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'LVW*HQHUDO
1RYHPEHU

2ULJL(O)O LVI

9 Å p

,WHÐ LLL RI WKH SURYLVLQRQDO DJHQGD
%DVH HURVLRQKDIASRURIEWH FKDQJHV WR \$UWLFOHV
DQG &RPPHQWDULHV LQFOG R \$•QFpp=„.¼! 0 &

352326(1(: \$57,&/ (&200(17\$5<

6XPPDU\

7KLV QRWH GUDZQ XS DV SDUW RI WKH ZRUIQH
&RPPHQWDU\ IRWHÐDWLQOHWR LPSURSHGUDZHQB
GLVFXVVLRQV ZLWKLQ WKH &RPPLWWHH RI QD/MU
DQG LQ RWKHFK IRUJQ WKH FRQWH[W RI WKHIGYR&
%U\$DQ RQG GUDZLQJ XSDWMLVFGODRUDQGLRQ V LVV
FRPPLWWHH V SDUWDLFK KD UKDQGLVHSDUWLRQ

81 0RGRU GUDZV XSRQ FKDQJHV WK
FRUUVSRQGLQJ &RPPHQWDU\ ZD[V&RQYHQMLRQ
DVVLVW HYDOXDWLRQ DQG ZLOO QRW EH LQFOXO

1RWHKWKDSVSHU GRHV QRW LQFRUSRWKMHVHSDQ
RQ K\EULG HQ&VLWLHV,WWWKHRODQSGHSURSRVHG F
SDUDJUDSKV DRQVKHO&RULHQWDU\

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\$UWLFOH

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x @

,PSURSMH RI WD[WUHDWLHV

7KH SULQFLSDO SXUSRVH RI GRXEOH WD[DWLRLQ FRQ
LQWHUQDWLRQDO GRXEOH WD[DWLRLQ H[FKDQJHV RI JRR
DQG SHURZHQVHURWKLSQV RI WDIWHGHDOWHVQDUDOGWHUPV
PD\ EH WHPSWHG WRWRVBUDDWRHREWDVQ EHQHILWV LQ FL
&RQWUDFWLQJ 6WDWHV GLG QRW LQWHQG WKDW WKHVH
WUHDWLHV DUH D VRXUFH RI FRQFHU

3DUDJWDSWREHORDZH EDVHG RQ WKH RQ & \$ U&ZLEFVQH Q WDU
DSSURSULDWH P, Q GLH QFUMDLRQML H V S U R Q M U R O O L Q J W U I
GHVFULE H G H E H Q W H E G H G R Q W K V W K H W H Z O H Y D Q U W & R P H Q R W D
WKH 2 (& G H & R Q Y H Q W R W G W R H Z K Q Y & R P P O V Z H Q J S D U D J U
Q R W T X K R H V H (& ' S D U E H F L D X S K H W K H Q H F H V V D U \ P R G L I L F D W L R
V R P S H D U D J U R D S K K H & R & ' P H Q W D U \ D U H E R U U R Z H G I U R P W K H

7KHUH DUH D QXPEHU RI GLIIHUHQW DSSURDFKHV XVH
LPSURSHU XVH RQ W D I Q M U D H W W K H V H D S S U R D F K H V L Q Y R
DSSOLFDWLRQ RI WKH SURYLVLQRQV RI DQWUHQDPHHRW WFKH
'HDOLQJ ZLWK WD[DYRLGDQFH WKURXJK GRPHVWLF ODZ

- ± VSHFLIDEXDQWUXOHV LQ GRPHVWLF ODZ
- ± JHQHUDXQWUXOHV LQ GRPHVWLF ODZ DQG
MXGLFLDO GRFWULQHV DQG S U L D Q F W S P I H G R P I H V Q W L F U

7KHVH GROUHV DSSURDFKHV H G U H Q G L V F O O \ L Q E S H O U R Z I U D S K V
VHSDUDWHO\ LQS D R D J U G S R W L D O L Q J Z L W G D W Q B H W K U R X J K
FRQYHQWYLRQYHV WKH SRVVLEOH DSSOLFDWLRQ RI

