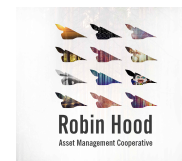


Annual general members meeting of the Robin Hood Asset Management Cooperative 2016, concerning the fiscal year 1.7.2015-30.6.2016.



Minutes

Meeting time:

Tuesday 27. December 12:00 (12PM) Helsinki (GMT+2) – Thursday 29. December 24:00 (12AM) Helsinki (GMT+2)

Meeting place:

<https://www.loomio.org/g/9juRfFpQ/agm-2016-robin-hood-coop-members-meeting>

Attending:

Maria Tengarrinha, Aki Koskinen, Akseli Virtanen, Alex Fradera, Alex Payne, Ana Fradique, Ana Godoy, Anders Bang, Andre Rezos, Andreas Ribbung, Andrew Durling, Andrew Gryf Paterson, Andy Crichton, Anssi Lahtinen, Antti Ahonen, Antti T Seppänen, Barry Lalley, Ben Winkler, Brooks La Chance, Catherine Bounsaythip, Charles Lehner, Christian Gottschling, Clark Fitzgerald, Colin Morgan, Cory-Ann Joseph, Dan Hassan, Daniel Santos, Danny Wilson, David McKenzie, Eamon McDermott, Elisa Band, Erin Manning, Esteve López, Felix Brückner, Fotis Georgatos, Geert Lovink, Georgios Papadopoulos, Giulia Dal Maso, Graham Wright, Henri Kultalahti, Iddo Oberski, Ion Dumitrescu, Ivor Kellock, Jaakko Hasardi Perttunen, Jaakko Salli, Jari Miettinen, Jari Satka, Jarkko Tapani Kuosmanen, Jarno Tuominen, Jeffrey D Schneider, Jenny Pickup, Jerry Mikkelinen, Jessy Kate Schingler, Jo Morphy, Jon Owen, Jon Peters, Jonna Strandberg, Joshua Morales, Jukka Luoto, Julio Lucio, Julius Uusikylä, Karina Reinhardt, Kimmo Englund, Klaus Ebenhoeh, Konrad Lischka, Kristiina Ullgrén, Lassi Patokorpi, Lennart Mogren, Luska Mengham, Magnus Kelstrup, Manuel Lucio, Marja Halla-aho, Mark Reid, Mark Van Beek, Martin Ebner, Matthew Slater, Matti Kanninen, Matti Vesa Volanen, Maximilian Simon, Mika Gråsten, Mika Impola, Mike Williams, Niko Murto, Ohto Kanninen, Oliver Ginsberg, Paavo Kuronen, Patrick Gibson, Paul Canosa, Paul Currion, Paul Grant, Pauli Koski, Pedro Aibeo, Pekka Henttonen, Pekka Honkanen, Pierre-Alexandre Klein, Renata Pereira Lima Aspis, Radna Rumping, Renny Victor Narvaez Madriz, Richard Bradley, Rob Smith, Robert Meister, Roberto Soundy, Roope Kannisto, Sakari Kukko, Sami Lappalainen, Sandra Coelho, Sanna Niikkonen, Sarah Anne Harris, Senkin Brotte, Seppo Lohilahti, Seppo Virtanen, Shane Malva, Simon Goldin, Simone Oech, Slawjana Ulrich, Stephan Dorfmeister, Steven De Belder, Stuart Bramhall, Sven Giegerich, Tanu Kaskinen, Tatu Manninen, Tere Vadén,, Timo Nieminen, Tommi Elo, Tsvetelina Hristova, Tuomo Alhojärvi, Ulla Jutila, Uwe Krause, Ville Nykänen, Ville Pakonen, Dimitris Koukoulakis, Erwin Wortmann, Ingrid Vercruyssen, Joseph Jonesronald, Nik Gaffney, Paul Bryant, David Turek, Abhijeet Patil.

Agenda

- 1: Opening of the meeting
- 2: Accepting the agenda
- 3: What happened 2015-2016
- 4: Annual accounts 2015-2016
- 5: Selection of the Board
- 6: Next steps of the cooperative
- 7: Ending of the Meeting

Agenda 1: Opening of the meeting, establishing quorum and choosing meeting officials

The meeting has been called by the board on the 13th of December (<http://us5.campaign-archive1.com/?u=26ad249c931b759df41f6ebb8&id=f931cacefe&e=b60131c258>) and has quorum (see list of attendees above).

