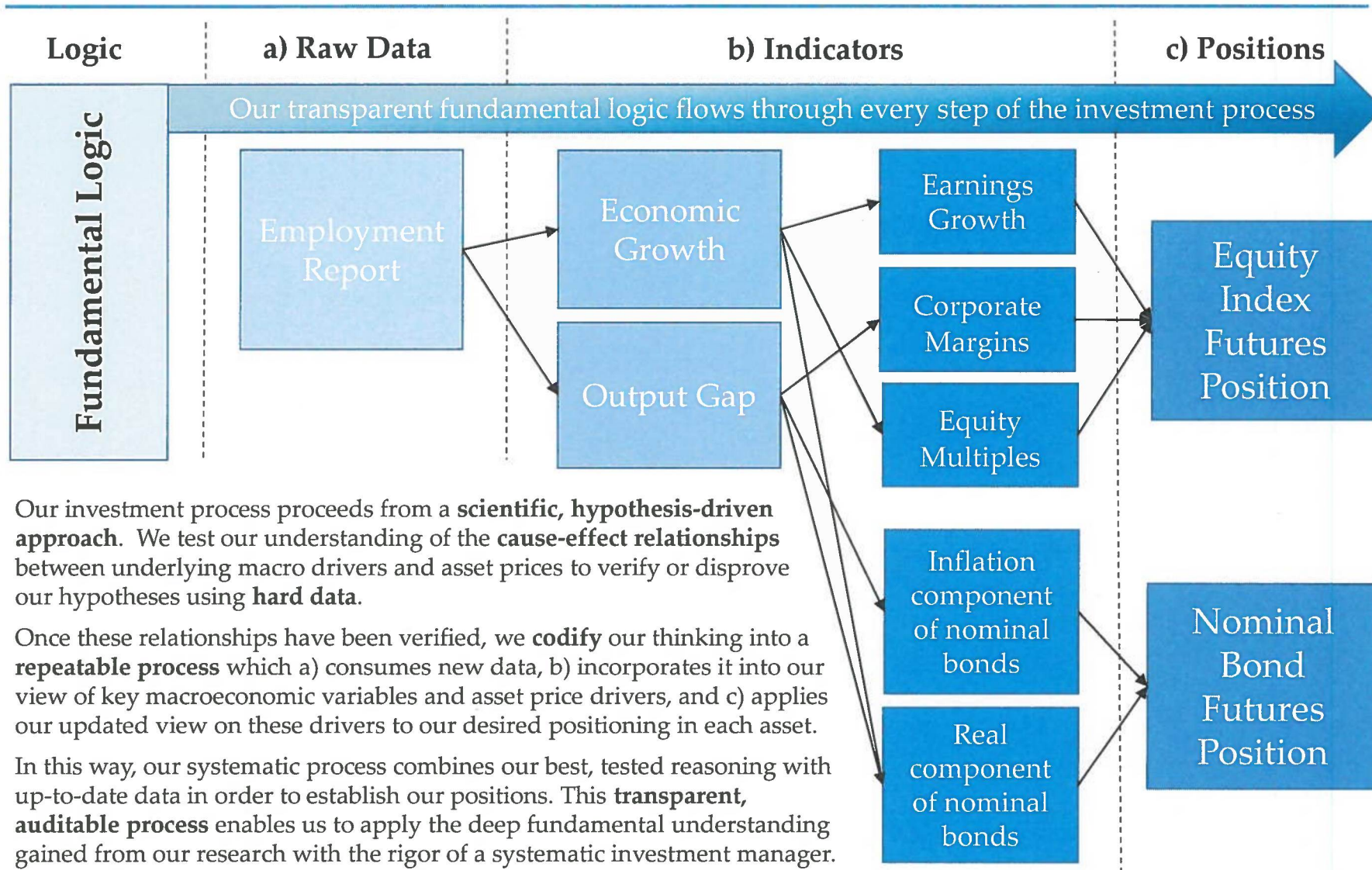
- We believe such models fail to identify true underlying fundamental drivers of asset class returns, and rely instead on spurious/short-lived relationships or artificial correlations.
- We use long time-series of data and test our frameworks across economic environments and countries in order to ensure that the relationships we have identified are true fundamental drivers across economic regimes

Investment Process (IP)



Tekmerion: Pre-Risk-Control Portfolio

Investment Process: Step-by-Step Example



IP Steps 1 & 2: Fundamental Logic & Raw Data

Our fundamental logic focuses on how the global economy functions and how its economic drivers affect asset prices; it is rooted in market-based experience and data-driven research.

- We test our hypotheses with publicly available macroeconomic data to identify relationships that are robust and true across time, countries, and economic regimes.
- We synthesize the raw data into own proprietary, predictive economic indicators that enable us to monitor the economy in real-time to profit from proven relationships more rapidly than competitors.

The edge of our fundamental logic stems from our ability to **recognize relationships** from rigorous study, **analyze the right data sets**, and then **synthesize them into proprietary indicators**.

EXAMPLE of our fundamental logic: the output gap as an economic driver that influences bond prices

The **output gap** represents the difference between the level of economic activity and its potential.

- Low output → Low inflation pressures (and vice/versa)
 - Businesses have excess capacity; can produce more without large marginal costs; do not need to ration supply with prices
 - Workers willing to work for lower wages
 - Low output → Low need for capital → low real interest rates
 - With factories and workers sitting idle, new investment is not needed to meet demand
 - With economic conditions depressed, few opportunities yield high enough returns to justify borrowing
- **Fundamental Logic:** Through both these channels, low levels of output should combine to keep bond yields low and support bond returns

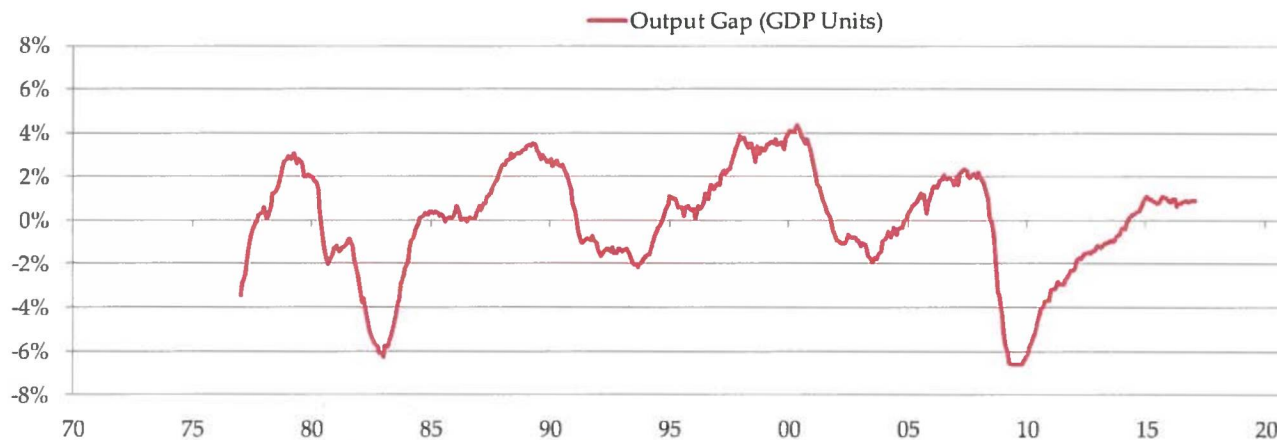
IP Step 3: Indicators

To construct our **output gap** indicator, we:

- A) **Survey** hundreds of data sets to isolate those that best capture the concept, which we then quantify into a real-time measure.
- B) **Combine** the relevant raw data into our estimate by 1) **understanding** which data are timely and 2) **verifying** that the data correspond to observable measures (e.g. inflation) as expected. We then test the indicator to ensure consistent performance.

With tested real-time proprietary estimates, we are able to evaluate macro conditions rapidly as they unfold.

