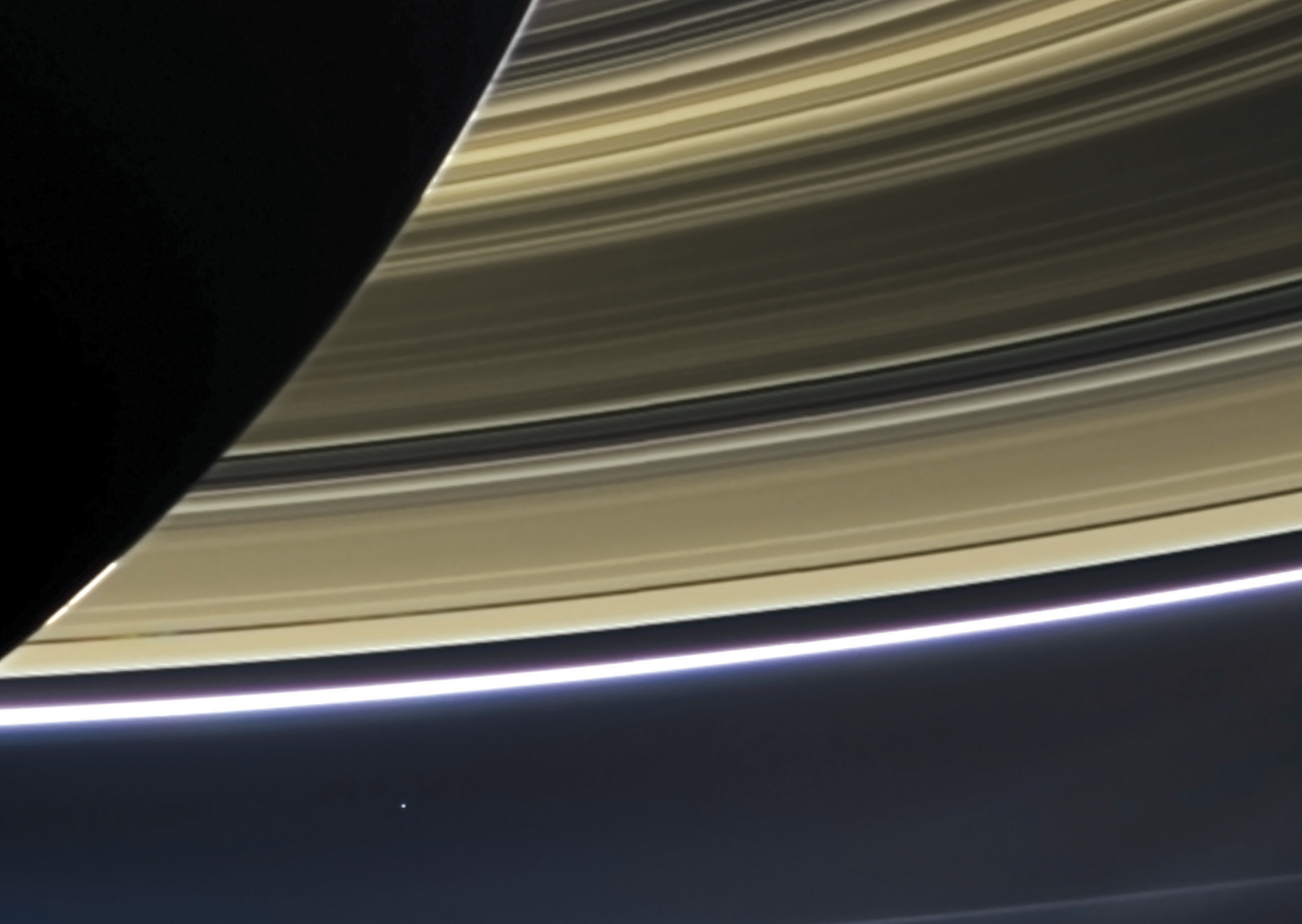




CO-CREATIVE CAPITALISM

A COPERNICAN REVOLUTION IN THE WORLD OF INVESTING

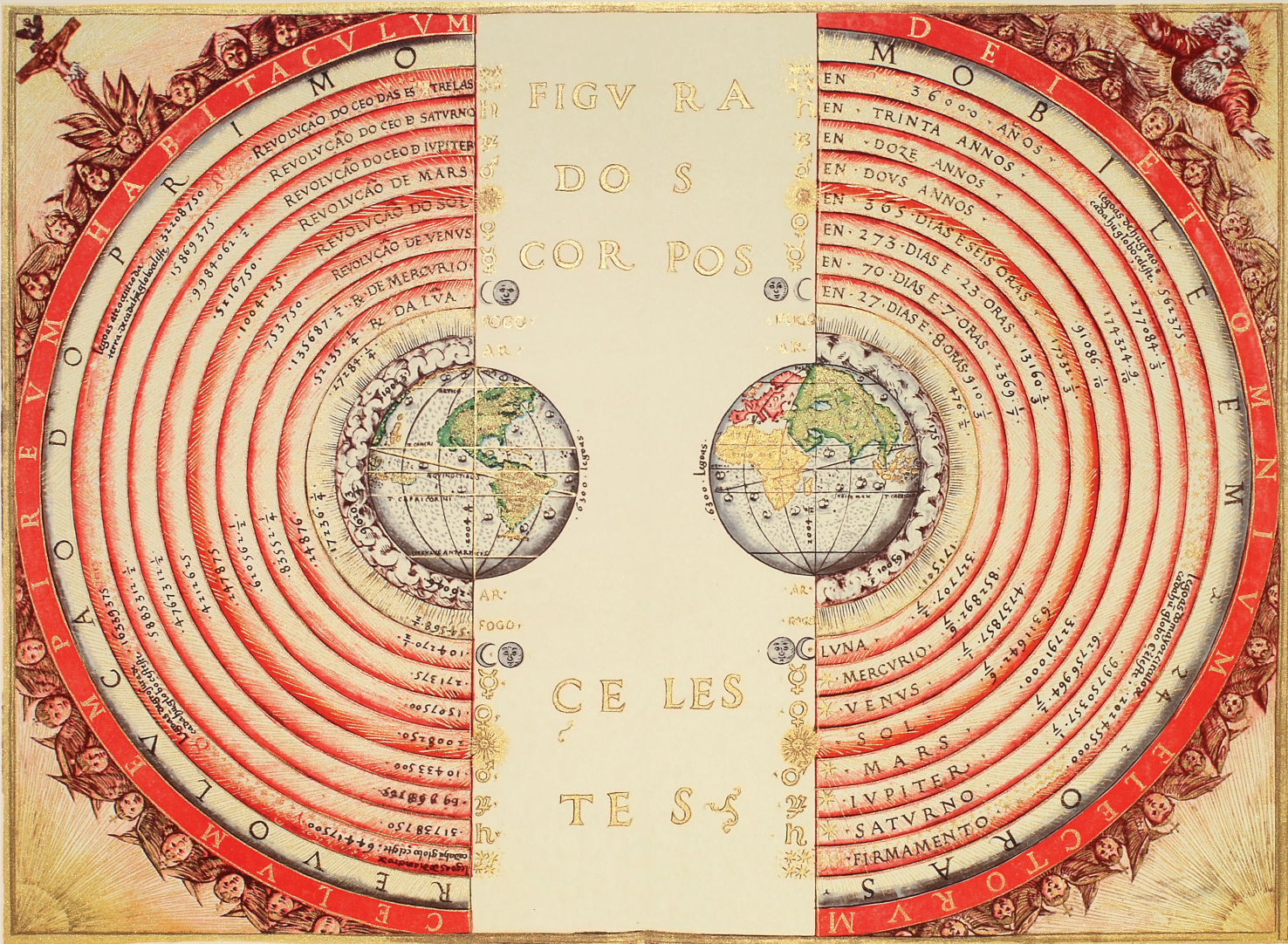


ONE PLANET.

In 1543, Copernicus published his treatise *De revolutionibus orbium coelestium* (*On the Revolutions of the Heavenly Spheres*). In it, he advanced the daring theory that the tiny, glowing dot—earth—revolved around the sun.

For 2,000 years, the received wisdom on this matter had followed the teachings of Ptolemy, an Ancient Greek who flourished during the 2nd Century A.D., and who codified the Aristotelian theory of an earth-centered universe, which dated back to the 5th Century, B.C.

Very ancient, time-honored stuff.



