



December 20, 2013

## Aerie Pharmaceuticals, Inc.

### Phase IIb results in 2014 could highlight billion dollar product potential

**Our view:** PG324 Phase IIb results are key for visibility as a first-line blockbuster glaucoma product; Positive AR-13324 Phase III data in 2015 could also mean a huge drug

#### Key points:

AERI shares present a potentially large upside opportunity based on what we view as two shots on goal. First, PG324 could be a blockbuster drug for glaucoma based on worldwide sales of prior 1st-line drugs that totaled \$1-2B+. This makes positive Phase IIb data in 2014 a key event for AERI shares. Second, we believe AR-13324, which is entering Phase III trials, could also present a very large market opportunity in glaucoma based on its safer, more convenient, and competitively efficacious profile based on a novel mechanism of action. We are buyers of AERI ahead of PG324 Phase IIb data and especially on any pullbacks.

- **Phase IIb PG324 study ready to begin** as soon as clinical trial product is released. We expect a start in early 2014, ~300 patients (baseline 21-36 mmHg), comparison vs. latanoprost and AR-13324, where PG324 must be better, and data around mid-/ 2H:14. We believe this will be one of the key catalysts for AERI shares in 2014.
- **Phase III AR-13324 also nearly ready to begin** pending data from two toxicology studies, which we expect to be clean, and an end of Phase II meeting with the FDA. Phase III could start in early 2H:14, enroll ~1,200 patients (baseline 21-26 mmHg), compare AR-13324 to timolol (non-inferiority endpoint), and potentially have 3-month efficacy data around mid-2015, which would be the next big catalyst for AERI shares. The key is similar or better efficacy and better safety.
- **Physicians' expectations for AR-13324 are higher than the Street's.** At AAO AERI saw physician excitement about potential AR-13324. We have previously stated AR-13324 could have several roles including in patients intolerant of or resistant to using prostaglandins or in low tension glaucoma first line and in anyone about to start second-line combinations.
- **Partnership is not needed though potential partners seem interested.** At the recently concluded AAO meeting potential partners expressed an interest in AERI's pipeline. An opportunistic regional partnership in 2014 or 2015 especially one that targets Asia where patients have low tension glaucoma could be a positive
- **Sufficient cash through NDA filing.** 3Q:13 showed a higher loss but the key financial metric is the pro forma cash position of \$70M, which should be sufficient to see AERI through to AR-13324 NDA filing in 1H:16.

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### Outperform Speculative Risk

NASDAQ: AERI; USD 15.92

Price Target USD 20.00

#### WHAT'S INSIDE

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#### Scenario Analysis\*

Downside Scenario	Current Price	Price Target	Upside Scenario
7.00 ↑ -56%	15.92	20.00 ↑ 26%	32.00 ↑ 101%

\*Implied Total Returns

#### Key Statistics

Shares O/S (MM):	23.2	Market Cap (MM):	369
Dividend:	0.00	Yield:	0.0%

#### RBC Estimates

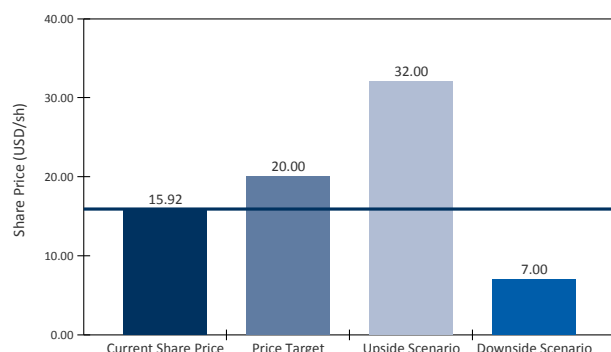
FY Dec	2013E	2014E	2015E	
Revenue	0.0	0.0	0.0	
EPS, Adj Diluted	(1.51)	(1.01)	(1.06)	
Prev.	(1.05)			
P/AEPS	NM	NM	NM	
Revenue	Q1	Q2	Q3	Q4
2013	0.0A	0.0A	0.0A	0.0E
2014	0.0E	0.0E	0.0E	0.0E
EPS, Adj Diluted				
2013	(0.41)A	(0.28)A	(10.81)A	(0.22)E
2014	(0.24)E	(0.25)E	(0.26)E	(0.26)E

All values in USD unless otherwise noted.