- VSHFLIDEXDQWUXOHV LQ WD[WUHDWLHV
- JHQHUDXQWUXOHV LQ WD[WUHDWLHV DQG
WKH LQWHUSUHWDLRQ RI WD[WUHDW\ SURYLVLQRQ

7KHVH EDVHGV DSSURDFKHV H G U H Q G L V F O O \ L Q E S H O U R Z I U D S K V
VHSDUDWHO\ LQS D R D J U G S R W L D O L Q J Z L W G D W Q B H W K U R X J K
FRQYHQWYLRQYHV WKH SRVVLEOH DSSOLFDWLRQ RI

>1RWR WKH & R W R L W S E H D J U D S K F R U U H V S R Q G V W R S D U D J U
& R P P H Q W D U \ E X W K D V E H H Q U H Y L V H G W R U H I O H F W W K H
3 \$ G G U H V V L Q J W D [D Y R L G D Q F H W K U R X J K G R P H V W L F O D Z
W K U R X J K G R P H V W L F O D Z D Q G M X G L F L D O G R F W U L Q H V

\$SSURDFKHV WR SUHYHQW WKH LPSURSHU XVH RI V
\$ G G U H V V L Q J W D [D Y R L G D Q F H E X W K U R X J K G R P H V W L F O D Z

'RPHVWDEXDQWUXOHV DQG MXGLFLDO GRFWULQHV PD\ I
DQG DUUDQJHPHQW HQWHUHG LQWR IRU WKH SXUSRVH
FLUXPVDQFHV 7KHVH UXOHV DQG GRFWULQHV QV D B W D R
DU 0 ÷ • Q` UHG LU R IU WE SR•USR VH R

\$GGUHVVLQJ WD[DYRLGDQFH>@KZ@XJK WD[FRQYHQWLRQ

\$UWLDOHG WKH VSHFDLXVWUHXDWMVLOWORQVHDLPHGWD[F
DWUDQVDFWLRQV DQG DUUDQJHPHQWV HQWHUHG LQWR I
LQDSSURSULDWH FLUFXPVWDQFHV :KHUH KRZHYHU D W
WKH TXHVWLRQ PD\ DULVH ZKHWKHUVWRXOESHQHILJWDQW
WUDQVDFWLRQV WKDW FRQVWLWXWH DQ DEXVH RI WKH
>FRUUHVSRQGV WR 2(&' QHZ @

0DQ\ 6WDWHV DGGUHVV WKDW TXHVWLRQ E\ WDNLQJ D

REOLJDWLRQV VLP SO \ E \ DUJXLQJ WKDWG @ F H I W W L F D W W B I W W
WKDW DIIHFW WKHVH WUDQVDFWLRQV LQ ZD \ V W K X W H D U H
UXO H F R U U H V S R Q G V W R 81 ROG @

8QGHU WKH JXLGLQJ SULQFLSOH SUHVHQWHG DERYH
IRU FHUWDLQ YS ` 0 R Q ¼ % p Æ @ E H ¼ D p 0 ` p ° € 0 à p S (A ' Â . Du ` \$ q 3 • 0 €

ODWWHU VWDWH IRU GR ZHO W LEFH ODHZO SIX DSRW ZKH WKH LWKH
XVHV WKH SODFH RI PDQDJHPHQW RI D OHJDO SHUVRQ
UHVLGHQFH

&DUHIXO FRQVLGHUDWLRQ RI WKH IDFOWR DQGR ZLWK DV
VXEVLGHDO JHG LQ WKH VWDWH RI UHVLGHQFH RI LWV S
KDG D SHUPDQHQW HVWDEOLVKPHQW H J E\ KDYLQJ D S
DOO RW DQWLLEVO SDUVRURRSHUOS DQVWVWEDM&RPHLWKKWHH
&RPPLWWHH PD\ ZLGHQHUFRQSDGDUJUDSKV ZKIDFGDUH
LQFOXGHG LQ WKH UHVLVHG Q&RPPLWWHH