FIGVRA
DOS
CORPOS

CELESSES

HABITACVLVM

REVOLVÇÃO DO CEO DAS ESTRELAS
REVOLVÇÃO DO CEO DE SATVRNO
REVOLVÇÃO DO CEO DE IVPITER
REVOLVÇÃO DE MARS
REVOLVÇÃO DO SOL
REVOLVÇÃO DE VENVS
REVOLVÇÃO DE MERCVRIO
REVOLVÇÃO DE LA

6300 Leguas
36000 ANOS
30 ANOS
2 ANOS
8 ANOS
70 DIAS E 23 HORAS
27 DIAS E 7 HORAS

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An **earth-centered model** makes sense from our own perspective, except that certain appearances, such as the transit of Mercury, are difficult to reconcile.

For centuries, the Ptolemaic acolytes built an **increasingly complex assemblage** of cycles and epicycles to “**save the appearances**” by making the model fit the observed phenomena. More aberrant appearances required more cycles.

The unwieldy model became **the special domain of an elite and powerful class of priestly experts**, who alone could interpret it. Watching the stars allowed them to mark the passing of the year.

Farmers, who needed a planting calendar, primarily **paid for all this complexity**. If that need was met, the system was adequate. The calendars worked well enough, and satisfaction continued into the 15th Century.

Then the earth was proven to be spherical, and exploration closely tied to evolving ocean-going economies brought a **new vision of our world**. Europeans spilled out, devouring resources and changing the planet forever.

After five centuries, the evolution and acceleration of a globalised economy have re-revealed a spherical earth. **We know we cannot continue our growth quest** without turning back on ourselves and **devouring our life-sustaining resources**.

Growth-centric trading markets are failing—in part because new investor types are using them for purposes for which they are unfit. A **co-creative model of enterprise and sustainable investment is now needed**.

Trading markets worked relatively well when they worked primarily for individuals who wanted to combine their resources to invest their accumulated wealth in otherwise out-of-reach ventures & to sell at sporadic times relevant to their own lives & deaths.

Pensions & other trust funds were forbidden to trade just 40 years ago.

MULTI-MULTI-SERVICES

Now these funds have the capital, reach & perpetual nature to be active direct investors in long-term, cash-producing enterprises and to leave behind speculation to rebuild their standards of prudence and loyalty.

Here's why they should negotiate . . .

WE ARE HERE

a new form of
INVESTOR



a new form of
INVESTMENT

Pensions and other professionally managed retirement plans have evolved and now control 50% of all money held for investment in the global economy, making them large enough to move markets

Evergreen is purpose-built to match the unique capabilities and unique responsibilities of these large, purposeful, powerful stewards of a trust that has no end date, but just keeps going, and so is evergreen

"Negotiable" shares do not allow negotiation on these issues . . .

THE PROBLEM FOR FUNDS

THEY CAN NEVER
DE-RISK IN THE
"THE MARKET"

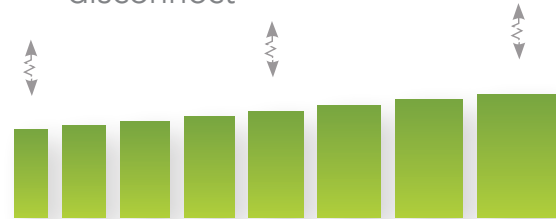
THEY CANNOT
ALIGN THEIR
**ACTUARIAL
RETURNS**

THEY CANNOT
INCORPORATE
**ENVIRONMENTAL,
SOCIAL OR
GOVERNANCE GOALS**

consider why . . .



Structural
disconnect



Only 3 *de facto* legal rights exist:
1 to buy, **2** to sell, or
3 to share in rare cash payouts.

Yet cash payouts, which funds regularly need, often can hurt share price and signify weakness.




SPECULATING ≠ INVESTING

Technology and statistics have not transformed speculation into investment. The ticker tape now just moves at an unimaginable scale. This aging near-monopoly investment platform was never designed to accommodate today's traffic. We are running a magnetic levitation train over a wooden footbridge and wondering why it crashes regularly.

Automated profit-making feedback loops—resulting in blunt and always-wrong bytes of information—hurtle the economy along a recurring unnatural path, not unlike the geocentric transit of Mercury. This system and the laws that sustain it fail to deliver the right amount of data at the right times to the right decision-makers year after year.

