29-March-2010

AVEO Pharmaceuticals (AVEO)

Developing a renal cell carcinoma drug similar to blockbuster Avastin.

Investment Rating: Marketperform

Pricing Update

Stock Data *(in mil, except per share)*

Current Price (29-Mar-2010)	$8.81
Shares Outstanding	29.6
Market Capitalization	$261.2
Enterprise Value	$141.2

IPO Data

Offer Date	3/11/2010
Offer Price	$9.00
Price Range	$13.00 - $15.00
Shares Offered (% insider)	9.0 (0%)
Deal Size	$81.0
Use of Proceeds	Fund clinical trials

IPO Underwriters *(*bookrunner)*

J.P. Morgan*	Morgan Stanley*
Leerink Swann	Canaccord Adams

Key Financial Data *($ in mil)*

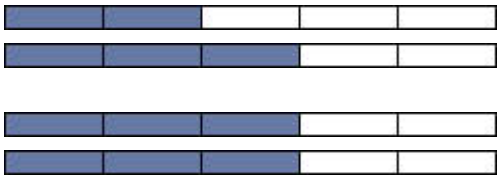
Income Model			*FY Ended Dec*
	2009A	**2010E**	**2011E**
Sales	$20.7	$21.8	$23.1
EBITDA	-37.5	-106.0	-110.8
Net Income	-44.1	-69.0	-71.1

Balance Sheet	*As of 12/31/09 (adj. for IPO)*
Cash	$118.3
Total Assets	132.9
Total Debt	19.7
Shareholders' Equity	60.9

Corporate Data

Employees	133
Year Founded	2001
Headquarters	Cambridge, MA
Phone Number	(617) 299-5000
Web Address	www.aveopharma.com

Rating Analysis — Very Weak / Neutral / Very Strong



AVEO offers more shares but prices 36% below the range. AVEO Pharmaceuticals raised $81 million by selling 9 million shares at $9 after originally planning to raise $98 million by offering 7 million shares at a range of $13-$15. The stock closed its first day of trading down one cent and has since dropped 2% in aftermarket trading.

Valuation offers more upside following IPO. With the 32% reduction in market cap, AVEO is valued at 0.8x MV/2014 sales, compared with Onyx Pharmaceuticals (2.7x MV/2014 Sales), which markets competing RCC drug Nexavar and is also looking to expand its cancer pipeline. Onyx is currently valued at $1.9 billion and expects to hit $300 million in sales in 2010 (6.3x MV/2010 sales). Given that tivozanib appears to be a more effective drug, we assume that AVEO ramps faster and reaches a similar level of sales in 2014. By discounting this sales figure to the present using a 25% discount rate and applying Onyx's 6.3x 2010 sales multiple, we arrive at a fair value of $13.80, which is adjusted for a secondary capital raise in 2013.

Initiate coverage with a marketperform rating. AVEO must successfully complete its Phase 3 trials before presenting tivozanib to the FDA for approval, which it will not be ready to do until late 2012 at the earliest. AVEO will also need to raise more equity to build its own sales force before launching tivozanib. However, the drug has significant market potential and the company's early stage pipeline also looks promising. Therefore, though the Phase 3 trials are always a risk, AVEO has an attractive valuation and potential for upside if tivozanib is approved.

Bull Insights

- Other VEGF targeted drugs (including Avastin) had $6B in sales in 2008
- The RCC market is $1B and growing; tivozanib may have other indications
- Has potential to be first in class; Phase 2 showed potency and safety
- Has received $170mm in collaborations and investments from big pharmas
- Management team is experienced and well-connected in the industry

Bear Insights

- Commercial launch is not expected until 4Q12/1Q13 at the earliest
- Will need another equity raise prior to tivozanib launch
- VEGF drugs are already marketed by large pharmas such as Pfizer and GSK
- Phase 3 compares tivozanib to approved drug Nexavar instead of placebo

Company Fundamentals — Rating: Weak

Overview:

This venture-backed biotech believes it has a novel and potent treatment for renal cell cancer (RCC) that has the potential to expand beyond the $1 billion RCC opportunity to address a $5 billion market in other cancers. Tivozanib is a small molecule oral inhibitor that treats RCC by blocking the vascular endothelial growth factor (VEGF), which stimulates angiogenesis and tumor growth. It recently completed a successful Phase 2 trial and began enrollment for its Phase 3 trial last December. While AVEO plans to launch tivozanib itself, it has secured collaboration agreements with Merck, Biogen and OSI to develop other indications derived from its proprietary drug development platform.