Below we show the estimate, as well as the diagnostics we use to track its evolution as data comes in:



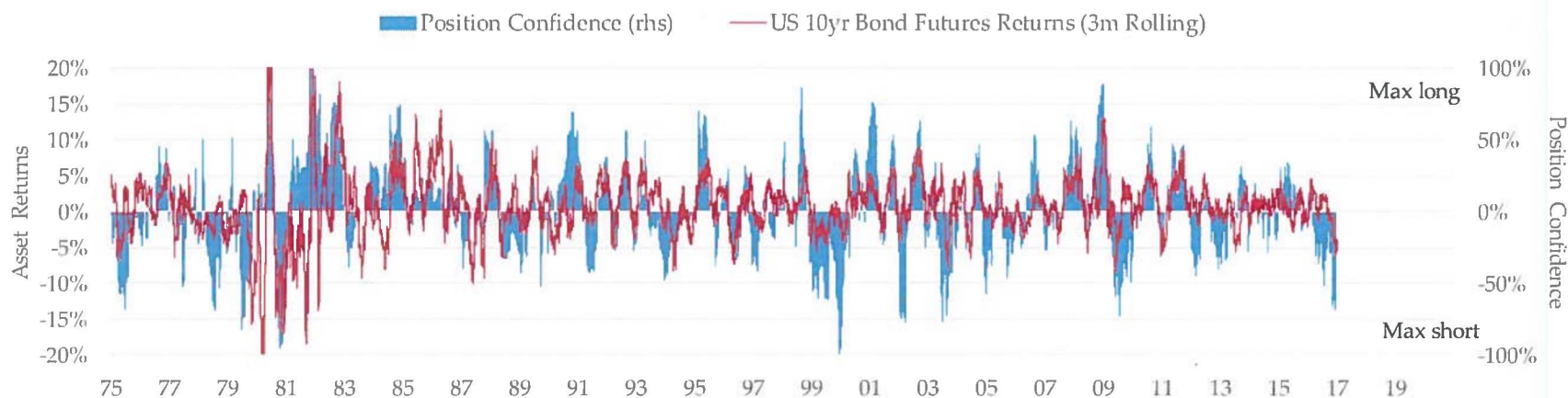
Estimate Diagnostics						
	RGDP	Industrial Production	UE Rate	Capacity Utilization	UnderEmployment	Estimate Total
Weight in Estimate	25%	30%	18%	18%	10%	100%
Current Est (GDP Units)	0.6%	-0.5%	3.2%	-0.8%	3.9%	0.9%

IP Step 4: Positions

To generate positions, we:

- A) **Verify** our fundamental logic of the relationship between the output gap and bond returns
- B) **Test** how our indicator-based positioning performs across all available economic environments.
- C) **Prove** that same logic across countries and across all economic environments within those countries to confirm that it is a robust relationship and not over-fit.

Below is the example of our simulated positioning in US 10yr Bond Futures in terms of position confidence:



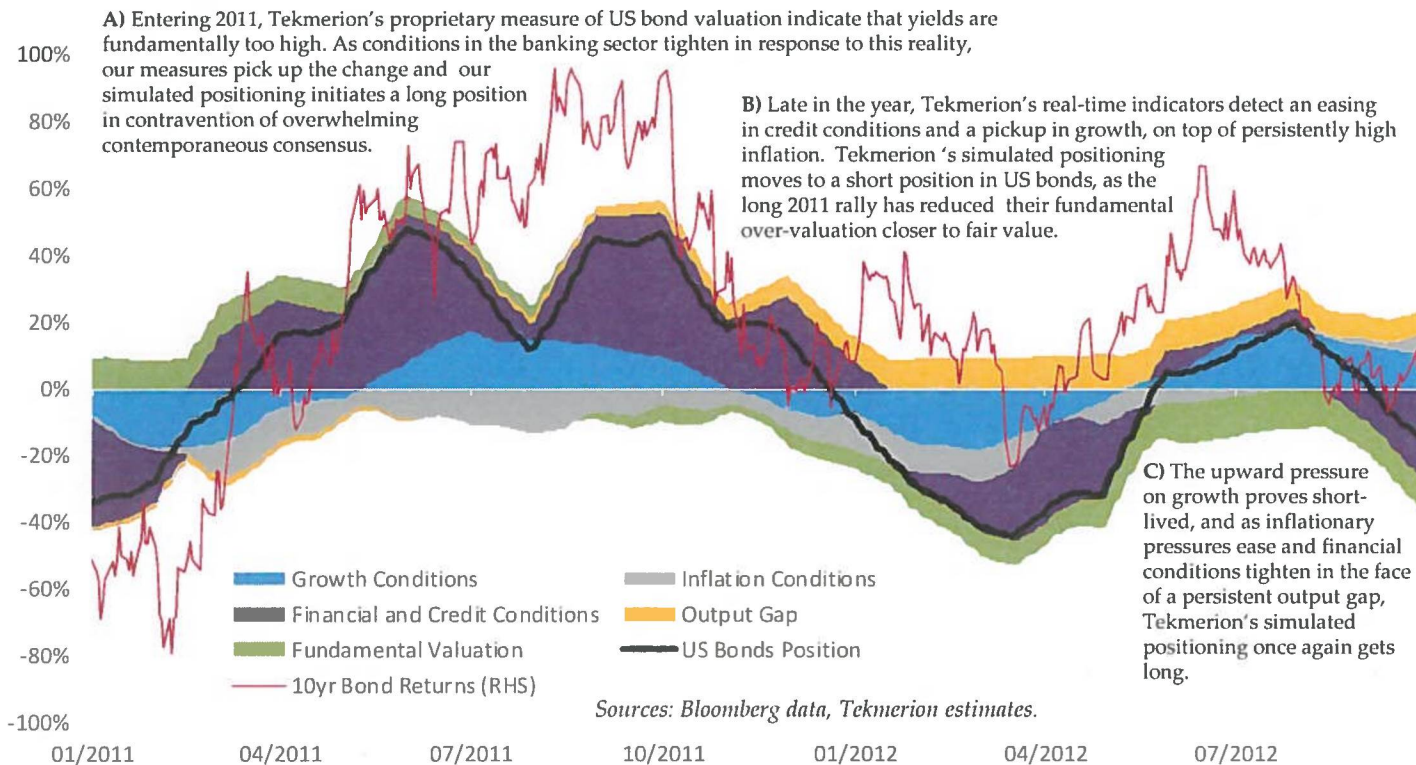
Sources: Bloomberg data, Tekmerion estimates.

Investment Process Meets Edge: US Treasuries Example

Below we illustrate how our investment process incorporates our distinctive edges of understanding the true fundamental drivers of asset prices and measuring those drivers in real-time through the example of simulated trading of US Treasuries in 2011-12.

“Everyone on Wall Street Agrees with Bill Gross: Short Treasuries” – CNBC, April 11, 2011

Shortly after the 2008 financial crisis, many experienced macro managers were nonetheless unprepared for a prolonged period of low interest rates. Well-established funds were persistently burned by their view that bonds yields “had to” rise. Our fundamental framework, backed by rigorous measurement and analysis of available data, navigates the new economic environment successfully in simulation and catches major turns in the US bond market. Tekmerion’s fundamental framework is the basis of our repeatable strategies which we apply across multiple assets to perform through all economic environments.



US Treasuries Trade Example Investment Process:

- 1) **Logic:** We trade US Treasuries, like all markets, using a combination of fundamental drivers which we identify and rigorously test for robustness across all economic environments. Key drivers are listed in the chart legend at right.
- 2) **Data:** We quantify the fundamental drivers using hard data. We measure this data in real-time, allowing us to detect shifts in conditions before the market.
- 3) **Indicators:** Using our rigorously tested logic, we turn the real-time data into indicators which we translate into desired market positioning through a systematic, repeatable process.
- 4) **Positioning:** We adjust our positioning dynamically in response to changing underlying data in real time. Over the 21 months contained in the chart to the right, our simulated Treasuries trading returned 17.5% (9.0% compound annualized) at a 4.5% volatility for a 2.0x Sharpe ratio.