Despite calls for sustainability and advancements that allow us to envision and monitor our world in amazing new ways (and to instantly deliver that information to almost anyone anywhere) technology has not yet transformed the way we sustain investment itself.



To escape the black hole of market speculation,
stewardship investors must begin gradually
placing themselves at the center of their own
investment universe

**ONE SOLUTION IS
SIMPLE & EVERGREEN**

THE EVERGREEN ENTERPRISE

How many businesses' **growth patterns** or cash flows look like stock charts?

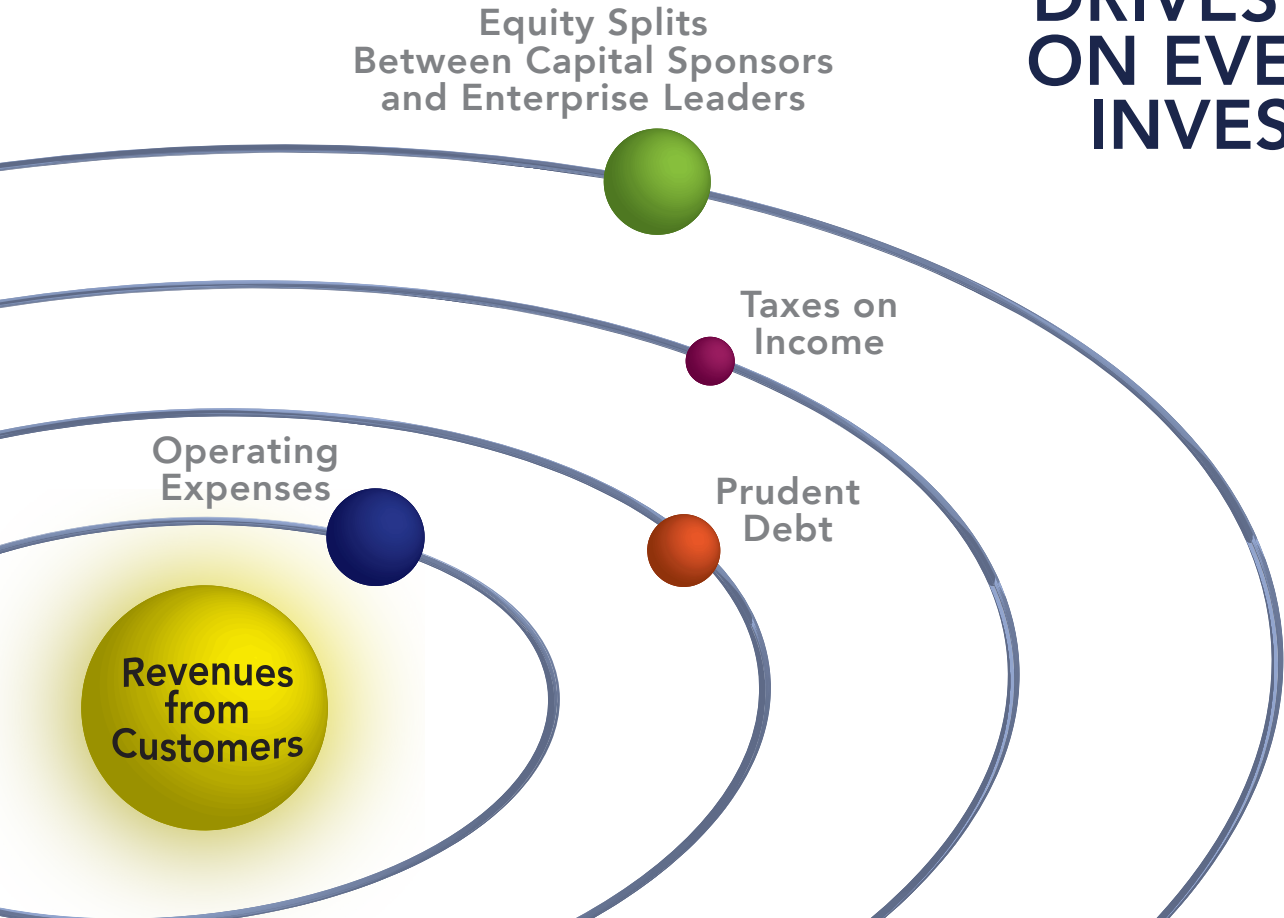


In reality, enterprise prosperity waxes and wanes through different periods based on their production of unique objects and services—let's call them **artifacts**.