Rating Rationale:

AVEO has many of the elements of an investable late stage biotech. Its lead drug, tivozanib, may have significantly greater efficacy and tolerability than approved VEGF drugs, as well as potential for other cancer treatments. Its proprietary technology platform has attracted collaborations and license fees from large pharmas. Management believes the Phase 3 trial for its lead drug has been designed to limit risk; however, biotech investors know that many Phase 3 trials are unsuccessful and all other drug candidates are early stage. In addition, the company will need to raise additional capital before launching the drug in 2013.

Business:

Developing a treatment similar to Avastin for advanced renal cell cancer (RCC) and other cancers. Recently completed a 272-patient Phase 2 trial that resulted in a median progression-free survival period of 11.8 months, with a 14.8 month survival period for a subset of patients who had had their cancerous kidneys removed. Having shown potency and safety, AVEO is now enrolling a Phase 3 study with 500 patients with prior nephrectomies to compare progression-free survival against Nexavar, an approved VEGF drug for RCC, which has a progression-free survival period of 5.5 months. Estimated pricing of tivozanib at the patient level is $5,000 to $8,000 per month. Other Phase 1 trials for tivozanib: 1) in combination with Torisel for RCC, 2) for advanced colorectal cancer, 3) in combination with paclitaxel for metastatic breast cancer and 4) for non-small cell lung cancer. Licensed worldwide rights excluding Asia for tivozanib from Kirin Brewery. Also has a pipeline of monoclonal antibodies under its in-house Human Response Platform (HRP), which uses a novel method of growing cancer cells in mice that more closely mimics human cancer. All monoclonal antibody antagonists have been licensed to Merck, which is funding these trials; certain in vivo models are licensed to OSI and other early stage compounds are optioned to Biogen. Plans to create a 50-75 person sales force to market to the nation's 9,100 oncologists. Has raised $170 million from strategic partners Merck, OSI and Biogen ($78 million in equity and $92 million in license fees).

Competition:

There are several approved VEGF pathway target drugs. Avastin (Genentech/Roche) is approved in combination with other therapies for RCC, colorectal cancer, and non-small cell lung cancer. Nexavar (Onyx Pharma) is a monotherapy for advanced RCC and liver cancer. Sutent (Pfizer) is a monotherapy for RCC and gastrointestinal tumors. Pfizer has a VEGF drug in Phase 3 for second line RCC. Other early stage treatments are being investigated by Amgen, Takeda, Bristol Myers and others.

Key Issues:

AVEO will use its expected $73 million from the IPO primarily to fund its Phase 3 tivozanib trial and will need additional funding in late 2012. It has incurred $178 million in losses and burned through $44 million in 2009. In addition, it plans to continue to invest in R&D in its Human Response Platform, which will further weigh on its cash burn. The auditor issued a going concern in February. AVEO's Phase 3 trial is designed somewhat differently and has a different endpoint: Phase 2 compared tivozanib against a placebo with a progression-free to survival endpoint, the Phase 3 trial pits tivozanib against Nexavar and, in addition to showing an improvement in progression-free survival, must also show clinically meaningful improvement in the context of drug safety, which the FDA has not defined.

