

Robin Hood Asset Management Cooperative

Minutes of the Member Meeting 2014

Time of the meeting:

December 15, 2014 at 18.00 - December 19, 2014 at 18.00 (Time zone Helsinki EET/UTC+2.)

Place of the meeting: Robin Hood Member Meeting 2014 online platform (Loomio).

Present: Akseli Virtanen, Alex Fradera, Alina Popa, Ana Fradique, Ana Godoy, Ana Goldenstein Carvalhaes, Anamaria Pravicencu, Andreas Wagner, Andrej Sykora, Anni Puolakka, Antero Lammi, Asia Bas, Antti Ahonen, Antti Järvinen, Atte Olavi, Bastian Wilkat, Brendan Cowell, Brett Scott, Caroline Bijl, Catherine Bounsaythip, Christian Gottschling, Christopher Wessels, Claudia Garduno, Cosima Opartan, Daniel San, Declan Brennan, Eduard Lenhardt, Egor Harchenko, Elisa Band, Eliseu Affurat, Emanuele Braga, Enric Duran, Florin Flueraș, Franco Berardi, Geert Lovink, Gianluigi Biagini, Guido Sigut, Hans Jörg Günther, Harri Homi, Harri Jaalinoja, Harri Kosmala, Heidi Fast, Ion Dumitrescu, Jaak Treiman, Jan Fabich, Jani Johansén, Jan Ritsema, Joonas Mäkinen, Jon Irioygen, Juha Valkeapää, Juho Jouhtimäki, Jukka Luoto, Jules Herrmann, Julio Lucio, Jussi Hakunti, Justus Bamert, Karina Reinhardt, Karolina Kucia, Keith McGuinness, Kim Andersson, Lauri Kainulainen, Nina Koivisto, Lennart Laberenz, Liisa Välikangas, Markku Laimio, Mandi Steininger, Manfred Steininger, Manuel Lucio, Marco Casagrande, Marek Pluciennik, Maria Tengarrinha, Markus Pauku, Martin Ebner, Massimo De Angelis, Matti Vesa Volanen, Mikael Siljanen, Ohto Kanninen, Olli Romppanen, Otto Kekäläinen, Pekka Honkanen, Pekka Piironen, Pekko Koskinen, Ralf Bellm, Sakari Virkki, Sami Ovaska, Sari Stenfors, Seppo Nohrström, Seppo Virtanen, Shirah Foy, Simon Goldin, Simon Lewin, Stef Meul, Stefan Zepter, Steffen Manzer, Stephan Dorfmeister, Stephanie Quirola, Stéphanie Barbier, Steven De Belder, Taavi Suisalu, Talvikki Ahonen, Tanja Krone, Teemu Mäki, Teppo Vesikukka, Tere Vadén, Tero Nauha, Thelma Bonavita, Thomas von Schulmann, Tiina Erkintalo, Timo Nieminen, Tiziana Terranova, Tobias Zintel, Tom Lammi, Valentina Desideri, Ville Nykänen, Warren Armstrong, Willem Wilhelmus, Ynglin Tan, Yong Han.

Proxies: No proxies.

Votes: Each member had one vote. 119 votes present.

Robin Hood Asset Management Cooperative

MINUTES OF THE MEETING

1. Opening of the meeting
2. Accepting the agenda
3. What happened 2013-2014
4. Annual accounts 2013-2014
5. Entrance and exit of the cooperative
6. Organization of the Robin Hood Projects
7. Next steps of the cooperative
8. Selection of the board
9. Other items and Q&A
10. Ending of the meeting

1. Opening of the meeting

The member meeting was announced and summoned according to the law and the rules of the cooperative. Meeting was officially opened on December 15, 2014 at 18.00 EET. Meeting was conducted virtually and was officially open to take part in for 4 days. Akseli Virtanen was selected as the chairman of the meeting, Pekka Piironen as the secretary of the meeting, and Teppo Vesikukka and Harri Homi to count votes and act as scrutineers of the minutes.

2. Accepting the agenda

The agenda was accepted.