Prosperity is derived from enterprise leaders' combining their **knowledge, networks & routines** in the right amounts with appropriate levels of debt—to manage operations, and capital, to keep the enterprise viable.

Some enterprises create artifacts season after season because people want them. Others, frankly, do not need to last forever. Yet we cram them all into **one aging investment structure**.

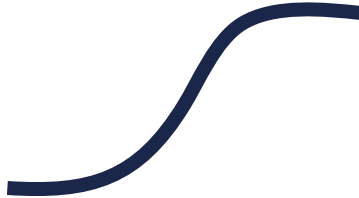
CUSTOMER CASH FLOW IS THE POWER THAT DRIVES RETURN ON EVERGREEN INVESTMENTS



CO-CREATIVE CAPITALISM

IF ...

ENTERPRISE GROWS
LIKE THIS (AT BEST)



AND ...

ENTERPRISE RISK
LOOKS LIKE THIS
TODAY



BUT ...

RISK TO ENTRUSTED
FUNDS MUST LEGALLY
DROP LIKE THIS



We need an investment option that lets perpetual stewardship capital sponsors negotiate away risk by sharing in early cash flows while inspiring and motivating enterprise leaders to create wealth by monetizing unique artifacts that people want—instead of pumping up share prices.

**EVERGREEN DIRECT INVESTMENT
(EDI) FITS THIS NEED**

CO-CREATIVE CAPITALISM IS GOOD STEWARDSHIP INVESTING.

Good stewardship invests in three things: economic inclusiveness, technological innovation and ecological integrity. In combination, these three things ensure the prosperous circulation of purchasing power through an economy that is robust, resilient, regenerative and adaptively co-creative.

Evergreen investing directs investment in line with these three things. Here's how it works . . .

Today, half the savings held for investment in the global economy are entrusted to stewards of our prosperity in retirement. Individually and collectively, these retirement trusts are large. They are purposeful. They are powerful. They are evergreen. They have no end date. As individual savers, we enter and exit these plans on our own, idiosyncratic, timetables, but the plans themselves just keep going.

Enterprise for wealth creation is also evergreen. It just keeps going.

Wealth creation itself is evergreen. It just keeps going.

Evergreen investing makes a direct connection between stewardship trusts that are evergreen and enterprise for wealth creation that is also evergreen, through a sharing in cash flows from wealth creation that is also evergreen. It just keeps going.

Evergreen cash flow sharing means investment returns can be sized and timed to match fiduciary responsibilities for providing income security in retirement that is available, adequate and affordable, both now and later.

Evergreen cash flow sharing also means investment can authentically support economic inclusiveness, technological innovation and ecological integrity, over the long term.