Income Statement Data			
FY Dec ($ in mil)	**2007**	**2008**	**2009**
Sales	$11.0	$19.7	$20.7
EBITDA	-22.6	-27.7	-37.5
Operating Income	-24.7	-31.3	-41.2
Net Income	-25.0	-32.5	-44.1
Cash Flow Data			
Operating Income	-$24.7	-$31.3	-$41.2
Plus: D&A/Non-Cash	2.1	3.6	3.7
EBITDA	-22.6	-27.7	-37.5
CFFO	-$8.6	-$35.3	-$10.0
Less: Capex	0.4	1.4	1.7
Free Cash Flow	-9.0	-36.7	-11.7

Latest Results and Outlook

Recent Financial Trends:

For the year ended December 2009, revenue rose slightly due to increased amortization of deferred research revenue from OSI and Merck, partly offset by the lack of a milestone payment from Merck. R&D rose 24% due to Phase 2 trials, purchase of Nexavar for the Phase 3 comparison and increased personnel.

Outlook:

AVEO plans to launch tivonazib in 4Q12 or 1Q13. We are assuming a heavy burn rate until then due to the tivonazib Phase 3 trial continuing through 2010, Phase 1 and 2 trials for other cancer indications and the building of a sales force in 2012. Because tivozanib has demonstrated such strong potency, has once-a-day dosing and few side effects, it is reasonable to assume rapid adoption by oncologists post approval.

Based on the experience of Onyx's Nexavar, which was introduced in the U.S. in 2005 and had $843 million in sales in 2009, tivozanib should be rapidly adopted and reach over $300 million in sales within two years of U.S. approval. Treatment should cost between $5,000 and $8,000 per month. If the Phase 2 potency and tolerability data hold up, there is a strong case to be made for longer term treatments over its competitors. We are assuming a 2013 equity capital raise and profitability starting in 2014.

Balance Sheet Data	Actual	Post IPO
($ in mil)	12/31/09	12/31/09
Cash	$51.3	$123.9
Working Capital	18.8	91.4
Total Assets	59.8	132.4
Total Debt	19.7	19.7
Shareholders' Equity	-170.3	60.5

Operating Model *($ in mil)*	2010E	2011E	2012E	2013E	2014E	2015E	2016E	2017E	2018E
Tivozanib Sales	$0	$0	$0	$161	$311	$569	$847	$1,038	$1,240
Collaboration Revenue	$22	$23	$25	$68	$24	$30	$30	$30	$30
Net Income	-$68	-$71	-$77	$0	$29	$144	$244	$318	$403

Product Pipeline:

Drug Candidate/ Indication	Stage	Development Plan
Tivozanib/RCC monotherapy	Phase 3	Retains worldwide rights ex Asia; plans sales force in the US, partner elsewhere
Tivozanib/RCC with Torisel	Phase 1	AVEO developing
Tivozanib/colorectal cancer with FLFOX6	Phase 1	AVEO developing
Tivozanib/breast cancer with paclitaxel	Phase 1	AVEO developing
AV-299/lung cancer with Iressa	Planning Phase 2	Granted Merck worldwide rights. Has option to co-promote
AV-299 /multiple myeloma, solid tumors, gliomas	Phase 1	Licensed to Merck
AV-203/solid tumors	Preclinical	Negotiating partnership with Biogen

Corporate Governance — Rating: Neutral

Management is well connected with prestigious cancer research institutions. The CEO is on the board of Tufts Medical School and MIT's Koch Institute for cancer research. Other executives hail from Biogen, an investor, Genzyme and Pfizer. The recently hired Chief Medical Officer was a key player in the development of Sutent, an RCC drug. Executives have been successful in raising money, mostly from strategic partners. Venture firms have four seats on the board. Insiders hold another four seats of the 10 person board, leaving only two independent members. Although there were a few consulting contracts, including one with a founder's spouse, the governance structure is not unfavorable to new investors. The company completed a venture raise in 2007 of $33 million.

Key Executive	Age	Position	Corporate Background
Tuan Ha-Ngoc	57	CEO & President	Since June 2002. Also serves on the board of Human Genome Sciences, Harvard School of Dental Medicine, Tufts School of Medicine and other organizations. Previously served as President and CEO of healthcare software company deNovis (1999-2002). Also held various positions at Wyeth (1998-1999).
David Johnston	54	CFO	Since October 2007. Previously served as Senior VP of Corporate Finance at Genzyme.