Ana Fradique proposes Akseli Virtanen as the chairman, Tere Vaden as the secretary of the meeting, Pekko Koskinen and Daniel Hassan to count votes and act as scrutineers of the minutes. The Chairman opens the meeting.

PROPOSAL: Agenda 1: Accept

POSITIONS: 30 Agree, 2 Abstain, 1 Disagree (here and in the following, “blocks” are counted as “disagree”).

ACCEPTED as proposed.

Full list of votes: <https://www.loomio.org/d/mZfOTog8/agenda-1-opening-of-the-meeting>

Discussion notes: <https://www.loomio.org/d/mZfOTog8/agenda-1-opening-of-the-meeting>

Agenda 2: Accepting the agenda

This is the fourth annual general member meeting of the Robin Hood cooperative. The purpose of this meeting is to confirm the financial statement, grant discharge of liability to the managing directors and the members of the board, decide upon the usage of the profit, and the members of the board. In addition the board has proposals on next steps for the coop. The general member meeting is the deciding body of the cooperative. This meeting is for members only.

Agenda

- 1 Opening the meeting
- 2 Accepting the agenda for the meeting
- 3 What happened 2015-2016
- 4 Annual accounts 2015-2016
- 5 Selection of the board
- 6 Next steps of the cooperative
- 7 Closing the meeting

ATTACHMENTS

- a1. Robin Hood Balance Book 1.7.2015-30.6.2016 in Finnish
- a2. English translation of the Balance Book
- a3. Balance book signed by the auditor
- b. Ernst&Young auditing report in English
- c. Ernst&Young auditing report in Finnish
- d. Interactive Brokers Robin Hood Portfolio analysis 1.7.2015-30.6.2016 in English

PROPOSAL: Agreed

POSITIONS: 19 Agree, 0 Abstain, 0 Disagree

ACCEPTED as proposed.

Full list of votes: <https://www.loomio.org/d/WuhMJevy/agenda-2-accepting-the-agenda>

Discussion notes: <https://www.loomio.org/d/WuhMJevy/agenda-2-accepting-the-agenda>

Agenda 3: What happened 2015-2016

Members & Funds

During this fourth year of operation, the cooperative got 351 new members which is a 61% increase. Welcome all! The number of members was in the end of the fiscal year 926 (in the end of third year it was 575).

Also assets under management (AUM) increased by 49 000 EUR or 7%. The AUM was in the end of the fourth year 0.688 MEUR (third year 0.639 MEUR).

RHC 2.0

RHC2.0: the implementation of our system in the Ethereum blockchain is being tested on live server as we speak. This is the future. RobinHood2.0 is up, and we have more in mind. Thank you for everyone's support and participation. It has been intense work time with many challenges, but we are good to go with the innovations.

As we speak, the onboarding of new members/users and the purchase of new assets paying via US bank accounts, Bitcoin and Ether are available. (Outside US also using Transferwise or similar trusted service.) The existing member database is being updated and members' pages will be accessible to all again very soon.

Attention: to re-login to your account in the new system, we will send you an email in which there will be a personal link to create new password to your account, increasing its security. And there are other new security mechanisms in the interface that you will be asked to provide, such as your mobile phone number.

The new internal members' market is ready, which we consider a major feature. It is one of the most advanced exchange platforms on a blockchain. Having our own market is initially also intended to alleviate the cumbersome exit and slow process of withdrawing the shares of the cooperative due to protective legislation. Now members can, besides selling back their assets to the coop in similar protocol, also sell and buy assets to and from each other, at agreed price. We have also a few other features more coming later that we believe will be useful and interesting to all members. We are still experimenting with all this, but we will do our best to guide everyone through the new interface and accounts! We are on our way to start using state of the art socialized financial tools.

The move to the new system also means changes in practical matters with regard to voluntary shares and the fund. We will have new info pages up for the new system soon, but in a nutshell: First, the old share series are gone, but the profit splits remain.

Second, optional assets are given a daily price (instead of a fixed price of 30 euros like the voluntary shares had before) on the basis of the Net Asset Value of the portfolio. You can purchase asset items with any sum you like and the number of asset items will depend on the daily price (how much you pay / daily asset item price = number of asset items). It is good to remember that the EUR/USD exchange rate also has an effect on how many asset items you get, if you pay by euros.