3: What happened 2013-2014

The cooperative grew rapidly in terms of members (+225%) and assets under management. (+860%). The assets under management (AUM) were in the end of second year 0,58MUSD (first year 0,06MUSD) and the number of members 260 (+100 more registered but not paid) compared to the 80 members after the first year. This can be considered a small miracle, because we had no resources to put into any kind of real marketing or sales effort.

During the second operative year of Robin Hood the market was very uncertain and confused, which reflected also in our positions, we were very cautious and conservative in investment policy and did not want to take any extra risk. We managed to stay close to the general market development with very little risk. This can be considered to be a very good result. Some highlights for the cooperative investments were Nokia, Adus Homecare, SturmRuger. Fab Universal was one of the mistake positions which also backfired.

After two years of operation (from August 2012) the Robin Hood portfolio is up 38,49%. During the same period SPX is up 41,50%. From the start of the second year (July 2013) Robin Hood portfolio is up 10,48% vs. 22,04% of SPX. As the Robin portfolio was up at the end June 2013 30,73% the result during the second year reached about 8%.

On the [first page of this meeting](#) you will find the Interactive Brokers report for the portfolio development since 1.8.2012. Comparison index: S&P500 and Hedge Fund Macro Index.

Thank you to its members, the cooperative has been able to gather during the two years of its operation about 40000€ for the joint pool for the Robin Hood Projects. The sum is made of the Robin Hood Fund (valued 35000€ at end of June 2014) and the profit made during the second fiscal year 4769€. Our idea has been in the first phase to grow the common Robin Hood Fund as big as possible so that the Robin Hood Projects would always have a good backup capital (and the capital of the Robin Hood Fund would not be used).

It is also notable that nobody wanted to leave the cooperative and sell their shares. All invested money continued to be invested. No shares were sold after the second year. This is remarkable and we want to thank you all for this act of confidence.

A lot of effort was put to developing the website, communication and organization of the cooperative, making it more clear, transparent and efficient. A lot of work still remains. The voluntary organization model started to reach its limits. For the next steps we will need a way of organizing which makes a longer term commitment and concentration possible. Our core team members are all in very precarious positions. They need food to their table.

The organization of Robin Hood office was: managing director Jan Ritsema, web admin Mathieu Alexis, office manager Stephanie Barbier, chief financial officer Sakari Virkki. Teppo Vesikukka was appointed as the new vice managing director. The board of the cooperative was Akseli Virtanen (chairman), Jan Ritsema, Teemu Mäki, Liisa Välikangas, Erkki Uusitalo.

The cooperative participated at Media Facades festival in Helsinki and Madrid, at Vagabondenkongress in Stuttgart, and opened temporary offices in Helsinki and Stuttgart.

Images can be found at Robin Hood Minor Asset Management Facebook site!

The cooperative received reasonable media coverage without any special effort:**

[Der Trittbrettfahrer \[The Freeloaders. Robin Hood hammers the financial world with its own metdhos\] / Brand Eins – Wirtschaftsmagazin](#)

[Wissen ist Macht, Teilen ist Zukunft \[Knowledge is Power, Sharing is Future\] / The Finnish Institute in Germany](#)

[Robin Hood is a Parasite / Institute for The Future, Palo Alto](#)

[21st Century Robin Hood introduces altruism into investment banking / Huffington Post](#)

[Democratization of Finance – A Discussion with Akseli Virtanen](#)

[Robin Hood hacker börsen \[Robin Hood hacks the stock exchange\]/ Arena Magazin](#)

[Salaperäinen Robin Hood imee loisena tietoa eliitiltä \[Mysterious Robin Hood sucks knowledge from the elite like a parasite\] / Helsinki Sanomat](#)

[Arvokas elämä? Velkasuhde on valtasuhde \[Debt relationship is a power relationship\] / Suomen Kuvalehti](#)

[Robin Hood is an investment bank of the precariat / Stadi TV](#)

4. Annual accounts 2013-2014

The fiscal year of the cooperative was changed from calendar year to 1.7.-30.6. That is why the Balance Statement is dated 1.1.2013-30.6.2014. According to it:

Robin Hood is a wealthy cooperative with assets of about 0,5M€.