Key Shareholder	Holdings	Additional Details
Biogen Idec	10.4%	Global biotech listed on the NASDAQ (BIIB). Strategic partner since March of 2009. Invested in March of 2009 at $16 per share. Does not have a board seat.
MPM Capital	8.0%	Boston-based VC firm. Invested in April of 2007 at $10 per share. Has one board seat.
Highland Capital Partners	7.4%	Boston-based VC firm. Invested in April of 2007 at $10 per share. Does not have a board seat.
Venrock	6.0%	Menlo Park-based VC firm. Invested in April of 2007 at $10 per share. Has one board seat.
Prospect Venture Partners	5.8%	Palo Alto-based VC firm. Invested in April of 2007 at $10 per share. Has one board seat.
Merck	5.7%	Global pharmaceutical company listed on the NYSE (MRK). Strategic partner since November of 2003. Invested in August of 2005 at $12 per share. Does not have a board seat.
OSI Pharmaceuticals	5.0%	American pharmaceutical company listed on the NASDAQ (OSIP). Target of a hostile takeover from Astellas Pharma (Japan). Strategic partner since September of 2007. Invested in July of 2009 at $16 per share. Does not have a board seat.

Relative Valuation — Rating: Neutral

With the 32% reduction in market cap, AVEO is valued at 0.8x MV/2014 sales, compared with Onyx Pharmaceuticals (2.7x MV/2014 Sales), which markets competing RCC drug Nexavar and is also looking to expand its cancer pipeline. Onyx is currently valued at $1.9 billion and expects to hit $300 million in sales in 2010 (6.3x MV/2010 sales). Given that tivozanib appears to be a more effective drug, we assume that AVEO ramps faster and reaches a similar level of sales in 2014. By discounting this sales figure to the present using a 25% discount rate and applying Onyx's 6.3x 2010 sales multiple, we arrive at a fair value of $13.80, which is adjusted for a secondary capital raise in 2013.