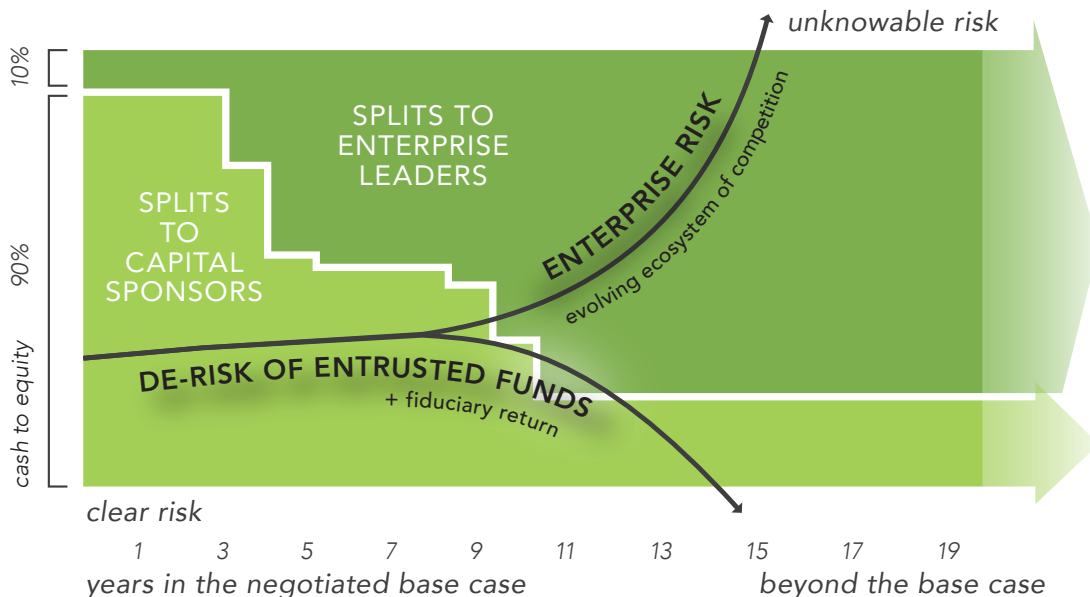
UNLIKE INDIVIDUALS, STEWARDSHIP INVESTORS CAN & SHOULD NEGOTIATE

Stewardship investors have the size, the purpose, the power & the longevity required to generalize the proven practices of waterfall splits in cash flow to equity—common in real estate—to investment in enterprise of any kind.