6SHFLILF OHJLXODHWUXIOHQWRLXQG LQ GRPHVWLF ODZ

7DPXWKRULWLHV VHHNLQJ WR DGGUHVV WKH LPSURS
WKH DSSOLFDWLRQXRIVHSXGEMLEDFOXLGHG >LQ WKHLSRQSRVH
2(&' QHZ ROG 81 ODZ

ODQXSHFLIDE XQXORXQG LQ GRPHVWLF HQDZYDQW IRU WH
)RU LQVWDQFH FRQWUROOHG IRUHLJQ FRUSRUDWLRQ
DUUDQJHPHQWV LQYROYLQJ WKH XVH E\ UHVLGHQWV RI
RI WUHDWWRXQFDSLHWBOLHJIDWQRQJUXPOMVDSOQJWBXOHWWU
GHGXFWLRQHURGLEOHQWHUHVW SD\PHQWV WR UHVLGHQWV
UXOHV HYHQ LI QRW GHVXLVQHGXSOULPDPDODSIDHODQWLWIKH
LQFRPH IURP D UHVLGHQW HQWHUSULVH WR DQ HQWHUSU
GHSDUWXUH WD\HV UXOHV PD\ SUHYHQW WKH DYRLGDQF
UHVLGHQFH EHIRUH WKH[HPSOLJ]VWORJDRO DQVWVWEDM&RPHLWKKWHH
PD\ SUHYHQW WKH DYRLGDQFH RI GRPHVWLF GLYLGHQG
GHVLJQHG WR WUDQVIRU[HPSOLJ]VWORJDRO DQVWVWEDM&RPHLWKKWHH
SUHYHQW FHUWDLQRDWRQQRORFHQWUDQVDFWLRURRFRQSRQGD
WR 2(&' QHZOG @1

\$ FRPPRQ SUREOHP WKDW DULVHV IURP WKH DSSOLFD
DQVWVWEDM&RPHLWKKWHH UXOHV WR DUUDQJHPHQWVSRQVREOYHQJRQKHLFXWM
SURYLVLRQV RI WD\ WUHDWLHV :KHUH WZR &RQWUDFWLQ
VSHFLIDE XQXORXQG LQ WKH GRPHVWLF ODZ RI RQ
SURYLVLRQV RI WKHLUPD\DEHWDDGWHVWKH WKRXJK WKH
SURFHGXUH KDYLQJ UHJDUG>WRUWKM SIROORZLRJRGLQFLS

*HQHUDOO\ ZKHUH WKH DSSOLFDWLRQ RI SURYLVLRC
WD\ WUHDWLHV SURQVFWWRKRSORFWLQRQVHRXWD\ WUHDV
7KLV LV D ORJLDO FRQVHSXGWHVXQWZKHHSVDOGLSFRHUSR
LQ \$UWLFORLHQW&RQWHQWLRQ7RQVWVWEDM&RPHLWKKWHH
VSHFLIDE XQXORXQG LQ GRPHVWLF ODZ ZHUH WR UHVXOW
DFFRUGDQFH ZLWK W&RQVWVWEDM&RPHLWKKWHH VRZDXOG FIRDV
KOLFV

&RQYHQWLRQ ZRXOG SUHYHQW WKH DSSOLFDWLRQ RI 6W
SDUDJUDSK RI \$UWLFOH FRXOG EH GHQ[LHGU WKHWKD
SULQFLSOHV LQ SDUORZDSKWRUWRSRQZ/ ROG 81 @

)RXUWK WKH DSSOLFDWLRQ RI WD[WUHDW\ SURYLVL
RU SULQFLSOHV DSSOLFDEOH WR WKH LQWHUSUHWDWLRQ
VXFK D FDVH WKHUH ZLOO EH QR FROEDQFMLZLWRI WKKH W
GHQLHG XQGHU ERWK D SURSHU LQWHUSUHWDWLRQ RI