Portfolio Construction: Risk Guidelines

1) Budget Risk According to the Quality of Investment Opportunities

- Allocate capital to systematic strategies according to their risk-adjusted returns = strategies with better simulated track records receive higher risk allocations

2) Define Risks Fundamentally, Not Quantitatively

- Define risk exposures using sensitivities to underlying fundamental risk factors (e.g., monetary easing, global growth) rather than standard market betas which can be thrown off by short-lived/changing correlations

3) Avoid Concentrated Risks

- Control concentrations of positions across markets and strategies with similar exposures using multiple pre-set risk limits in a well-defined process

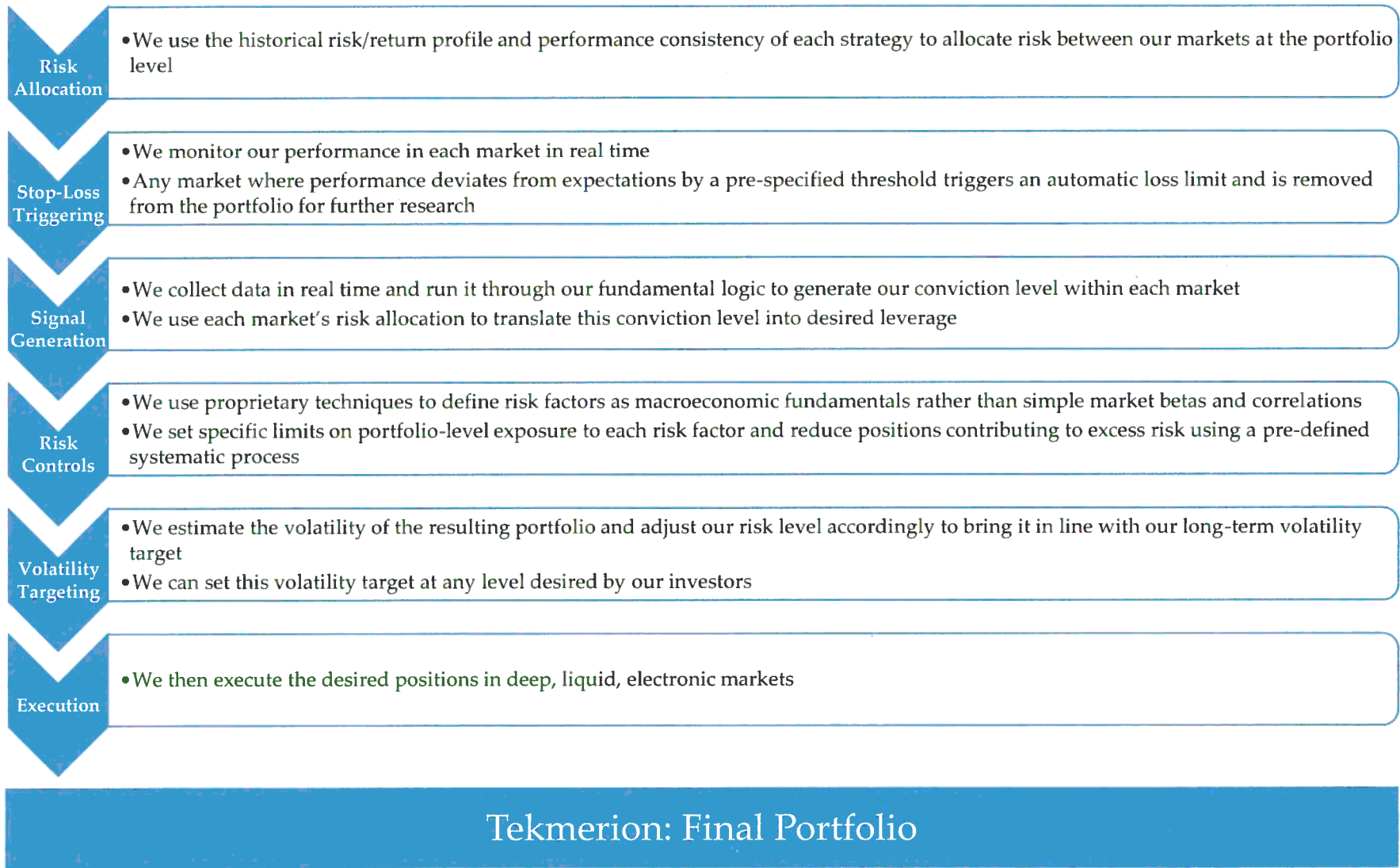
4) Evaluate Strategy Performance in Real Time

- Systematically monitor performance of strategy suite to detect deviations from expectations
- Employ loss limits when systems deviate significantly from expectations in order to evaluate where fundamental logic is flawed

5) Use Common Sense

- Algorithms and optimizers are tools to implement strategies whose source is our fundamental understanding of the global economy — there is no substitute for skilled human eyes monitoring the portfolio for exposures to unanticipated economic scenarios

Portfolio Construction/ Risk Control Process

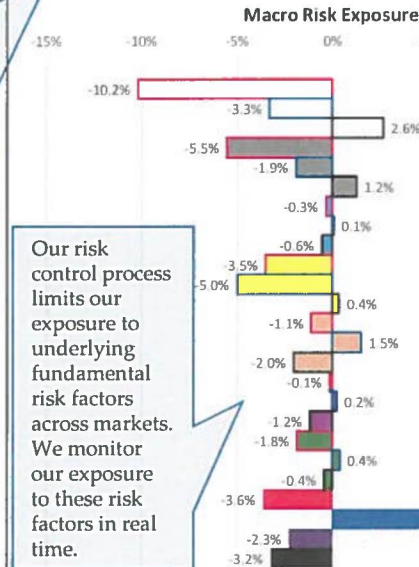


Risk Control Process Output

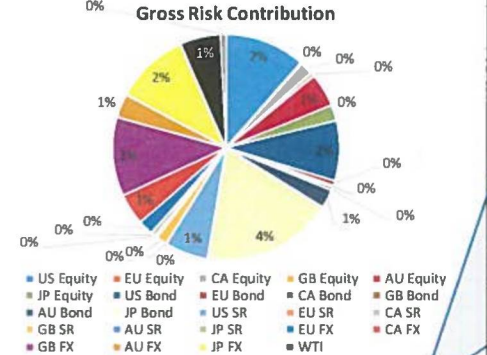
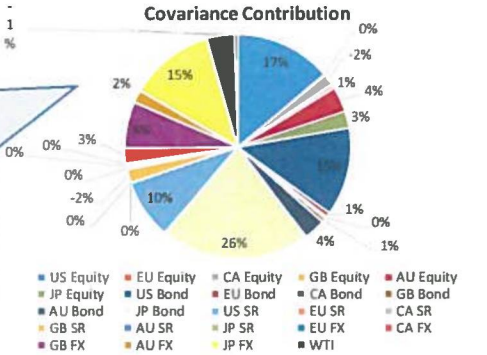
Our risk control process produces a portfolio whose exposures are diversified at a position level and controlled across macro risk factors regardless of short-term correlations between individual markets. We monitor the portfolio ourselves to ensure that positioning is in line with our logic and views on underlying macro conditions.

2/29/2016	US Equity	EU Equity	CA Equity	GB Equity	AU Equity	JP Equity	US Bond	EU Bond	CA Bond	GB Bond	AU Bond	JP Bond	US SR	EU SR	CA SR	GB SR	AU SR	JP SR	EU FX	CA FX	GB FX	AU FX	JP FX	WTI	ULSD
Signal	-1.17	0.02	0.13	-0.08	-0.52	-0.47	0.59	0.14	0.06	0.04	0.34	0.52	0.41	0.01	0.00	-0.36	-0.19	0.35	-0.50	-0.40	-1.00	-0.30	1.25	0.42	0.06
Leverage	-11.9%	0.1%	1.8%	-0.5%	-4.7%	-1.3%	30.2%	2.5%	1.0%	1.2%	7.1%	99.0%	136.5%	2.4%	-0.3%	-34.6%	-34.5%	36.3%	-4.2%	-9.2%	-21.8%	-5.1%	18.2%	2.3%	0.4%
Vol	20%	29%	21%	24%	21%	37%	6%	6%	6%	8%	8%	4%	1%	1%	1%	1%	0%	0%	11%	10%	11%	14%	12%	53%	46%
Gross Risk	2.4%	0.0%	0.4%	0.1%	1.0%	0.5%	1.8%	0.1%	0.1%	0.1%	0.5%	4.0%	1.3%	0.0%	0.0%	0.3%	0.1%	0.1%	0.5%	1.0%	2.4%	0.7%	2.2%	1.2%	0.2%

PORTFOLIO ESTIMATED VOL: 9.3%



We ensure diversification across positions both on a gross and correlation-adjusted basis through our risk allocation methodology.