View DCF Model at www.ipointelligence.com/iporesearch/

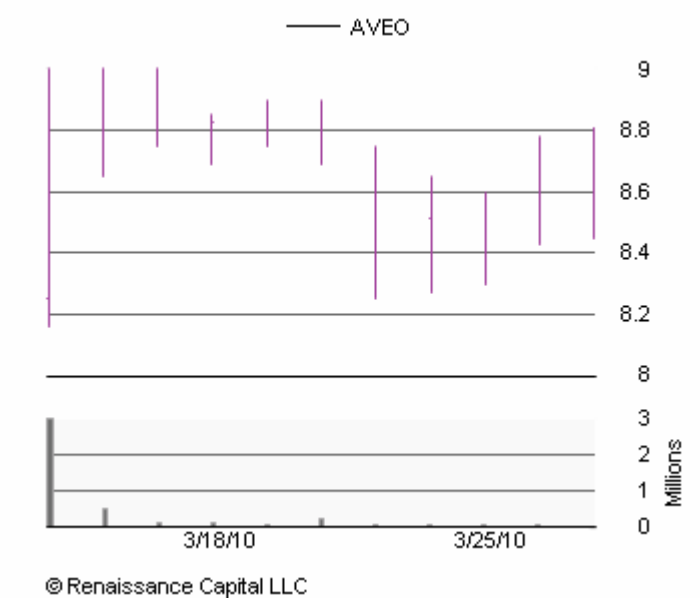
Comparable Financial Analysis

								MV/Sales		P/E	
IPO and Key Peers	*Ticker*	*Price*	*Sales*	*EBIT*	*Net*	*MV*	*EV*	*2013*	*2014*	*2013*	*2014*
AVEO Pharma	**AVEO**	**$8.81**	**$20.7**	**-$41.2**	**-44.1**	**$261.2**	**$141.2**	**1.1x**	**0.8x**	**1543.9x**	**21.2x**
Onyx Pharma	ONXX	$30.79	$251.4	$20.2	$16.2	$1,914.8	$1,508.4	3.1x	2.7x	21.8x	18.2x
Facet Biotech	FACT	$27.00	$46.1	-$114.2	-$141.7	$655.3	$379.7	3.0x	1.7x	n/a	n/a
Micromet	MITI	$8.49	$21.0	-$49.4	-$57.7	$586.1	$468.5	8.7x	3.3x	n/a	n/a
Exelixis	EXEL	$6.01	$151.8	-$121.9	-$135.2	$647.5	$524.0	1.7x	2.1x	n/a	n/a
Seattle Genetics	SGEN	$11.66	$52.0	-$84.9	-$81.7	$1,172.2	$642.2	2.7x	1.7x	70.7x	0.0x
Allos Therapeutics	ALTH	$7.37	$3.6	-$74.0	-$73.6	$751.8	$672.4	2.6x	2.8x	16.4x	42.1x
Ironwood Pharmaceuticals	IRWD	$13.89	$32.5	-$65.4	-$58.5	$1,318.3	$970.3	3.0x	2.2x	n/a	21.9x
Anthera Pharmaceuticals	ANTH	$7.00	$0.0	-$13.9	-$18.1	$151.1	$71.1	1.4x	0.5x	0.4x	0.1x
Group Average				**-$62.9**	**-$68.8**	**$899.6**	**$654.6**	**3.3x**	**2.1x**	**27.3x**	**16.5x**

Note: All dollars are in millions except for per share amounts.

Technical Strength — Rating: Neutral

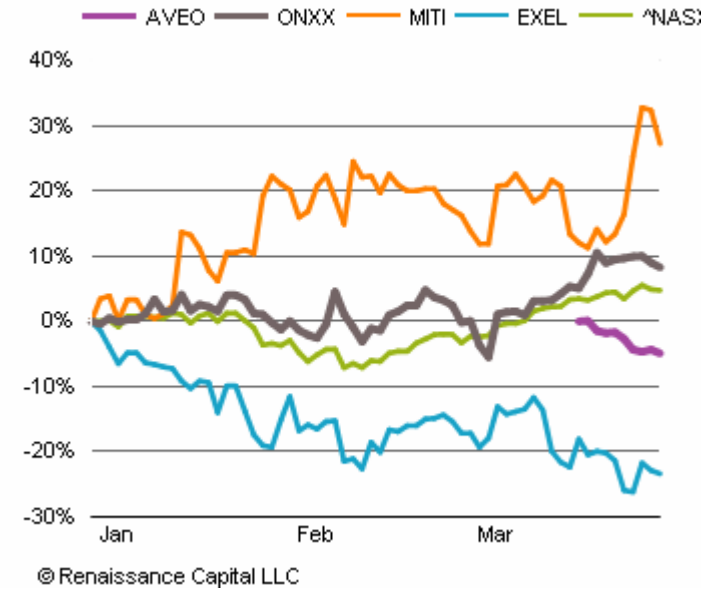
Stock Performance of IPO and its Peer Group
AVEO



IPO Performance Data

First Day	0%
Aftermarket	-2%
Total Return	-2%
Quiet Period Release	3/17/2010
Lock-up Release	3/17/2010
Days to Lock-Up Release	180
Shares Available for Sale	20,539,647
Percent of Total Shares Outstanding	69%

AVEO vs Key Publicly-Traded Peers vs Index



Publicly - Traded Peer Group

Key Peers	*Ticker*	*Stock Price*	*1-Mo. Return*	*3-Mo. Return*	*YTD Return*
Onyx Pharma	ONXX	$30.79	11%	5%	5%
Facet Biotech*	FACT	$27.00	65%	52%	54%
Micromet	MITI	$8.49	14%	23%	27%
Exelixis	EXEL	$6.01	-7%	-23%	-18%
Seattle Genetics	SGEN	$11.66	14%	12%	15%
Allos Therapeutics	ALTH	$7.37	-5%	13%	12%
Ironwood Pharma	IRWD	$13.89	18%	18%	18%
Anthera Pharma	ANTH	$7.00	0%	0%	0%
Indexes					
NASDAQ	CCMP	2,395.13	10%	10%	6%
S&P 500	SPX	1,166.59	7%	5%	5%
FTSE Renaissance IPO	IPOS	223.90	7%	8%	3%