SURYLVLQRQV RI D WUHDW\ SUHYHQW WÆEXD\SISOXØBWLRØG
GRPHVWLFRODØVSRQGV WR ROG 81 @

3DUDJUDSKØERWHR SURYLGH JXLGDQFH DVG WRR ZEK•FW †V

VKDUHV DQG ZKLFK WKDW 6WDWH DLZWD UHVLGHQW RI
LQGLYLGXDO ZKR LV D UHVLGHQW RI WKH RWKHU &R
WKH PHQWL RQH 6WDWH LQ WKH FRXUVH RI WKH OD
RI WKH VKDUHQF RU UPRXWV

:KHUH XQGHU DQ\ SURYLVLQR RI WKLW &RQYHQWLR
6WDWH LV UHOLHYHG LQ ZKROH RU LQ SDUW IURP W
LQ WKH RWKHU &RQWUDFWLQJ 6WDWHLD S&EMRQWLW
WD[UH]HQUFH WR WKH DPRXQW WKHUHRI ZKLFK LV UHF
6WDWH DQG QRW E\ UHIHUHQFH WR WKH IXOO DPRX
WKH SURYLVLQRV RI WKLW &RQYHQWLR R&PVKDOOLWSS
WD[HG LQ WKH RWKHU &RQWUDFWLQJ 6WDWH

,Q VRPH 6WDWHV WKH DSSOLFDWIRGOLLOV W&K&WV H
GLIILFXOWLHV LI D VXEVWDQWLDO DPRXQW RI WLPH H
LQ D &RQWUDFWLQJ 6WDWH DQGHQW\ WKH WLPKHUW&Z&WU
KDQGV RI D UHVLGHQW RI WKDW RWKHU 6WDWH 6WD
VXEMHFW WKH UXOH LQ WKH L&K&V D&K&R LQW&PHDIE
ZLOO EH HQWLW&H G&W&H R&H G&W&W RQO\ ZKHQ V
6WDWH WR WKH FRQGLWLRQ WKDW WKH LQFRPH PXV
VSHFLILHG SHULRG RI WLPH IURP W&H W&R Q&M&H 6WD
>ROG SDUD @

7UHDW\QJKRSSL

³7UHDW\ VKRSSLQJ' LV D IRUP RI LPSURSHU XVH RI W
WKURXJK ZKLFK SHUVRQV ZKR DUH QRW HQWLWOHG WR V
ZKR DUH HQWLWOHG WR VXF E&H&W&V E&H&R U&WU)R&H
FRPSDQ\ WKDW LV D UHVLGHQW RI D WUHDW\ FRXQWU\ Z
WKDW ZRXOG HFRQRPLFDOO\ DFFUXH WR D SHUVRQ WKD
LPSURSHUO\ DFFHVV WK&D E&H&W&V SURYLG H&G&XLW H
FRPSDQ\ EXW PD\ DOVR EH D SDUWQHUVKLS WUXVW R
EHQHILWV *UDQWLQJ WUHDW\ EHQHILWV LQ WKHVH FLUF
RI VRXUFH VLQW WK&W&H WUHDW\ ZRXOG EH H[W&H&G
LQWHQGHG WR RE&R&G&S&X&F&E&H&HILWV

\$ WUHDW\ VKRSSLQJ DUUDQJPHQW&R&D&W&R&H W&K&W I
³VWHSSLQJ VWRQH FRQG&L&R&G&S&D&O&X&W&U&D&W&H&G&E&H&O&R&Z

&RPSDQ\ ; D UHVLGHQW RI 6WDWH SURYLG H&Y&R&P&G&L
FRPSDQ\ < D UHVLGHQW RI 6WDWH % &RPSDQ\ ; FODLP
6WDWHV \$ DQG % LW LV HQWLWOHG W&F&I&Z&L&O&K&R&B&O&S&L&Q&L&W
SURYLGHG IRU XQGHU WKH WD[OHJLV&D&O&L&R&E&R&D&6&W&D&W&G&H
RI WKLUG 6WDWH & ZKR LV QRW HQWLWOHG WR WKH EH
&RPSDQ\ ; ZDV FUHDWHG IRU W&E&H&S&H&U&S&R&V&R&I&W&K&E&W&D&E&O&M&Q
\$ DQG % DQG LW LV IRU WKDW SXUSRVH WKDW WKH DVV
LQWHUHVW RU UR\&O&W&L&H&V&K&D&Y&H&E&H&Q&W&U&D&Q&V&I&H&U&H&G&W&F