Our risk control process limits our exposure to underlying fundamental risk factors across markets. We monitor our exposure to these risk factors in real time.

- Global Growth
- US Growth
- EU Growth
- JP Growth
- GB Growth
- CA Growth
- AU Growth
- Equities
- Global Inflation
- US Inflation
- EU Inflation
- JP Inflation
- GB Inflation
- CA Inflation
- AU Inflation
- Rates
- Global Monetary Policy
- US Monetary Policy
- EU Monetary Policy
- JP Monetary Policy
- GB Monetary Policy
- CA Monetary Policy
- AU Monetary Policy
- FX



Today's portfolio represents a mixture of fundamental risk exposures (e.g. short global growth). We simulate the portfolio's performance over 40 years of history to ensure it conforms to what we know about the state of these macro factors at every point in history. (e.g. underperforms when global growth is strong).

**APPENDIX III:
ADDITIONAL STRATEGY DETAILS**

Who We Are: Expanded Skillsets & Experience

Our experience has given us the skills and knowledge to add fundamental macro plus rigorous analytics for a highly differentiated strategy with distinctive edges.

Macroeconomic Research and Systematic Trading:

- Zachary worked on the “Ray Team” at Bridgewater, which was responsible for generating systematic FX strategies and directly supporting CIO Ray Dalio’s investment strategy research interests.
- At Bridgewater, Lawrence was a member of the two-person team that constructed and maintained the firm’s real-time macroeconomic estimates used to trade global markets across asset classes.

Portfolio Construction and Risk Management:

- At D.E. Shaw, Zachary constructed cross-asset risk reports covering the firm’s 27 liquid and illiquid investment strategies for the Chief Risk Officer. At Bridgewater, he worked in the department responsible for portfolio construction and risk management.
- For three years, Lawrence constructed and ran a profitable trading strategy at Castleton Commodities

Trading and Liquidity Assessment:

- At Bridgewater, Zachary headed Trading Strategy and Oversight for FX, and in that role was responsible for assessing market liquidity and trading capacity.

Business Development and Fund Formation:

- Reed spearheaded the development of two successful investment management businesses in the rates and ABS spaces from conception to execution during their launch, capital raising, and growth phases.

Legal/Accounting/Compliance:

- Reed oversaw the legal, accounting, and compliance teams for the CIO of a rates/structured credit fund.
- At D.E. Shaw, Zachary worked with our current external compliance contractor to run the firm’s annual SEC and CFTC compliance reviews.

Macro Plus: Fundamental Meets Systematic

We describe ourselves as “**macro plus**” because we add the analytical rigor of a systematic manager to the fundamental understanding intuitive to a discretionary trader. To that end, we consider our strategy to be systematic, but emphatically non-quant. **We are not black-box.**

We are differentiated from the systematic macro manager in that all of our ideas proceed from **fundamental views** on the “how” and “why” of macroeconomic linkages rather than data-mined relationships or spurious correlations

- Our strategies are therefore robust to changing volatility environments and less vulnerable to “regime shift.”
- Our strategies are also **transparent** and **auditable** in that all steps in our investment process reflect fundamental cause-effect logic applied to up-to-date data. No positions are put on “because the model said so.”

We are differentiated from the discretionary macro trader in that we can back up our ideas on the drivers of asset prices with **rigorous analysis using decades of hard data.**

- We can therefore consistently generate attractive trading opportunities using a **repeatable process** which we can constantly improve over time.
- We can also **objectively evaluate** decisions related to **conviction levels, risk allocations, and loss limits** using pre-defined logic rather than relying on emotion or intuition.

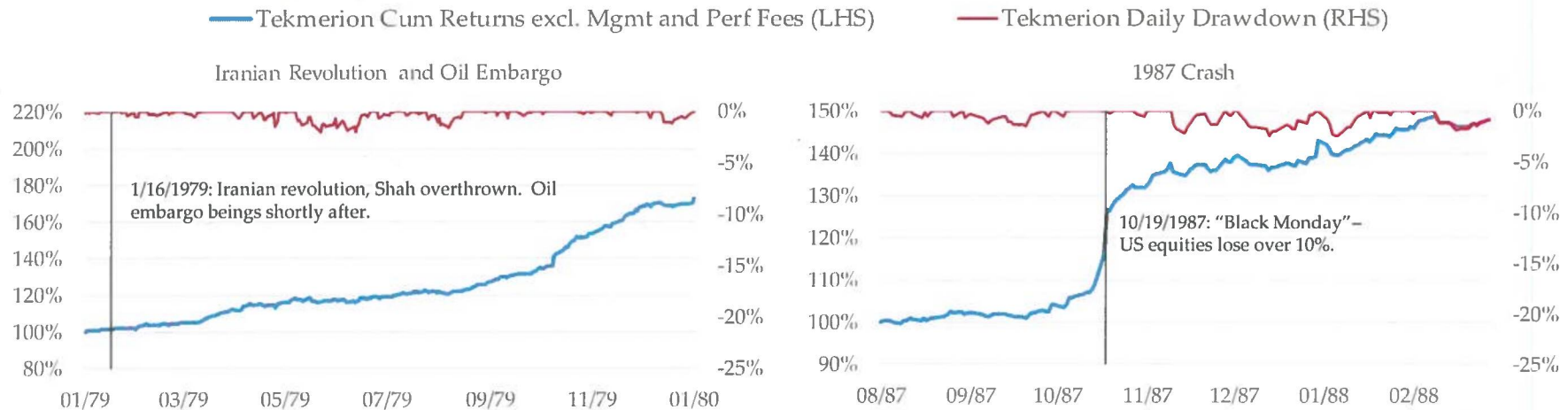
Macro Plus vs Quant

Our approach is rigorous and data-intensive, but it is **fundamentally different** from black-box quant models.

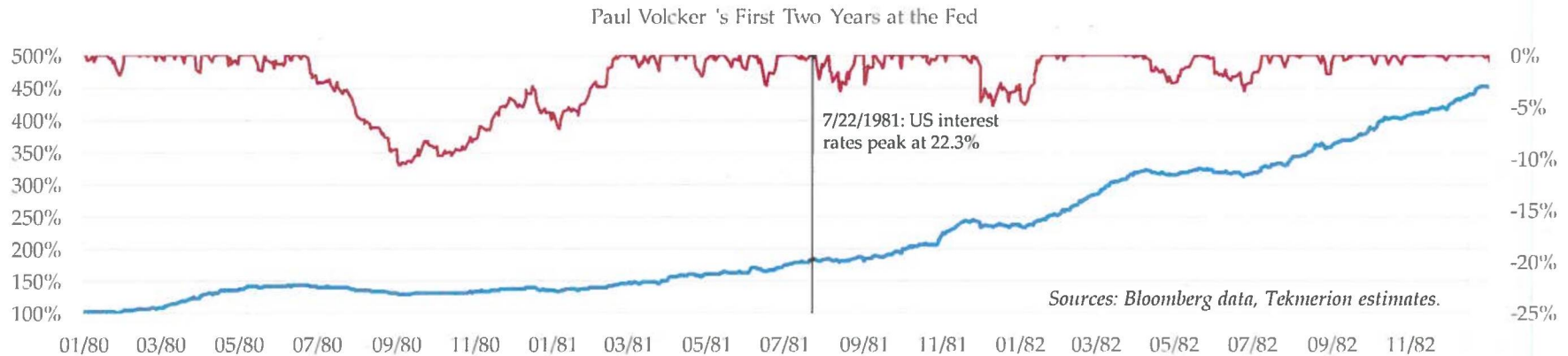
Quant	Macro Plus
<ul style="list-style-type: none">• Models based on statistical relationships which are artifacts created through data mining<ul style="list-style-type: none">• Cannot be expressed in terms a discretionary macro trader would understand• Mean-variance optimization• Vulnerable to “regime shift”<ul style="list-style-type: none">• Unstable correlations• Unstable volatilities	<ul style="list-style-type: none">• Models based on fundamental relationships between macro drivers and market returns, which are verified with data<ul style="list-style-type: none">• Logic easily recognizable to a discretionary macro trader• Optimization for robustness across economic environments• Robust to “regime shift”<ul style="list-style-type: none">• Instead of correlations, use sensitivities to underlying economic drivers• Rely on experience from multiple economic environments across countries to set volatility assumptions

Backtesting Gross Daily Returns through Crisis Scenarios (I)

Our backtesting enables us to examine the daily returns and drawdown profiles of our strategies through numerous historical crises. This in turn enables us to understand: 1) where the strategies are vulnerable, 2) what sort of drivers we might be missing, and 3) whether the strategies perform consistently enough through a variety of crises to merit putting risk behind them. It also enables us to calibrate our risk and volatility expectations more reliably by taking examples of extreme volatility from the past.