Stock prices as of 03/26/10

**To be acquired by Abbot Laboratories.*

About Renaissance Capital

Renaissance Capital LLC ("Renaissance Capital" or "RC"), founded in Greenwich, Connecticut in 1991, is the global leader in IPO research. Its clients represent the "Who's Who" list of the largest and most active institutional IPO investors. As an independent research provider, Renaissance Capital does not receive payment for research or investment banking services from companies under coverage.

In addition to IPO research, Renaissance Capital maintains the FTSE Renaissance IPO Composite Index, the definitive benchmark of IPO performance and activity, and it manages the IPO Plus Fund, the first mutual fund to focus solely on investing in IPOs. The Fund has a 10 year track record. FTSE is jointly owned by the Financial Times of London and the London Stock Exchange.

Renaissance Capital was established by three Wharton MBA graduates after they spent over a decade on Wall Street (Merrill Lynch, Citi, Bear Stearns, Kidder Peabody and Credit Suisse First Boston) where they worked in the areas of investment banking, helping young companies raise capital via initial public offerings, as well as portfolio management, equity research and corporate financial restructuring.

Institutional clients have valued Renaissance Capital's IPO research for nearly two decades because of its timely, market savvy insights on every US initial public offering and a growing roster of non-US IPOs. Renaissance Capital augments its seasoned judgment with a proprietary, expert system for evaluating newly public companies.

Important Disclosures

Renaissance Capital Rating Distribution

Renaissance Capital's composite investment ratings fall into three categories: **Outperform (15 to 20), Marketperform (10 to 14)** and **Underperform (4 to 9)**. These categories are defined as follows: Above Average: the subject company is expected to perform better than the relevant broad market benchmark over the next 3 months. Average: the subject company is expected to perform in-line with the relevant broad market benchmark over the next 3 months. Below Average: the subject company is expected to perform below the relevant broad market benchmark over the next 3 months.

For purposes of FINRA/NYSE disclosure rules, RC's **Outperform** rating most closely corresponds to a buy recommendation; RC's **Marketperform** rating most closely corresponds to a hold/neutral rating; and RC's **Underperform** rating most closely corresponds to a sell rating. However Above Average, Average and Below Average are not the same as buy, hold/neutral and sell ratings, as RC's stock ratings are determined on a relative basis. An investor's decision to buy or sell a stock should depend on individual circumstances and risk tolerance. For the year 2009, the distribution of RC's research opinions were as follows:

Outperform	20%
Marketperform	74.9%
Underperform	5.1%

RC does not have an investment banking operation, and does not have investment banking relationships with any of the companies it researches, therefore no distribution of research ratings by investment banking clients are shown above.

Historical Recommendations and Price

The following table details the history of all RC research recommendations on ***AVEO*** since its initial public offering.

Firm Certifications

RC's research team is responsible for the rating and recommendation expressed herein. Each member of the research team responsible for this report has certified to RC that the views expressed herein accurately reflect his or her personal views about the subject securities and issuer. Accordingly, RC certifies that the recommendation, rating and views expressed herein represent the personal views of each member of the research team. Further, no member of the research team was, is or will be paid compensation directly related to the specific recommendation, rating or views expressed herein.

RC is a registered investment adviser providing portfolio management services to a diversified mutual fund, the IPO Plus Aftermarket Fund (the "Fund"), which is registered as an investment company with the Securities and Exchange Commission. The Fund may take positions that are contrary to recommendations expressed in a public research report published by RC. Also, the Fund may invest to a limited extent in the securities of public companies that are the subject of a research report published by RC. As a diversified mutual fund, the Fund is limited to investing no greater than 5% of Fund assets in the shares of any one issuer. As of the date of this report, the Fund does not beneficially own 1% or more of the securities of the issuer subject to this report.