¹ See page R(6)

QRUPDO LQWHUQDWLRQDO DUH DSSWIRDFK KPLISJ KDW VZHEO O I
D W\SLFDO FRQGXLW VLSXPDVLRQ RI \$WKDVHIXQGGERXO
IROORZLQJ ZRUGLQJ

:KHUH LQFRPH DULVLQJ LQ D &RFRSDQWUQV LGHQWH
WKH RWKHU &RQWUDFWLGHUHQV VQHR VQGH VLGHRW P
&RQWUDFWLQJ 6WDWH

a) KDYH GLUHFWO\ RU LQGLUHFWRORUHWKZIRXUKYR
UHVLGHW D VXEVWDQWLDO LQWHUFLWDLQVXQK
RU RWKHUZLVH RU

b) H[HUFLVH GLUHFWO\ RU LQGLUHFWRORUHWKZIRXUKYR
RI VXFK FRPSDQ\

DQ\ SURYLVLHQ RI WKLW &RQYHQWLRQ FRQIHUULQJ
WD[VKDOO DSSO\ RQO\ WR ILQFRPHQDQVHG 6VXEWHF
WKH RUGLQDU\ UXOHV RI LWV WD[ODZ

7KH FRQFHSW RI 'VXEVWDQWLDO LQWHUHVW' PD\ EH I
FRQYHQWLRQ &RQWUDFWLQJ 6WDWHV PD\ H[SUHVV L
FDSLRORU YRWLQJ ULJKWV RI WKH FRPSDQ\

16. 7KH VXEWBFVSSQSp ° €W

DQ\ SURYLVLQR RI WKL V &RQYHQWLRQ FRQIHUULQJ
WD[VKDOO QRW DSSO\ LI PRUH WKDQ SHU FHQW R
E\ VXFK SHUVRQV LQFOXGLQJ LQWHUHVW UR\DOWL
WDYHO H[SHQVHV DQG NLQG SRUHEXDVW LQVRODWBHWHV RQ
LPPDWHULDO JRRGV DQG SURFHVVHV

18. \$ SURYLVLQR RI WKL V NLQG DSSHDUV WR EH WKH
3VWHS\SLRQH' GHYLFHV ,W LV IRMGG LQWELQEDWZUWPH
DQG WKH 8QLWHG 6WDWHV DQG LWV SULQFLSOH DOV
DJDLQVW WKH LPSURSHU XVH RI WD[WUHDWLHV E\ FH
FRQFHÀXW 0! KÂ/1F•V ÆH“ A3RÂÂ/1F•V RQ

e) \$OWHUQDWLYH UHOLHI SURYLVLRRQ

,Q F DVHV ZKDEUXVBIQ ODXMLHU HVHLBHQ WWR FORDQ & RQWUD
LW FRXOG EH SURYLGHG WKDW WKH WHUP ³VKDOO
WKLUG 6WDWHV WKDW KDYH LQFR&PHQW DDFRQGHG
IURP ZKLFK UHOLHI IURP WD[DWLRRQ LV FODLPHG D
IURP WD[DWLRRQ QRW OHVV WKDQ WKH UHOLHI
&RQYHQWLRQ '