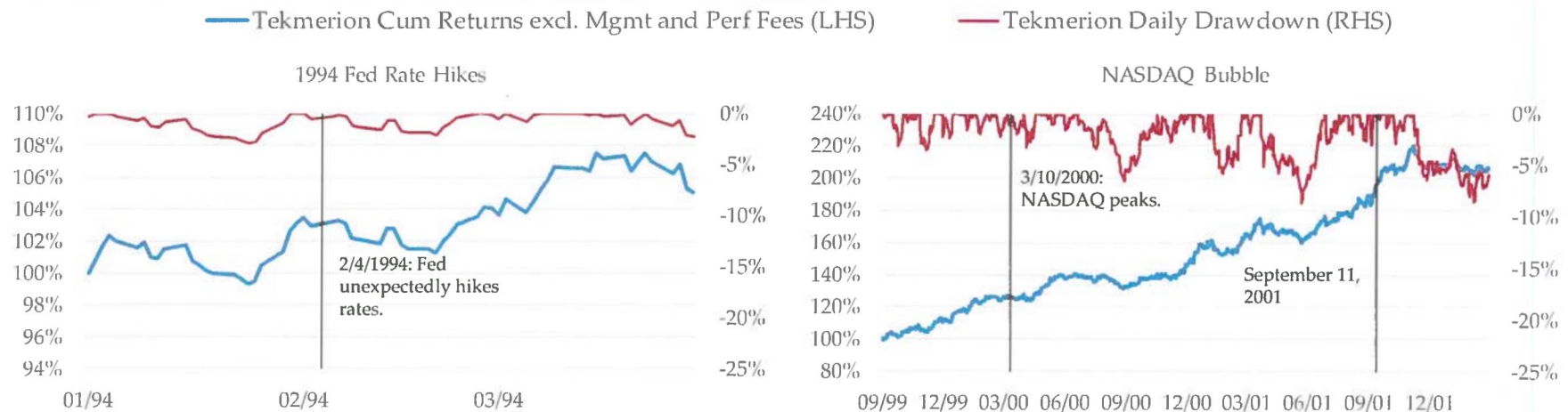


These results are based on simulated or hypothetical performance results that have certain inherent limitations. Unlike the results shown in an actual performance record, these results do not represent actual trading. Also, because these trades have not actually been executed, these results may have under- or over-compensated for the impact, if any, of certain market factors, such as lack of liquidity. Simulated or hypothetical trading programs in general are also subject to the fact that they are designed with the benefit of hindsight. No representation is being made that any account will or is likely to achieve profits or losses similar to these being shown.

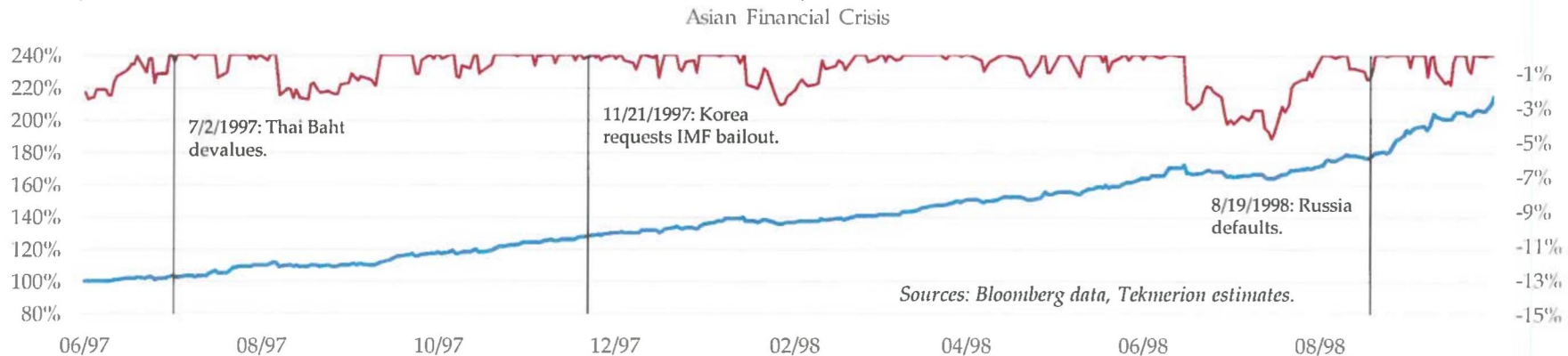


Backtesting Gross Daily Returns through Crisis Scenarios (II)

Our backtesting enables us to examine the daily returns and drawdown profiles of our strategies through numerous historical crises. This in turn enables us to understand: 1) where the strategies are vulnerable, 2) what sort of drivers we might be missing, and 3) whether the strategies perform consistently enough through a variety of crises to merit putting risk behind them. It also enables us to calibrate our risk and volatility expectations more reliably by taking examples of extreme volatility from the past.

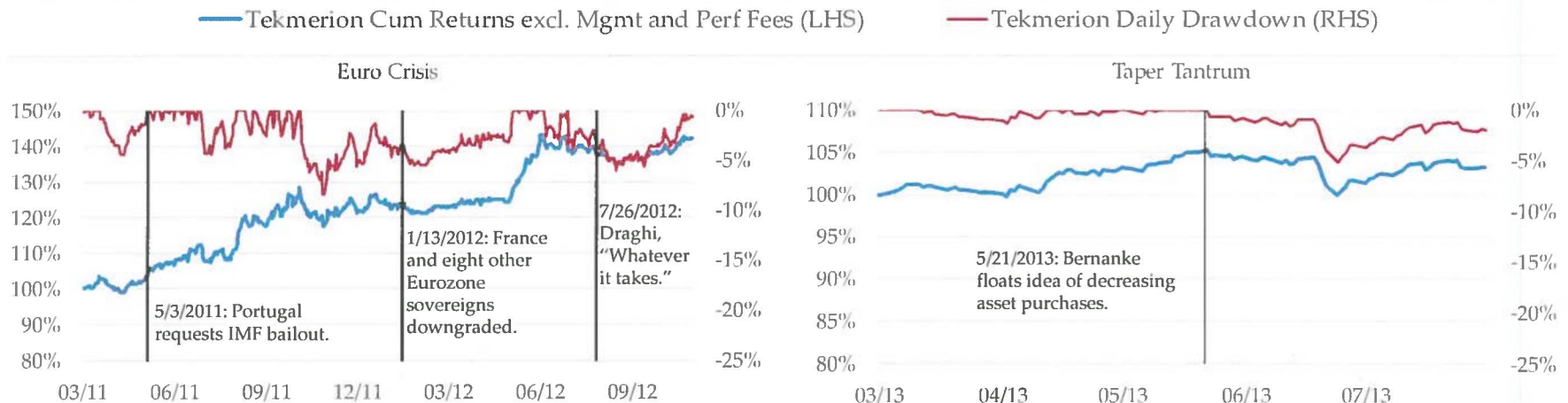


These results are based on simulated or hypothetical performance results that have certain inherent limitations. Unlike the results shown in an actual performance record, these results do not represent actual trading. Also, because these trades have not actually been executed, these results may have under- or over-compensated for the impact, if any, of certain market factors, such as lack of liquidity. Simulated or hypothetical trading programs in general are also subject to the fact that they are designed with the benefit of hindsight. No representation is being made that any account will or is likely to achieve profits or losses similar to those being shown.