Members of the research team are compensated primarily from firm revenue on the basis of several factors, including quality of research, client feedback, stock picking, competitive factors and overall revenues of RC consisting of fees from research and money management. Members of the research team may also receive, as one aspect of overall compensation, benefits from a compensation program based upon an increase in the net asset value of the Fund. Although members of RC's research team (and their households) are prohibited from making direct investments in the securities about which they report, research personnel are permitted to invest in the Fund. While the Fund is limited in the amount it can invest in a single stock, compensation tied to the Fund or the performance of an investment in the Fund, could indirectly influence a recommendation or rating on such a stock expressed in the report.

In as much as neither RC nor any affiliate has investment banking functions, no research personnel are compensated directly or indirectly from investment banking revenue.

Other Important Disclosures

This report is for the general information of clients of RC. Any unauthorized use or disclosure is prohibited. No part of this report may be (i) copied, photocopied, or duplicated in any form by any means or (ii) redistributed without RC's prior written permission. The information contained in this report was obtained from various sources believed to be reliable; however we do not guarantee its accuracy or completeness. All trademarks, service marks and logos used in this report are trademarks or service marks or registered trademarks of RC.

This report is not directed to, or intended for distribution to or use by, any person or entity who is a citizen or resident of or located in any locality, state, country or other jurisdiction where distribution, publication, availability or use would be contrary to law or regulation or which would subject RC or its affiliates to any registration or licensing requirement within such jurisdiction. This report may discuss numerous securities, some of which may not be qualified for sale in certain states and may, therefore, not be offered to investors in such states.

Neither the information contained in this report nor any opinion expressed herein constitutes an offer, or an invitation to make an offer, to buy or sell any securities. Opinions expressed herein reflect the opinion of RC as of the date of this report and are subject to change without notice. RC has no obligation to update, modify or amend this report or to otherwise notify a reader thereof in the event that any matter stated herein, or any opinion, projection, forecast or estimate set forth herein, changes or subsequently becomes inaccurate, or if research on the subject company is withdrawn. This report has been prepared as of the date indicated and may become unreliable for various reasons including, but not limited to, changes in market or economic circumstances. RC is not soliciting any action based on this material. The recommendation and rating herein do not constitute a personal recommendation or take into account the particular investment objectives, financial situations, or needs of individual clients. Before acting on any advice or recommendation in this material, clients should consider whether it is suitable for their particular circumstances and, if necessary, seek professional advice. This report is being furnished for informational purposes only and on the condition that it will not form a primary basis for any investment decision. Investors should consider this report as only a single factor in making their investment decision. By virtue of this report, neither RC nor any of its employees shall be responsible for any investment decision. Each investor must make its own determination of the appropriateness of an investment in any securities referred to herein based on the legal, tax, and accounting considerations applicable to such investor and its own investment strategy. The price and value of the investments referred to in this material and the income from them may go down as well as go up, and investors may realize losses on any investments.

Some of the companies mentioned in this report may have a high level of volatility. High volatility investments may experience sudden and large falls in their value causing losses when that investment is realized. Prices and availability of financial instruments are subject to change without notice. In addition, income from an investment may fluctuate and the price or value of financial instruments described in this report, either directly or indirectly, may rise or fall. Past performance is not a guide to future performance. Future returns are not guaranteed, and a loss of original capital may occur. RC does not provide tax advice to its clients, and all investors are strongly advised to consult with their tax advisers regarding any potential investment. Certain transactions - including investments in initial public offerings and other equities - give rise to substantial risk and are not suitable for all investors. RC may have issued, and may in the future issue, other reports that are inconsistent with, and reach different conclusions from, the information presented in this report. Each report reflects the different assumptions, views and analytical methods of the analysts who prepared, or will prepare, them and RC is under no obligation to ensure that such other reports are brought to the attention of any recipient of this report. RC accepts no liability for loss arising from the use of the material presented in this report, except that this exclusion of liability does not apply to the extent that liability arises under specific statutes or regulations applicable to RC.