7KHVH SURYLVLRRQDSSORDWUHDWH SHQVSHFOKLF SURYGLV
WR EH LQFOXGHG LQ D SDUWLFXODU WUHDW\ GHSHQGY
DQG VKRXOG EH GHWHUPLQHG RQ D ELODWHUDO EDVL
WKH &RQWUDFWLQJ 6WDWHV KDDUW SHRSRZHLBQWR IDV
FRQVLGHUHG DSSURSULDWH WR LQFOXGH DQ DGGLW
DXWKRULW\ RI WKH WUHDW FRXQVURZWKKH EHQHILWV
D UHVLGHQW RI WKH RWKHU 6WDV DVVYDQ\ IRI WKH UHV
DERYH

20. :KLOVW WKH SUHFHGLQJ SDSSSURSKFWRL GHODLZLV
FRQGXLW VLWXDWLRQV SEIDWLRXV WKHPWGRIDWK HZ ISWR ED
UHIHUHG WR DV ³WUHDWWR KRGSSLHQV V WHD WWHXZLV Q LL
ZD\ PD\ ZDQW WR FRQVLGHU WKH IROORZHQJH H[V SO
SURYLVLRQV DLPHG DW SUHYHQWLQJ SHUVRQV ZKR DU
IURP DFFHVVLQJ WKH EHQURIXW WKH &RQYHQWLRQW
R°WKHUCZSèV E @TNDICDQ%RMR E@A@p W/B@Bh@ Vp DVOPOB`QpThE6E
PD\ EH QHFHVVDU\ DQG WKDW PDQ\ 6WDWHV SUHIHU

HQWLWOHG WR EHQHILRW WKQGHMKEVSEIGDYUWDSRC
WKDW LQ WKH FDVH RIDEKGLQMHFWP RZQDW MKR
UHVLGHQW RI HLWKHU &RQWUDFWLQJ 6WDWH

d) D FKDULW\ RQHRSWWHUQWDLW\ SURYLGHG WKDW L
WUXVW RU DQ\ RWKHU RUJDQLJDWLRQ WKDW LV
SHQVLRQ RU RWKHURVHPWKDQ EHQSHULFWHQW RI V
EHQHILFLDHPPEHUV RU SDUWLFLSDQWV DUH LQ
&RQWUDFWLQJ 6WDWH RU

e) D SHUVRQ RWKHU WKDQ DQ LQGLYLGXDO LI

(i) RQ DW OHDVW KDOI WKH GD\V RI WKH ILVFDO \H
E\HDVVRQ RI VXDESRQBWUWDSKGLYRLMWRQV SDUDJUD
RZGLUHFUW LQGLUHFUW\ DW OHDVW SHU FH
YDOXH RI WKH VKDUHV RU RWKHU EHQHILFLDO

(ii) OHVV WKDQ SHU FHQWRVRILOKIRSHURWRQWKH W
SDLG RU DFFUXHG GLUHFUW\ RU LQGLUHFUW\
HLWKHU &RQWUDFWLQJ 6WDWH LQ WKH IRUP R
SXUSRVHV RI WKH WD[HV FRYHUHG DWMMKR &R
UHVLGHQFH EXW QRW LQFOXGLQJ DUPV OHQJV
RI EXVLQHVV IRU VHUYLFHV RU WDQJLEOH SUR
ILQDQFLDO REOLJDWLRQV WR D EDQN SURYLG
UHVLGHQW RI DWQRWEDFSDLPHQW LV DWWULEXV
HVVDEOLVKPHQW RI WKDW EDQN ORFDWHG LQ F

3. D \$ UHVLGHQW RI D &RQWUDFWLQJ 6WDWH DWMMKZL &RQEH
ZLWK UHVSHFW WR DQ LWHP RHLQFDPWH GUHWDYHG
ZKHWKHU WKH UHVLGHQW LV D TXDOLILHG SHUVR
RQ EXVLQHVV LQ WKH ILUVW