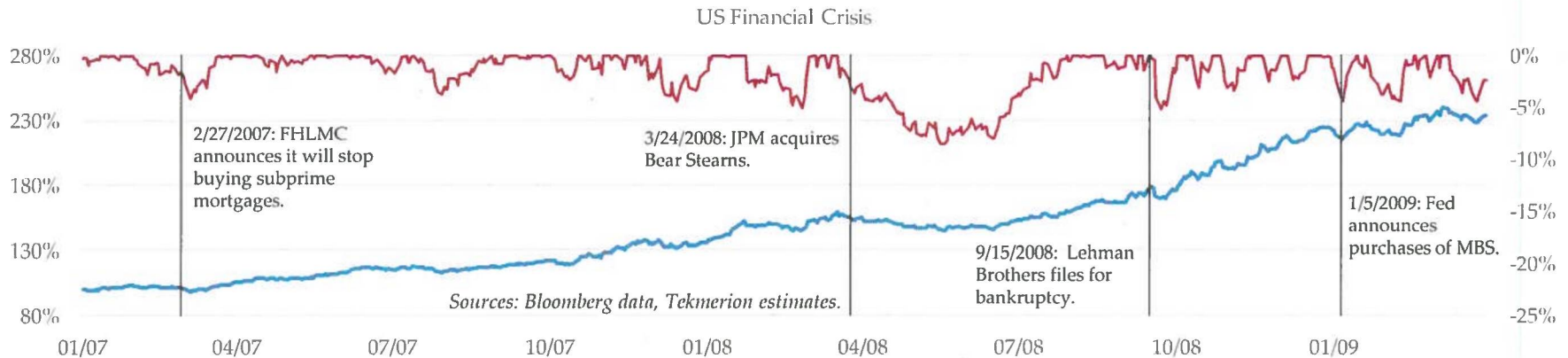


Backtesting Gross Daily Returns through Crisis Scenarios (III)

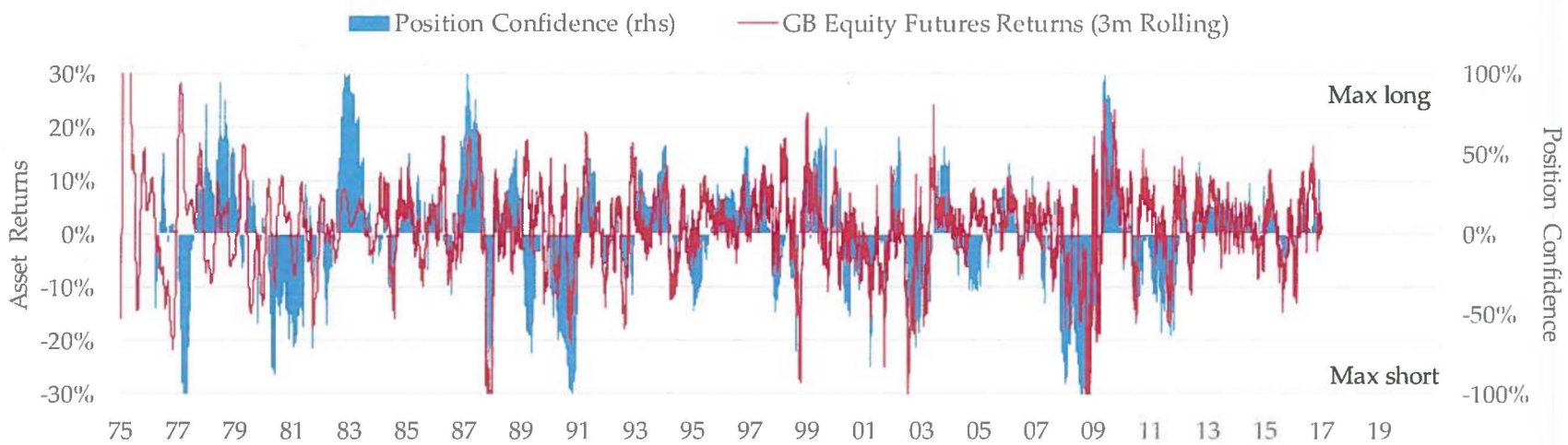
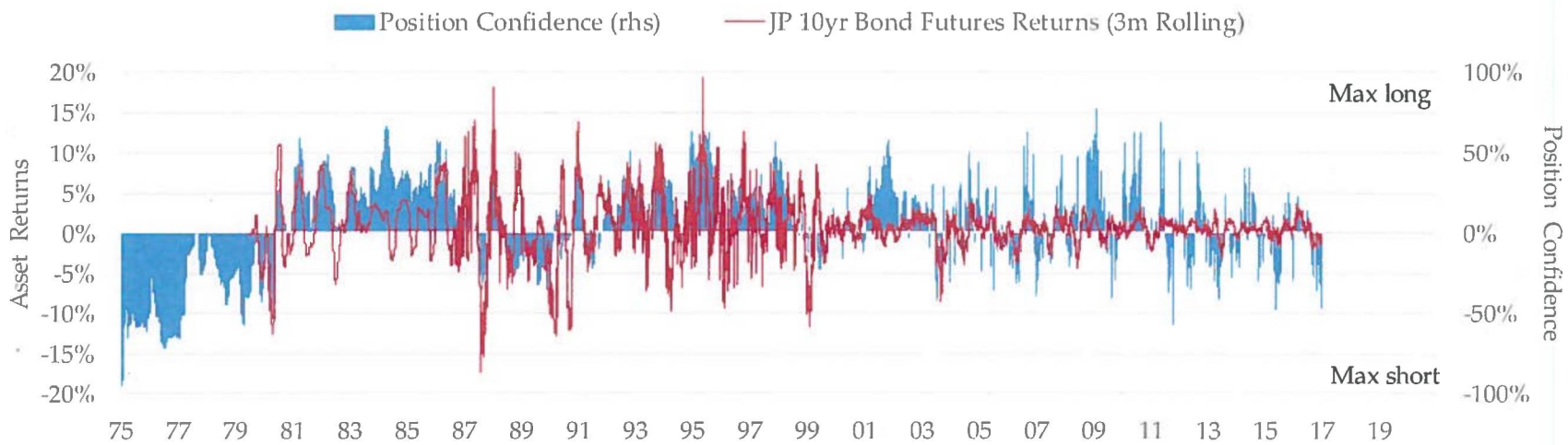
Our backtesting enables us to examine the daily returns and drawdown profiles of our strategies through numerous historical crises. This in turn enables us to understand: 1) where the strategies are vulnerable, 2) what sort of drivers we might be missing, and 3) whether the strategies perform consistently enough through a variety of crises to merit putting risk behind them. It also enables us to calibrate our risk and volatility expectations more reliably by taking examples of extreme volatility from the past.



These results are based on simulated or hypothetical performance results that have certain inherent limitations. Unlike the results shown in an actual performance record, these results do not represent actual trading. Also, because these trades have not actually been executed, these results may have under- or over-compensated for the impact, if any, of certain market factors, such as lack of liquidity. Simulated or hypothetical trading programs in general are also subject to the fact that they are designed with the benefit of hindsight. No representation is being made that any account will or is likely to achieve profits or losses similar to these being shown.