Third, the performance of the fund will be reported in a new way: the way that the most funds do it, i.e., in terms of time-weighted rate of return (TWR). On the old website the performance of the fund was reported in terms of the relationship between the cumulative amount of assets under management (AUM) and the daily net asset value (NAV). The AUM has simply been the sum total of all the shares ever bought. The costs of running the fund have not been deducted from the total sum, which has distorted the actual performance results. Consequently, also the relationship of the AUM to the daily NAV has been distorted. Now, with the new fiscal year 2016-2017 we move to the more commonplace system of reporting the AUM after costs. That means that we deduce from the cumulative AUM all the costs of running the fund, the shares bought back from members that have left, the funds the AGM has allocated to projects, investment in development and so on.

Economic Space Agency (ECSA)

Big steps have been taken with regard to the decisions made in 2015. During the summer, Robin Hood Services changed its name to Economic Space Agency, Inc., or ECSA (<http://ecsa.io>). Right now, ECSA is in the process of launching a major technology development project, under the name Agoric. Agoric is a ‘post-blockchain’ technology, intended to surpass the problems of scalability in blockchains while providing increased modularity and security. In its essence, Agoric is a technology for decentralized governance and emergent self-organization (it is not as a technology for cryptocurrency, like Bitcoin), and it has great potential for powering self-organised finance and democratic economy. If all goes well the coming spring, this could result in something flowing back to the coop, too, in return of its pioneering ideas.

Fourth year cumulative results

Ukraine, Oil, China, Greece, Italy, Brazil, Brexit, Trump. The fourth year cumulative result is -37.99%. But at least we are still alive, unlike many other hedge funds, after four years of experimenting.

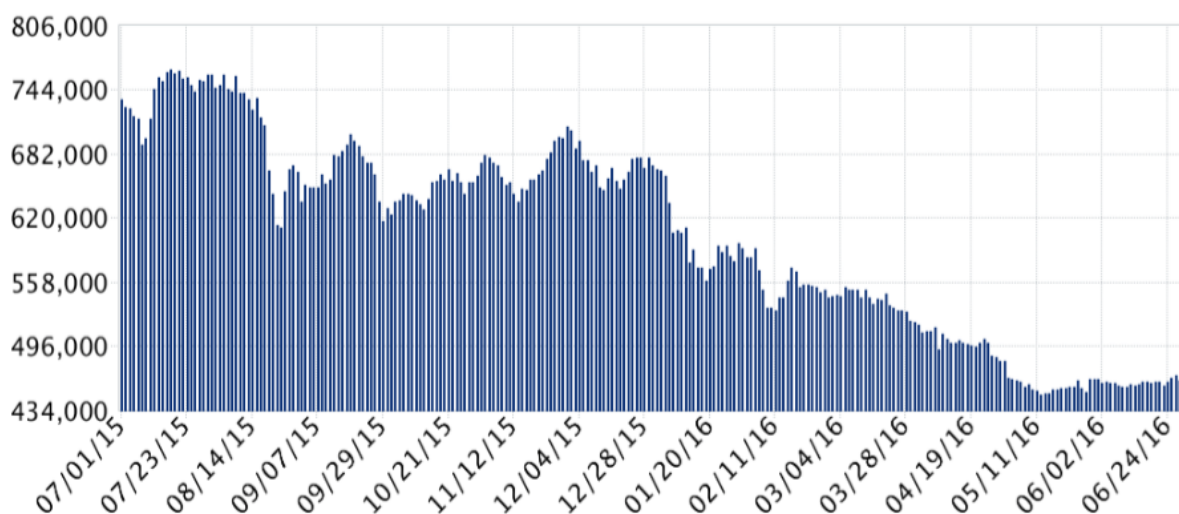
We are still in the middle of analysis, of trying to understand Parasite and what was she thinking. Especially the last two quarters her choices of patterns became almost too consistently mistakes. The reasons seem to be very complex and not only to do with Parasite. Misinformation and volatility creation seem to be taking over everywhere. Opinions, interests, and data are modulated strategically for a purpose not immediately obvious, while the game plan reveals itself later.

Chart 1. Fourth year cumulative return and net asset value

Cumulative Return



Net Asset Value



After hitting the all time high of over 40% cumulative return in about a year ago (Autumn 2015), and providing funding for three very interesting projects last year, the Robin Hood portfolio is down after four years of operation -29,81%.