The turnover was 2,5M€.

We made about 1500 transactions which makes an average of 4,2 transactions a day (there are 250 stock exchange days a year).

The operating costs were 25K€.

The operating profit was 6,5K€.

The profit after taxes was 4,8K€.

The conclusion: during the second year we grew rapidly, but not enough. With about 0,5M€ assets under management (AUM) we have reached about the breakeven with the voluntary organization, but cannot yet show the force and scalability of Robin Hood. We need to find ways to grow AUM at the same time that we make our organization more solid and consistent, clear and efficient. This is the task for the next year.

The member meeting unanimously confirmed the financial statement (1.1.2013-30.6.2014).

The member meeting unanimously accepted board's proposition to retain and carry forward the profit 4769,12€ of the financial year.

The member meeting granted a discharge of liability to the members of the board, the managing director and vice-managing director. Forty six (46) members voted and all votes unanimously agreed to grant discharge of liability.

5. Entrance and Exit of the Cooperative

The member meeting decided about the entrance and exit of the cooperative during the next fiscal year.

Regardless of our attempts we were unable to create a good solution for a more flexible entrance and exit of the cooperative during 2013-2014. We are continuing to work on two possible solutions (becoming an Alternative Investment Fund and issuing our own cryptocurrency).

In the meanwhile, it is important to understand that Robin Hood operates like a hedge fund and not like a "retail fund" of a bank. Most of the hedge funds are organized as limited liability companies which allows them to avoid entity level taxation, and they are usually also located in a much more tax friendly environments. But just like them Robin Hood owns stock in other companies as the only asset, and operates with greater flexibility than banks. The investments of members are open ended and withdrawals are allowed only at certain moments of the fiscal year. In our case: in the end of the fiscal year. The value is calculated as a share of the net asset value (NAV), which means that the increases and decreases in the value of cooperative's investment assets and expenses are directly reflected in the amount a member can later withdraw. This is exactly what hedge funds do too, but what Robin Hood hedges, is precarity: we take a position in the financial market to offset and balance risk adopted by assuming a position at a contrary market, the precarious labor market, where so far people have just been paying the bills of financialization by letting it use our capability to assume debt, pay taxes and worsen social rights as the main raw material for accumulation of financial assets.

For the coming fiscal year 1.7.2014- 30.6.2015 the member meeting decided to follow the procedure according to the cooperative law:

A. A member that wants to step out of the cooperative can say this in the run of the year but their decision can be executed only per the end of the fiscal year 30.6.2015.

B. The member can fix the date of stepping out at any date: we will freeze the value of their funds and take it out of our portfolio and secure it on our account in Helsinki.

C. The money can only be returned on their personal bank account after the books are done and are audited by Ernst&Young and decision about the allocation of the assets is confirmed by the member meeting.

6. Organization of the Robin Hood Projects

The member meeting decided the following guidelines for the Robin Hood Projects:

What can a Robin Hood Project be?

A. Robin Hood Projects can work on any area of life: art, finance, economy, society, organization, politics, knowledge, technology, media, health...

B. Robin Hood Projects should be generative and expansive. They should generate growth: growth in subjectivities, in possibilities, in organization, in sharing, in scale, in mobility, in access, in independence, in desire. They should make our existential territory more habitable

C. Only projects that are bigger than only for themselves can be selected: projects that open up the common space, that produce the commons. The commons are any shared resource or means of production, whether in the form of knowledge, processes, intelligence, rights, procedures, institutes, commodities, ideas, gspace etc. The projects can be existing means of production or creating new means of production.

For example: creation of instruments like a new form of school, hospital, prison, old peoples house, shared living; a shared dwell; a shared pool of capital for creating mutual credit; shared servers in a secure environment for sharing information; programming of a project that focuses on sharing knowledge, tools, experience; a web platform, magazine or publication or a series of them that is bigger than the representation of oneself...