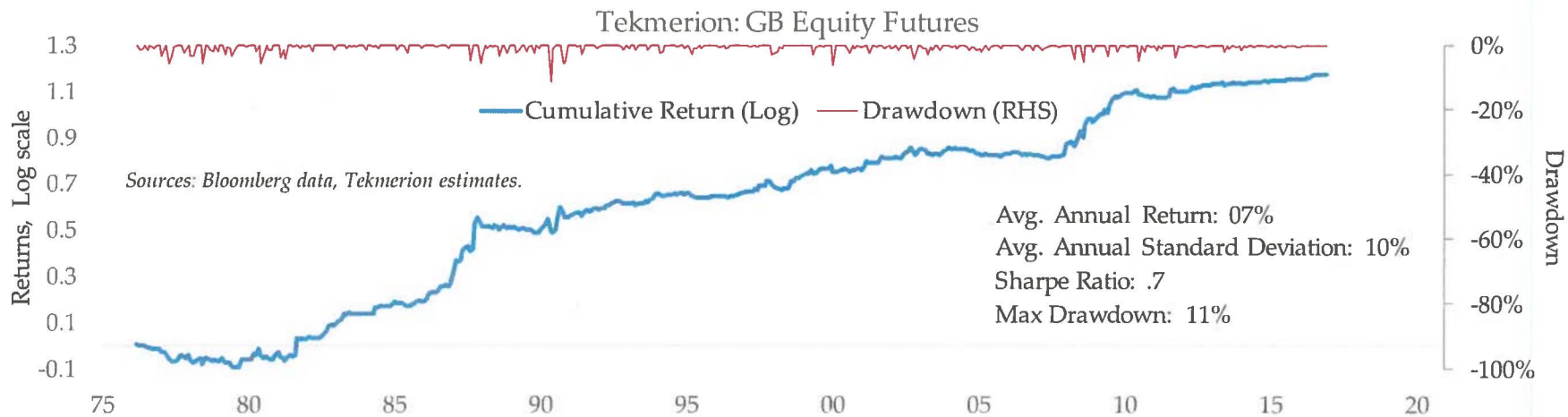
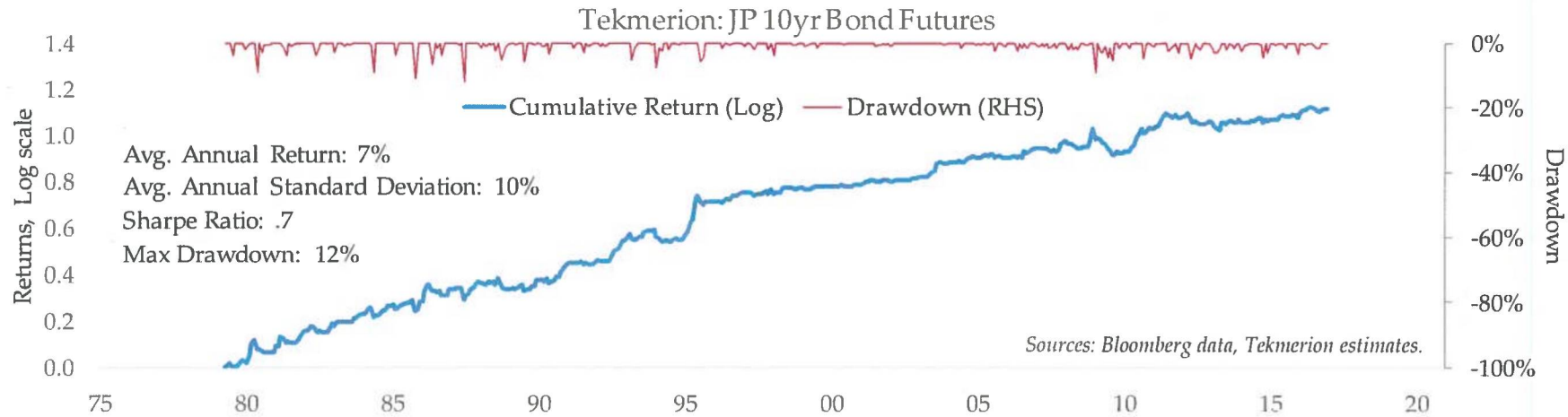


Individual Market Historical Trading Examples (I)



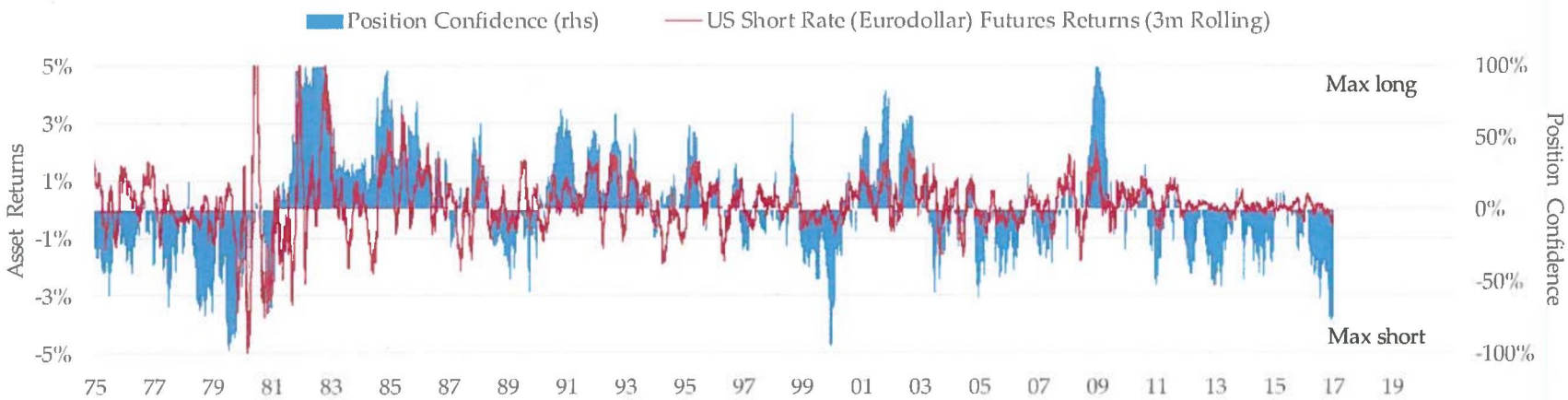
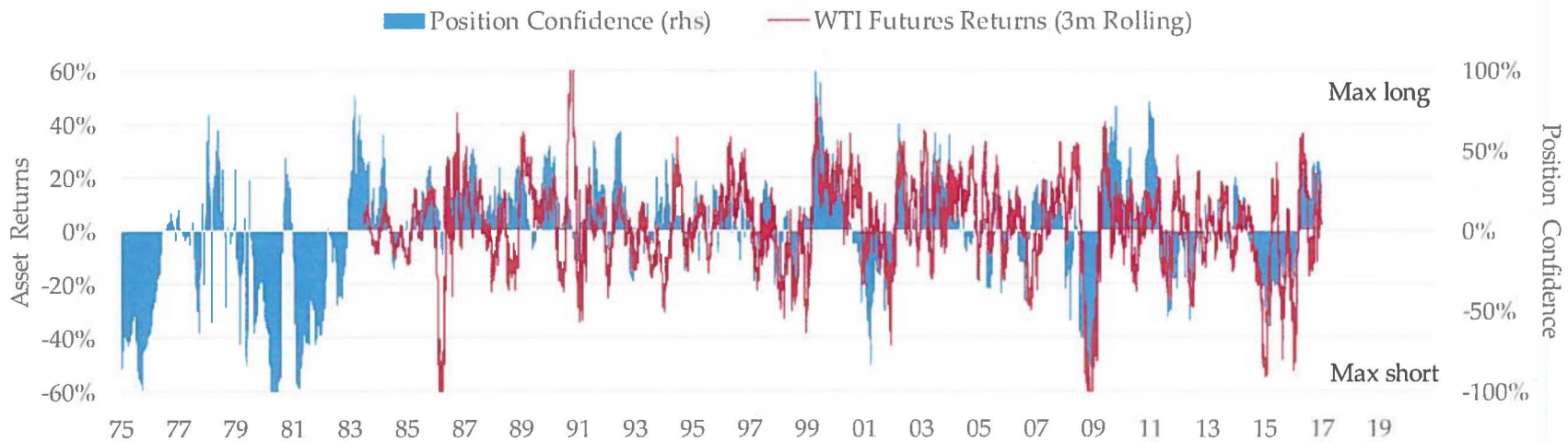
Sources: Bloomberg data, Tekmerion estimates.