This research report contains both fundamental and technical analysis. Technical analysis is generally based on the study of trading volumes and price movements in an attempt to identify and project price trends. Technical analysis, taken alone, does not consider the fundamentals of the underlying corporate issuer and may indicate an investment opinion that conflicts with the conclusions derived from an opinion based solely on fundamental analysis.

Neither RC, its affiliates (other than the Fund), officers, directors, and employees, including persons involved in the preparation of this report, have long or short positions in the companies mentioned herein. RC is affiliated with a broker-dealer that introduces soft dollar trades on behalf of its institutional clients who purchase research from RC. To the extent technologically feasible, all clients of RC receive this report at the same time. RC does not have any investment banking operations or individual brokerage accounts.

This report may provide the addresses of, or contain hyperlinks to, websites. Except to the extent to which the report refers to RC's own website material, RC has not reviewed the linked site and takes no responsibility for the content contained therein. Such address or hyperlink (including addresses or hyperlinks to RC's own website material) is provided solely for your convenience and information and the content of the linked site does not in any way form part of this report. Accessing such website or following such link through this report or RC's website shall be at your own risk.

TO THE EXTENT PERMITTED BY LAW, RC SHALL NOT BE LIABLE FOR ANY DAMAGES SUFFERED OR INCURRED BY ANY PERSON OR ENTITY ARISING OUT OF ANY INACCURACIES, ERRORS OR OMISSIONS IN ANY REPORT PROVIDED BY RC. THERE ARE NO WARRANTIES, CONDITIONS, GUARANTIES OR REPRESENTATIONS AS TO MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, OR OTHER WARRANTIES, CONDITIONS, GUARANTIES OR REPRESENTATIONS, WHETHER EXPRESS OR IMPLIED, IN LAW OR IN FACT, ORAL OR IN WRITING. WITHOUT LIMITING THE FOREGOING, THERE IS NO WARRANTY OF ANY KIND, EXPRESS OR IMPLIED, REGARDING THE REPORTS.

RC WILL NOT BE LIABLE UNDER ANY CIRCUMSTANCES FOR ANY CONSEQUENTIAL, INCIDENTAL, SPECIAL OR INDIRECT DAMAGES EVEN IF ADVISED OF THE POSSIBILITY OF SUCH DAMAGES. THIS INCLUDES, BUT IS NOT LIMITED TO, CLAIMS FOR LOST PROFITS, TRADING LOSSES AND DAMAGES THAT MAY RESULT FROM THE USE, INCONVENIENCE, DELAY OR LOSS OF USE OF ANY REPORT PROVIDED BY RC OR FOR OMISSIONS OR INACCURACIES IN ANY SUCH REPORT. AS A CONDITION TO ACCESSING OR RECEIVING THE REPORT, YOU EXPRESSLY AGREE TO WAIVE ANY CLAIM YOU MAY HAVE AGAINST RC, ANY INFORMATION PROVIDER, RESEARCH PROVIDER, OR ANY OTHER PERSONS INVOLVED IN TRANSMITTING ANY INFORMATION RC MAKES AVAILABLE TO YOU.

TO THE MAXIMUM EXTENT PERMITTED BY LAW, ANY AND ALL IMPLIED WARRANTIES ARISING FROM TRADE USAGE, COURSE OF DEALING, OR COURSE OF PERFORMANCE, AND ANY AND ALL IMPLIED WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR USE OR PURPOSE, ARE EXPRESSLY EXCLUDED AND DISCLAIMED, AND RC SHALL HAVE NO LIABILITY FOR THE ACCURACY OF, OR FOR DELAYS OR OMISSIONS IN, ANY OF THE INFORMATION PROVIDED BY RC.

Recipients of this report should seek the advice of their independent financial advisor prior to making any investment decision based on this report or for any necessary explanation of its contents.