Chart 2. Cumulative return since inception

Since Inception

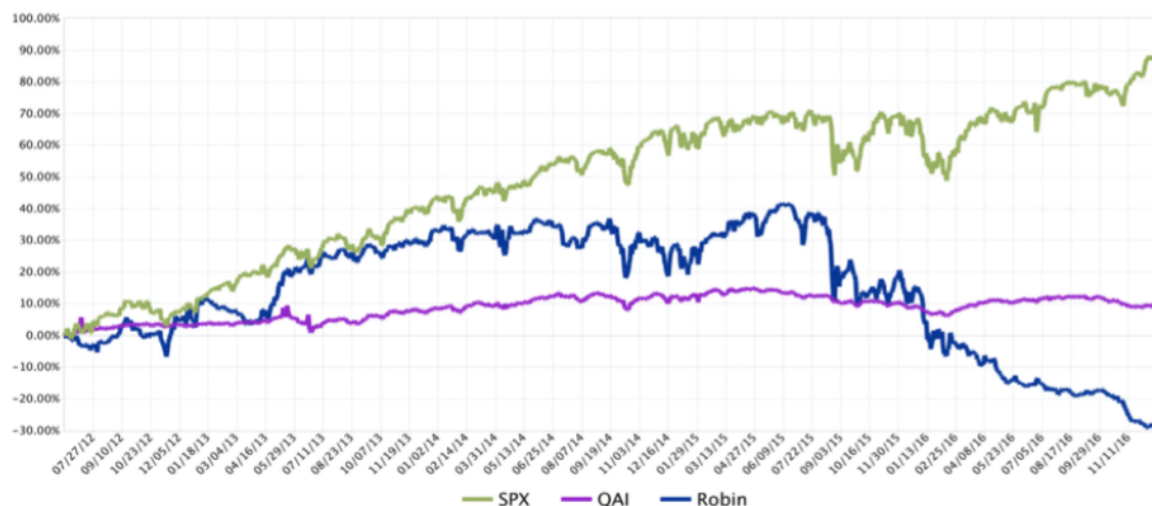


Table 1. Four year results

Fiscal Year	Assets Under Management	Members	Portfolio Growth in \$
2012-2013	\$0.068M	80	+30.74%
2013-2014	\$0.441M	260 (+225%)	+7.75%
2014-2015	\$0.639M	575(+121%)	+1.99%
2015-2016	\$0.688M	926 (+61%)	-37.99%

Chart 3. Historical performance benchmark comparison

Since Inception



Green: S&P500 Blue: Robin Purple: IQ Hedge Multi Strategy Index

PROPOSAL: Agenda 3: What happened: Noted & included in minutes

POSITIONS: 33 Agree, 4 Abstain, 0 Disagree.

ACCEPTED as proposed.

Full list of votes: <https://www.loomio.org/d/us8OHK6e/agenda-3-what-happened-2015-2016>

Discussion notes: <https://www.loomio.org/d/us8OHK6e/agenda-3-what-happened-2015-2016>

Agenda 4: Annual accounts 2015-2016

The fiscal year of the cooperative was 1.7. 2015 -30.6. 2016

According to the balance statement:

Even after a very interesting year in technologically, and a very difficult year financially, we have a wealthy coop with about EUR 425 000 in assets. The turnover of the fiscal year was 2.5M€, with 342K€ loss (before taxes), and 345K€ after taxes.

In comparison:

The turnover was 2.5 million euros (2.8 in the previous fiscal year). The operating costs, including technology development, were 93487 euros (previous year 41645). The loss was 342K€ before taxes (previous year profit 88 672).

The assets of the cooperative at the end of the fiscal year 425K€ euros (previous year 919 278).

In view of the financial situation, the board will take the following steps:

1) Already most of the assets are held in cash, not in stock. Next step is to take all assets out as cash, so that further losses can be averted. Trading can be resumed once the problems with trading are solved.

2) One of the problems has been identified, and has to do with the trading arrangement (the IB account), not the algorithm of the Parasite itself. The fund manager has not been happy with the account. The board has already decided (in its 2.12. 2016 meeting) to establish a new route for trading, and the MD has been authorised to take the necessary steps.

3) The board will work with fund manager Sakari Virkki in identifying possible improvements of the Parasite algorithm itself.

4) As suggested in Agenda Item 6, the board invites suggestions & design & development of additional investment strategies and algorithms. At the moment, no resources have been allocated specifically to this, which has made the development of the shorting algorithm, which is underway, slow.