Individual Market Gross Return Examples (I)



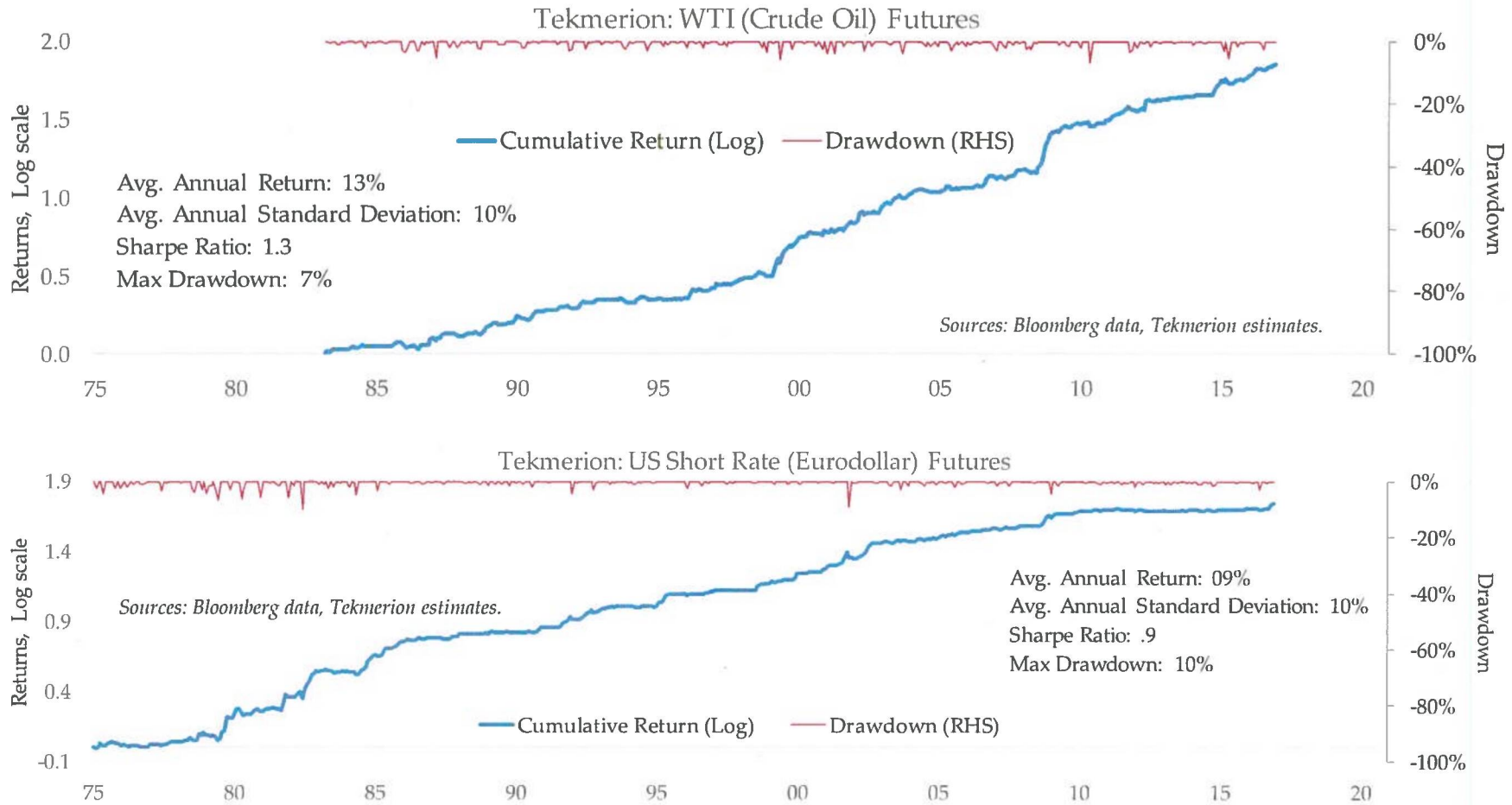
These results are based on simulated or hypothetical performance results that have certain inherent limitations. Unlike the results shown in an actual performance record, these results do not represent actual trading. Also, because these trades have not actually been executed, these results may have under- or over-compensated for the impact, if any, of certain market factors, such as lack of liquidity. Simulated or hypothetical trading programs in general are also subject to the fact that they are designed with the benefit of hindsight. No representation is being made that any account will or is likely to achieve profits or losses similar to these being shown.

Individual Market Historical Trading Examples (II)



Sources: Bloomberg data, Tekmerion estimates.

Individual Market Return Examples (II)



These results are based on simulated or hypothetical performance results that have certain inherent limitations. Unlike the results shown in an actual performance record, these results do not represent actual trading. Also, because these trades have not actually been executed, these results may have under- or over-compensated for the impact, if any, of certain market factors, such as lack of liquidity. Simulated or hypothetical trading programs in general are also subject to the fact that they are designed with the benefit of hindsight. No representation is being made that any account will or is likely to achieve profits or losses similar to these being shown.

Backtesting Methodology

Testing the fundamental drivers we have identified for robustness and consistency across multiple economic environments and countries is the bedrock of our investment approach. It enables us to:

- 1) **Hold ourselves to a high standard of identifying correct drivers** by discarding candidates that do not perform consistently in all economic environments and countries
- 2) **Manage risk effectively** by giving us multiple realistic stress scenarios for all our strategies
- 3) **Allocate capital and size positions intelligently** by giving us a reliable understanding of the risk/return profile we should expect from ourselves in each market relative to the other markets we trade

Our strategy is predicated on being **agnostic** about what economic regime we expect to find ourselves in. We therefore adopt a backtesting approach designed to screen out short-lived relationships or indicators that are only effective in one type of economic regime.

Our goal is **not to over-fit** for the best possible performance, but rather to give ourselves the highest likelihood of consistent performance in any economic environment:

- Pick multiple independent sample periods over which to fit each driver. These sample periods must encompass different economic regimes.
- Fit each driver independently in each sample period.
- For each sample period fit, test the results over all out-of-sample periods for consistency and robustness. Discard drivers that do not perform consistently no matter what sample period is used for the fit.
- Use proprietary logic to combine the different model fits and produce a strategy most likely to perform consistently across possible economic regimes.

Backtesting Robustness: Tekmerion vs Quant

Our approach differentiates us from typical quant macro managers. We specifically avoid the common quant crutches of:

- Dummy variables,
- Regime switch models,
- Changing factor weightings,
- Full-sample model-fitting, etc.

In addition, we test our proprietary indicators for key macroeconomic variables for robust performance when used to trade multiple asset classes across countries and economic environments. Our indicators of growth, for example, should be effective at trading both equities and bonds, in all the countries we trade, across economic environments. This standard forces us to capture robust relationships and avoid overfitting.

Because we trade deep, liquid markets with transparent pricing, and because our holding periods are weeks to months, we consider the results of our back-testing robust.

Unlike high-frequency/intraday trading strategies *where participation in the orderbook necessarily changes the execution price* it is possible to achieve, or strategies trading illiquid instruments *where past pricing and liquidity data are inherently unreliable*, **we use transparent and liquid futures closing prices and give ourselves no credit for intraday execution.**

All of our backtests adopt the conservative assumption that we trade on the futures close the day *after* we possess all available information to generate desired positions.

**APPENDIX IV:
OPERATIONS**

Operational Risk Management

Our trading strategy is supported by a robust operational infrastructure designed to mitigate business risk and enable us to trade continuously and in compliance with applicable rules and regulations.

Counterparty Risk

- All positions are held with a top-tier Futures Commission Merchant in segregated accounts.
- All positions are in exchange-listed futures contracts. Our ultimate counterparties are regulated exchanges and clearinghouses.

Liquidity Risk

- We trade in the world's deepest, most liquid markets.
- These markets have remained open and transactable through numerous crises.
- These markets are large enough for us to liquidate positions with minimal performance degradation in the event of crisis or investor redemptions.
- Our portfolio generally retains large cash balances, as futures positions require minimal margin.

Legal/Regulatory Risk

- Our compliance consultants have decades of experience with broker-dealers and investment advisers
- Our strategies trade liquid futures markets— interest rates, currencies, and broad equity index futures, which entail minimal risk of MNPI. We rely solely on publicly available macro data for our strategy.

Operational Risk Management (cont'd)

Data Retention and IT Security

- Our document retention and IT security service providers are certified as compliant with SEC 17a-4. and CFTC 1.31.
- All data is encrypted, transmitted, and stored over networks and datacenters certified under ISO27002 / SOC2 standards.

Business Continuity

- All files required to run the business are securely stored in data centers and accessible from anywhere to users with proper authentication.