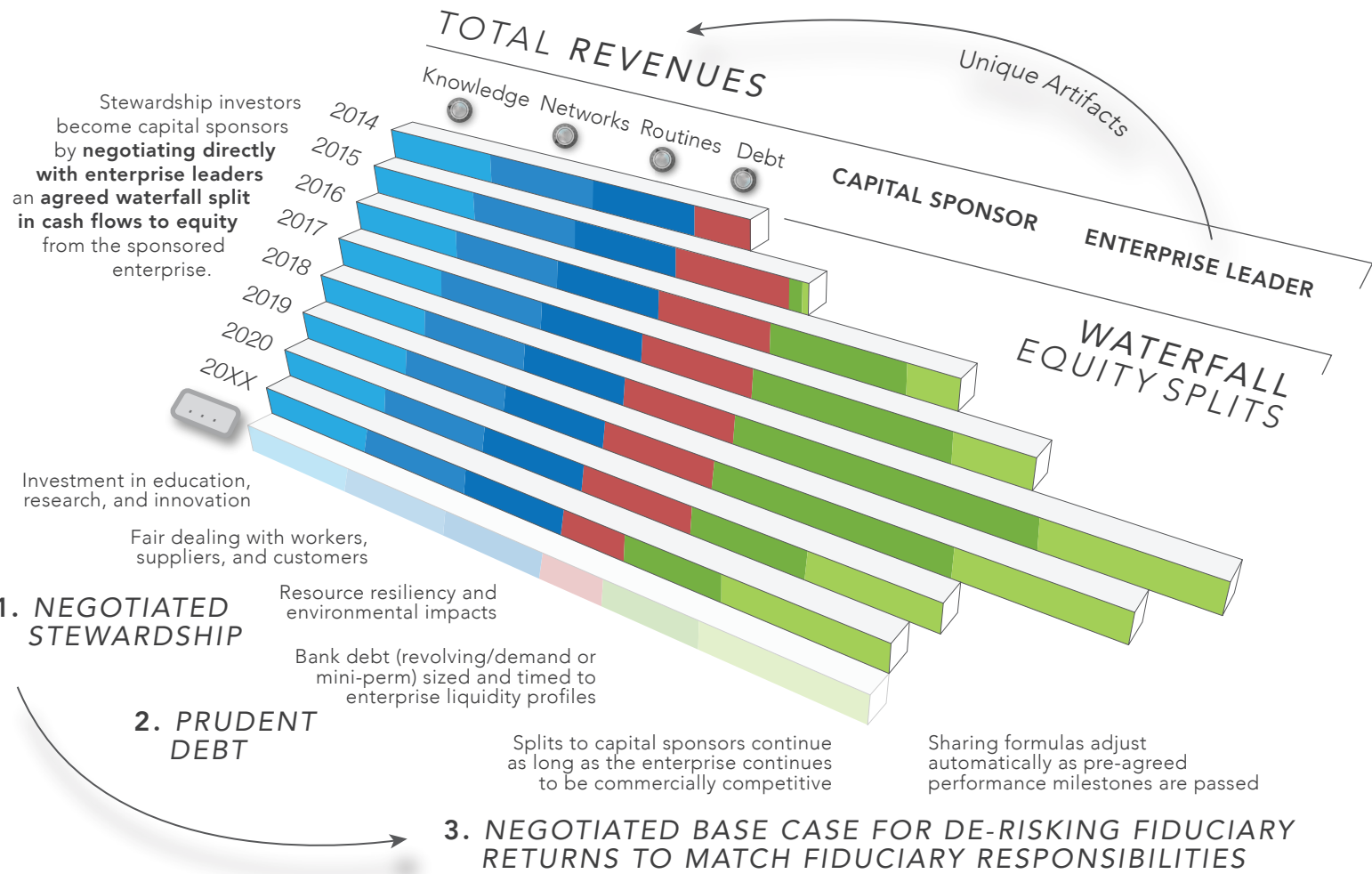
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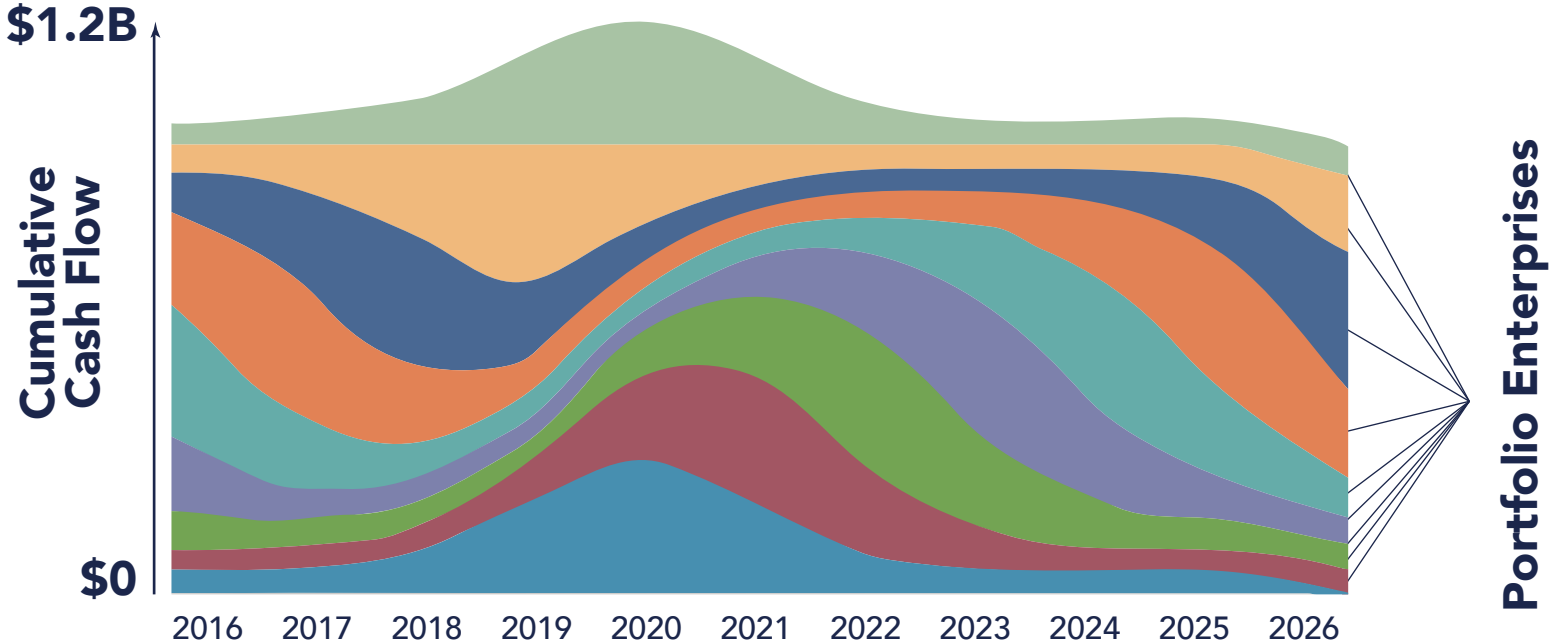
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ENTERPRISE GROWTH, STEWARDSHIP & CASH SHARING



CASH FLOWS IN THE EVERGREEN PORTFOLIO





For more information on
the Evergreen model of
stewardship investing, please
contact: Timothy MacDonald at
timmacdonald1@me.com.

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