In a way Robin Hood Cooperative or Performing Arts Forum or websites like Aaaaarg.org, Memoryoftheworld.org, Piratecinema.org could be very good candidates. And so would be projects which aim at reinforcing the common like the Zapatista movement, creating an alternative financial ecosystem, undermining a market or restrictions on the access to knowledge or on movement of people and thought.

How are Robin Hood Projects selected?

Becoming a candidate

A. Projects cannot suggest themselves

B. Project can only be proposed by members (in practice when a project is interested it needs to find a member, or become a member)

C. Projects can get money without being members, without having applied and without knowing they get it.

D. The proposals will be published on the website, to give all members the chance to influence the selection group or to start a discussion before the final selection, which will be held at least two months before the next general meeting

Selection Group

- A. Members propose projects to the selection group
- B. The selection group consists of three members who are chosen randomly out of members that made The Office know to be available for the selection group.
- C. They are chosen for one year and are not re-electible for at least two years
- D. The selection group can only select projects by consensus (all three have to be in favor of it)
- E. The selection group cannot invest more money than is available
- F. The selection group is free to give the whole budget to one project or to many different ones
- G. The money granted can be in the form of investments, donations, grants, loans, shares or whatever form found the most suitable in each particular case

Board and Member meeting approval

- A. The selection of the selection group needs approval from the board, but the board can only reject a proposition on a strict argumentation, like for instance when it is illegal or strictly against the principles of selection. The board's decision will always be subject of assessment in the next general meeting of the members
- B. The general member meeting will finally approve the selection. Also here: the general meeting can only reject or accept, they cannot propose other projects.

7. Next steps of the cooperative

The member meeting decided the following guidelines for the development of Robin Hood.

The aim of Robin Hood is to create new financial instruments and services that we need. It is a necessity of democracy. To democratize the power of finance. To create new means of independence and cooperation, means of income and production that are not tied to the old idea of needing to "do work", "be at the service" or "be employed". This is what the old establishment still wants us to believe. They want us to stay in our place. But we already know that the world works in a different way. The existing financial services and instruments and the industry behind them belong to a time which is no longer here. We need new financial instruments and services! Ones that will serve us and not only the banks and the financial oligarchy. We have the power and imagination to create them. This is what we want to do.

Robin Hood is the wild side of finance. It is your best friend in finance. We will do to asset management what iTunes did to record industry. We will offer you the best play list at the moment, a dynamic collection of the most wanted singles there are. And we will do this so cost efficiently and scalably, that no one can compete. We will bring your personal hedge fund to your pocket. We will bring parasite to every wallet, to work continuously with your every cent. We will help your company to create new finance based instruments of finance. We will start rating the other asset managers at the market – and oh boy they will be scared of our knowledge. We will issue our own cryptocoin, the only one that is backed up by real assets. And we will invest in the production of the common. Welcome to the future of finance!

In the past two years we have done actually quite a remarkable job with practically no resources or external funding: we have created a start-up that operates with income funding. Robin Hood has emerged out of mere ideas, relationships, inventions, vision, enthusiasm and determined work of a few people. And then it started to work, because all of you joined. Robin Hood has not dropped from heaven but emerged as a necessity and evidence that we have the power and imagination to develop financial instruments and services that correspond to who we are and what we need.

Together we have been able to gather about 0,5M€ and 300 people in a joint but very experimental project on rethinking how we could arrange our future financially. And this practically with no marketing or selling

(you know, there are 25 salesmen of funds for every analyst in the normal banks). We have a great living network of very smart and skilled people around – maybe the best in the world – from arts to economics and technology to politics, and the ecosystem is growing, and could be grown rapidly, should we know how to take better care of it. We have received reasonable media attention in quality places, it would be easy to start building more attention, so good has the feedback been, and so easy the getting of attention. It seems that we are able to “touch” something. The European and US intellectual and politically progressive movements are now ready to cooperate and come on board. We have created something real to bring to the table. We know that it works. And we know that it can be easily scaled.