PROPOSAL: Agenda 4: Annual accounts: The financial statement is confirmed, loss carried forward, and board, MD and vice-MD granted discharge

POSITIONS: 24 Agree, 7 Abstain, 3 Disagree

ACCEPTED as proposed.

Full list of votes: <https://www.loomio.org/d/LaTqMu0p/agenda-4-annual-accounts-2015-2016>

Discussion notes: <https://www.loomio.org/d/LaTqMu0p/agenda-4-annual-accounts-2015-2016>

Agenda 5: Selection of the Board

The board selected last year was: Akseli Virtanen, Tere Vadén and Daniel Hassan.

The board has held 3 official meetings and also frequently met unofficially through e-mail and voicecalls.

According to the rules, the turn of leave for two members or one third of the board is every second year. This year, Akseli Virtanen has his turn of leave from the board.

The board proposes that Akseli Virtanen, Tere Vadén and Daniel Hassan be reappointed as the board.

PROPOSAL: The board proposes that Akseli Virtanen, Tere Vadén and Daniel Hassan be reappointed as the board.

POSITIONS: 35 Agree, 8 Abstain, 1 Disagree

ACCEPTED as proposed.

Full list of votes: <https://www.loomio.org/d/WpruNAZI/agenda-5-selection-of-the-board>

Discussion notes: <https://www.loomio.org/d/WpruNAZI/agenda-5-selection-of-the-board>

Agenda 6: Next steps of the cooperative

Next steps with the new system

The main development for the coop in spring 2017 is to finish the work with the new blockchain based net service. We need to polish the system, get used with it, and start taking advantages of the new features, such as the internal market. Once we are familiar with the new system, next steps become possible. These include:

- Project funding. Since we have no profits to do a project funding round right now, we are planning to develop crowdfunding tools embedded in the coop's new system, through which members can support projects by allocating their personal coop assets to them. In connection to this, we could develop a decision making structure to go with the crowdfunding tools, for members to make decisions related to the coop and the projects funding.
- New investment vehicles (in addition to the Parasite). These have been discussed also earlier. The new system makes introducing new strategies much easier. The crucial question is the design algorithm and/or strategy itself. Once that is established, it can be relatively easily added to the roster of asset items on offer. For instance, an impact or ethical investment model has been discussed before. Maybe now is the time to take these further, and also seek for resources and collaborators?

New Economic Spaces

A major development under way in the spring and later, is the ambitious economic and technological innovation launched by ECSA. ECSA is one of the initiators of a new kind of distributed technology, called Agoric. Agoric is a platform for distributed government, one that takes its cue from distributed ledgers, but goes beyond currently existing blockchains by providing modularity and scalability. In addition, ECSA is launching a network of entities that individually and together design new economic spaces. Besides ECSA itself, the two first stakeholders in this network are Robin Hood Coop and the Agoric Foundation. Later on in the spring, ECSA will be launching a public offering of the cryptotoken that is used to power the development of Agoric and the new economic spaces. The Coop will be one of the entities that is rewarded with these tokens, which will also give the coop power to decide and influence the development of the technology and the platform.

Extra GM in June?

As both of these things are still on the horizon but approaching fast, the board proposes that the coop will hold an additional general meeting in June 2017, where the next steps can be discussed in detail and needed decisions made.

PROPOSAL: The board proposes an additional General Meeting of the coop to be held in June 2017.

POSITIONS: 40 Agree, 2 Abstain, 4 Disagree

ACCEPTED as proposed.

Full list of votes: <https://www.loomio.org/d/sDmq7tCE/agenda-6-next-steps-of-the-cooperative>

Discussion notes: <https://www.loomio.org/d/sDmq7tCE/agenda-6-next-steps-of-the-cooperative>

Agenda 7: Ending of the Meeting

The chairman closes the meeting on Thursday 29th December 2016, 24:00 (12AM) Helsinki time (GMT+2)

PROPOSAL: Agenda 7: Chairman closes the meeting

POSITIONS: 24 Agree, 3 Abstain, 5 Disagree

ACCEPTED as proposed.

Full list of votes: <https://www.loomio.org/d/y3LIDCPb/agenda-7-ending-of-the-meeting>

Discussion notes: <https://www.loomio.org/d/y3LIDCPb/agenda-7-ending-of-the-meeting>

These minutes have been reviewed, 30.12. 2016 Oakland, Tampere, Helsinki, London

Akseli Virtanen, Chairman

Tere Vadén, Secretary

Pekko Koskinen

Daniel Hassan