FRQQHFWHG WR VXFH SHUVRQ VKDOO EH GHHPHG
 SHUVRQ VKDOO EH FRQQHFWHG WDWORWU LS
 WKH EHQHILFLDO LQWHUHV LQ WKH RWKHU RU
 FHQW RI WKH DJJUHJDWH YRWH DQG YDOXH RI
 SHUVRQ SRVVHVHV GLUHFWO\ RU LQGLUHFWO\
 LQWHUHV WKH FDVH RI D FRPSDQ\ DW OHDV
 DQG YDOXH RI WKH FRPSDQ\ V VKDUHV LQ HDFK
 EH FRQVLGHUHG WR EH FRQQHFWHG WR DQRWK
 FLUXPVWDQFHV WKH RWKHU QWU ERWK
 WKH SRHQ RU SHUVRQV

4. 1RWZLWKVWDQGLQJ WKH SUHFHGLQJ SURYLVLRQV
 UHVLGHQW RI D &RQWUDFWLQJ 6WDWH RU D FRPSDQ
 RXWVWDQGLQJ DV DVV RI

a) ZKLFK LV VXEMHFW WR WHUPV RU RWKHU DUUDQ
 SRUWLRQ RI WKH LQFRPH RI WKH FRPSDQ\ GHUL
 6WDWH WKDW LV ODUJHU WKDQ WKH SRUWLRQ V
 WHUPV RU DWKJEMSWR/SRUWLRQDWH SDUW RI

b) SHU FHQW RU PRUH RI WKH YRWLQJ SRZHU DQ
 SHUVRQV ZKR DUH QRW TXDOLILHG SHUVRQV WK
 QRW DSSGLVSRUWLRQDWH SDUW RI WKH LQFRPH

5. \$ UHVLGHQW RI D &RQWUDFWLQJ 6WDWH WKDW LV Q
 WKH SURYLVLRQV RI SDUDJUDSK RU HQWLWOHG W

HYDVLRQ 7KXVH FKDQJHV VKRXOG SOD\ DQ LPSRUWDQW
&RQYHQWLRQ DUH LQWHUSUHWHG DQG DSSOLHG @WZ@SUHY

7KH JHQHDOV D QXID H; LQ \$LFMLFDW DGGHG WR WKH &F
XSGDWH PD\ DOVR EH HIIHFWLYH LQ SUHYHQWLQJ DE

7ULDQJXODU &DVHV

:LWK UHVSHFW WR WDDQJXODULFDV MKHUSKH D VHW RWWR
WUHDWLHV LQ VLWXDWLRQV ZKHUH WKUHH 6WDWHV DUH
FRQVWLWXWH DQ LPSURSHU XVH RI D WD[WUHDW\ LV RQH

GLYLGHQGV R LQWHUHVW IRU WHDFK DOLVHG YILFRPV 6W
D UHVLGHQW RI 6WDWH 5 ZKLFK LV DQ H[HPSWLRQ F
WKDW LQFRPH LV DWWULEXWDEOH WR D SHUPDQHQW
WD[MXULVGLFWLRQ ZKHUH WRDG SDUDPH ZLOO QRW

8QGHU WKH 6WDWHV D[WUHDW\ 6WDWH 6 KDV WR D
VXFK GLYLGHQGV LQWHUHVW RU UR\DOWLHV EHFDXVH W
WKRXJK WKH\ DUH QRW WD[MKH LQ MKR SW LQVW V H R HDS
>ROG SDUD @

,Q WKH XSGDWH SDUDJUDSK RI \$UWLFOH ZDV
WULDQJXODU D VWKDW SURYLVLQJ WKH EHQHILWV RI W
LPSRVH WKR QFRPH 6WDWH LQ ZMLFK WKEHOS MKP BQWQLV O
WKDQ SHUFHQW RI WKH WD[WKDW ZRXOG KDYH EHHQ L
KDG EHHQ GHULYH GR E\ WK DWH WLEHQRWDQV WZULEXWDEOH V
HVVDEOLVKPHQW HHS DUDKJUDSK W B B MR BB ZLWK UHVSHFV
>QHZ UHSODFHV ROG SDUD @