At the end of second year the Robin Hood portfolio has grown from the start 40,15%, we are one of the best hedge funds in the world at the American market by this result. But the cost structure with current AUM weights heavily on this: we know that 0,5M€ is about the breakeven with the voluntary organization structure. We have gathered about 40K€ for Robin Hood Projects pool (Robin Hood Fund + Robin Hood Projects) in two years. This is not bad at all. But we need to grow considerably in order to show what Robin Hood can really do. It is a known industry fact that for a small hedge fund to work its break even AUM size is between 30-80M\$. And there are thousands of hedge funds in the world. You are called “small” if your AUM is under 500M\$ and big if you are over 1 Billion \$. Why could we not grow into this size too?

We know that our voluntary organization - where a lot of effort is been put now to managing members' assets for no compensation at the moment - is reaching its limit, we cannot make the next necessary steps with it anymore. Our key people live a very precarious life. They need food in the table.

To conclude: we have created something special, something that can be very useful for people, we know it works, but we need to grow and rethink the organization of Robin Hood to make it really work. How could we grow? Could we? What do we have now? What would we need? What kind of strategy, organization, appearance, products, legal structures, campaigns, partners? Who is in for making the next steps?

Robin Hood 2.0 will need a structure, organization, strategy and people:

A. That allows Robin Hood to grow

-that makes possible external funding (of the development)

-that makes possible growth of AUM

*opens to bit assets

*makes entry and exit easy and flexible

*opens a secondary market for our shares

*takes care of the permit problems

-target AUM 50M: what do we need to make this happen?

B. That makes Robin Hood viable and possible in the first place

-makes it possible for people to put their time into it and get livelihood out of doing and developing it: brings food to the table

-that motivates people, offers them a future

-makes consistency and long term planning possible

-makes long term commitment of key people possible

C. That makes multiple openings possible

-prevents domino effect if something goes wrong with one project/product

-decreases our dependency on one product, one business area, one market, one person

D. That is wise, inventive, consistent, secure, legal

-makes safety and controllability of money processes possible

- makes serious web development and admin possible
- makes serious aesthetics work possible
- distances from mere emotional connection, makes a distance possible
- makes all legal aspects covered

The plan of the cooperative is to:

1. We will take the best possible care of the members and assets we have now. We will study and learn from these early adopters why did they join us, what has worked and what not, what made them tick, what would they like to see next? Would they invite their friends to join too? Because the more we are, the less costs each share needs to cover?

2. We will set up an American Robin Hood in Silicon Valley

Our team is already working there, Akseli moved there in July. This is part of a structural move where different products are under different companies to avoid any kind of domino effect.

3. We will diversify our product portfolio, new products are already in the pipeline

- a) Coop: The development of the cooperative continues
- b) Fund: we work towards becoming an alternative investment fund manager with necessary licenses
- c) Robinhoodcoin: we start accepting bit assets and issue our cryptocurrency/equity backed up by real asset in the stock of the best companies in the world
- d) Robin Hood Wallet: we bring your own hedge fund to your wallet, to work continuously with your every cent you
- e) Rating Agency/Finance Leaks/Head Hunting: we will develop second order parasites, start assessing other asset managers and become more active market maker
- f) New Financial Services: we start offering new finance based finance instruments for SMEs (crowdfunding, crowdsales, cryptoequities)

4. We will solidify our team and organization

Product development. Marketing and sales. Finance and management. Member and user experience. Aesthetics and production of new sensibility. Production of the common.

5. We will cooperate and partner with other important innovations and initiatives in financial services

For example: Faircooperative, Commoncoin, Stellar, Darkwallet, D-Cent, Telekommunisten, Strike debt, Rolling Jubilee, Debtors' union, Transferwise

8. Selection of the board

The member meeting decided as members of the next board: Liisa Välikangas, Tiziana Terranova, Tere Vadén, Jan Ritsema and Akseli Virtanen. Forty-six (46) members voted and unanimously agreed to select the before mentioned members on the board.

9. Other items

There were no other items. The member meeting continued into member discussion.

10. Ending of the Meeting

The chairman closed the meeting on Friday 19.12.2014 at 18:50 EET.