## Target/Upside/Downside Scenarios

Exhibit 1: Aerie Pharmaceuticals, Inc.



Source: RBC Capital Markets estimates

### Target price/ base case

We value AERI at \$20 per share, which includes US and EU sales of AR-13324 and PG324. We assign a 60% probability of success and a value of ~\$14 per share to the US and \$6 per share to the EU opportunity. We assume a US launch in 2017 and an EU launch in 2018. We forecast peak PG324 sales of \$700–800MM and AR-13324 sales of \$200–300MM in the US and \$500–600MM and \$100–200MM in the EU, respectively. Finally, we assume patent protection through 2030 and include a terminal value based on a discount rate of 15% and a growth rate of -50%.

### Upside scenario

Our upside scenario includes ~\$23 per share in value for the US opportunity and ~\$9 per share in value for the EU opportunity. We forecast peak PG324 sales of \$1.2–1.3B in the US and \$900M–\$1B in the EU and AR-13324 sales of \$200–300MM in the US and \$200–300MM in the EU. We assign products in the pipeline a 60% probability of success, a discount rate of 15%, and a terminal growth rate of -50%.

### Downside scenario

Our downside scenario assumes that PG324 will not be approved in the US or EU. We value the US opportunity for AR-13324 at ~\$5 per share and the EU opportunity at ~\$3 per share. We assume market share ramps up to roughly 15% of total second-line glaucoma prescriptions in the US and 10% in the EU. Under such a scenario, peak sales are forecast to be \$400–500M in the US and \$300–400MM in the EU. We assign AR-13324 a 60% probability of success, a discount rate of 15%, and a terminal growth rate of -50%.

## Investment summary

We believe AERI shares offer the potential for significant upside as both products in development, AR-13324 and PG324, use a new mechanism of action for the treatment of glaucoma, a blockbuster potential market. AR-13324 will enter Phase III trials based on positive Phase IIb data and PG324 a Phase IIb study based on promising preclinical data in 2014. Results from these and additional studies are expected 2014–2016. Millions of patients worldwide suffer from glaucoma, most need multiple medications, and we forecast peak sales of AERI's products at ~\$1B.

AERI owns 100% of the rights to AR-13324 and PG324 worldwide and patent protection extends into 2030, which means the company is free to partner or be acquired. Given that ophthalmology remains an attractive therapeutic area and AERI's product candidates could have a convenient, one drop once per day efficacy and safety profile, progress through clinical and regulatory milestones, as well as a partnership, could all be upside catalysts.

## Potential Catalysts for AERI Shares

- **Phase IIb data for PG324 in 2014.** Important catalyst as it could show differentiation in efficacy vs. latanoprost, the current market leader.
- **Phase III data for AR-13324 in 2015.** Important catalyst as positive data could lead to an NDA and MAA filing.
- **Phase III data for PG324 in 2016.** Key catalyst as clean safety and efficacy beyond latanoprost could make PG324 the first-line drug of choice.
- **Potential partnership for AR-13324 and PG324.** AERI owns worldwide rights to both product candidates and a partnership is likely after Phase III data.
- **Potential approvals and launches in 2017 in the US and 2018 in the EU** following regulatory filings in 2016.

## Risks to Our Investment Thesis

- **Pivotal Phase III and earlier-stage studies could fail.** AR-13324 must show non-inferiority to a comparator over a longer period and PG324 must show a benefit in patients, which raises risk of failure.
- **PG324 Phase IIb study could fail.** Our assumption for success is based on pre-clinical data with PG324, and testing it in patients increases risk.
- **AERI could fail to find a partner** for AR-13324 and PG324 outside the US.
- **Sales ramp of AR-13324 and PG324 could lag expectations** as clinicians fail to take up AERI's drugs, payers put up hurdles for reimbursing branded drugs, and cheaper generic drugs with other mechanisms hamper market penetration.