,I VLPLODU SURYLVLQJ DUH QRW V\WHPDWLFDOO\
FRQFOXGHG E\ WKH 6WFKL RLGFRQVFLRWHUHVW RU UR\
KDYH DQ H[HPSWLRQ V\WHP WKHUH LV D ULVN WKDW
DVVRFLDWHG HQWHUSULVHV WKDW DUH UHVLGHQWV RI F
WKHDW ZLWK WKH 6WDWH RI VRXUFH >ROG SDUD @

\$WWULEXWLQJ 3URILWV RU ,QFRPH WR D 6SHFLILF 3HUVR

\$ WD[SD\HU PD\ HQWHU LQWR WUDQVDFWLRQV RU DUU
QRUPDOO\ DFFUXH WR W ZRX>WR UPDOO\ @0 C /•, @W\ ZLV

H J WUHDW\ VKRSSLQJ DQG WKH XVHWPI[SFRUXPDUHLQW H
DOUHDG\ EHHQ GLVFXVVHG 7KH MKLORZQQJ >RHOQXSURV R
i) 1RQ DUP¶V OHQJWK WUDQVIHU SULFHV

,W KDV OBRREJHGHG WKDW SURILWV FDQ EH VKLIWH
WKURXJK WKH XVH RI QRQ DUP¶V OHQJWK SULFHV DQG
LQFOXGH WUDQVIHU SULFLQJ UQBRIÂ/ G VVbD`°g€0VD|•0Q

WR LQFOXGH VXFK H[HPSWLRQV LQ RQH RI LWV WUHDWLH
WKHVH LQ WUMDZLWQ@HRJRWKHDVLRGOSDUJBRXQ@WULHV

ODQ\ RI ~~WURDF~~XHV UHIHUHG WR DERYH LQ WKH FD
UHOHYDQW WRWRD@N DLUWIDQJHFDHFMVVDLQJH@KDWEHQHILV
H[HPSWLRQV \$OVR FDVHV ZKHUH WKH FRQVLGHUDWLRQ
LPSURSDMULWULEXWHG WR LQWHUHVW SD\PHQWV FDQ EH F
DEXVH UXOHV DSSOLFDEOH WR ~~VXFK~~FDXHOHJHROHGB@DW
SURSHU LQWHUSUHDWLRQ RI WKH WUHDW\ SGRGLVLRQ
DPRQJ UHODWHG SDUWLHV SDUDJUDSK RI \$UWLFOH
UHOHYDQW WR HQVXUH WKDW WKH EQHILW RI WKH WUH
RI LQWHUHVW)LQDOO\ VRPH FR~~EMULX~~HOHWY@W@F@MG
GHDO ZLWKW@DFN@DDJNDQJHPHQWV \$Q H[DPSOH RI VXFK
ERI \$UWLFOH RI WKH 3URWRFRO WR WKH WUHDW\ VLJQ
UHDGV DV IROORZV

7KH SURYLVLROVDFIK>*@RSDUWLFOH @ VKDOO QRW
IURP ~~WDFN~~ORDQV ,Q VXFK FDVH WKH LQWHUHVW V
WKH GRPHVWLF ODZ RI WKH 6WDWH LQ ZKLFK LW DUL

LWV FRXQWU\ DQG FRPSDQ\ UHVLG
FRPSDQ\ ; ZDQWHG WR DFTXLUH &RPSDQLHV ; DQG < ZRX
XQGHU ZKLFK WKH\ ZRXOG DJUHH WR PDNH VZDS SD\PHQ
EHWZHHQ WKH\ UHFHLYH HI
LQWR IXWXUH FRQWUDFWV WR EX\ IURP HDFK RWKHU WKH
WKHVH WUDQVDFWLRQV WKH WD[SD\HUV ZRXOG ERUJHU PL
LQHVWPHQWV LQ WKH VKDUHV DQG ERQGV ZLWKRXW LQF

7KH &RPPLWWHH UHFRJQLJHV WKH UROH WKDW SURSI
PLQLPULQV RI LPSURSHU XVHV RI WD[WUHDWLHV 0DQV
QHHG WR EH VXSSRUWHG E\ SURSHU DGPLQLVWUDWLYH S