## News Flow

Timing	Expected News Flow	Program
Early 2014	Initiate Phase IIb studies in glaucoma	PG324
1Q:14	3-month data from 6- and 9 -month tox studies	AR-13324
Mid-2014	Initiate Phase III trials in glaucoma	AR-13324
Mid-2014	Phase IIb results	PG324
2014 / 2015	Final 6- and 9-month data from 2 tox studies	AR-13324
2014 / 2015	Potential ex-US partnership(s)	
Mid-2015	Efficacy results from Phase III studies	AR-13324
1H / Mid-2015	Initiate Phase III trials in glaucoma	PG324
2H:15 / Early 2016	Phase III results in glaucoma	AR-13324
2015 / 2016	Initiate Phase I trials	AR-13533
Mid-2016	File NDA	AR-13324
1H / Mid-2016	Efficacy results from Phase III studies	PG324
2H:16 / Early 2017	Phase III results in glaucoma	PG324
1H / mid-2017	Expect approval and launch	AR-13324
Mid-2017	File NDA	PG324
Mid-2018	Expect approval and launch	PG324

Source: Company reports.

## Pipeline

Product	Mechanism	Stage	Indication	Partner
AR-13324	Dual-action ROCK / NET inhibitor	Phase III planned	Glaucoma	
PG324	Triple-action ROCK / NET inhibitor and latanoprost, a PGA	Phase IIb planned	Glaucoma	
AR-13533	Dual-action ROCK / NET inhibitor	Pre-clinical	Glaucoma	

Source: Company reports.



## Valuation

We value AERI at \$20 per share, which includes US and EU sales of AR-13324 and PG324. We assign a probability of success of 65% to both products and a value of ~\$14 per share to the US and \$6 per share to the EU opportunity. We assume a US launch in 2017 and an EU launch in 2018. Currently, we assume that AERI will sell AR-13324 and PG324 in the US and a partner will commercialize these compounds outside the US. We forecast peak PG324 sales of \$700–800MM in the US and \$500–600MM in the EU and AR-13324 sales of \$200–300MM in the US and \$100–200MM in the EU. We currently assign no additional value to the earlier-stage pipeline. Finally, we assume product sales extend through 2030 and include a terminal value based on a discount rate of 15% and a terminal growth rate of -50%.

## Price target impediments

Our price target is dependent solely on the clinical, regulatory and commercial success of AR-13324 and PG324. A Phase IIb study for PG324 and a Phase III study for AR-13324 are expected in 2014 and failure to demonstrate efficacy or safety in one or both of these studies would be a significant setback. Furthermore, any setbacks in regulatory approvals in the US or EU, delay in launch, failure to secure a partnership outside the US for AR-13324 and PG324, increased competition or other limitations to the market potential of these products either due to better efficacy and/or safety outcomes or pricing pressure due to the availability of generic drugs for glaucoma, could negatively impact our valuation.

## Company description

Aerie Pharmaceuticals, Inc. is a biotechnology company targeting ophthalmic disorders specifically glaucoma, which is a blockbuster potential markets. Sales of products targeting glaucoma totaled \$4.5B globally and more than 30 million prescriptions for glaucoma drugs were written in the US alone. AERI's drug candidates work by inhibiting rho-kinase and the norepinephrine transporter, a new mechanism of action, something not seen for glaucoma in nearly two decades. AR-13324 could enter Phase III trials in 2014 and PG324 could enter Phase II trials in 2014 and Phase III trials in 2015. These drugs could be used as stand-alone agents for first- or second-line therapy or combined with existing agents.



## Aerie Pharmaceuticals - Income Statement FYE December 31

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(in MM; except per share)	1Q:13A	2Q:13A	3Q:13A	4Q:13E	2013E	1Q:14E	2Q:14E	3Q:14E	4Q:14E	2014E	2015E	2016E	2017E	2018E	2019E	2020E	2021E	2022E	2023E
<b>REVENUES</b>																			
AR-13324													6.5	69.1	147.3	235.5	209.2	178.4	142.6
PG324														7.5	31.8	101.8	180.8	308.4	410.9
Product Sales													6.5	76.5	179.1	337.2	390.0	486.8	553.5
Royalties														9.3	22.9	41.1	45.4	54.0	58.6
Other																			
<b>Total Revenues</b>													6.5	85.8	202.0	378.4	435.3	540.8	612.1
<b>EXPENSES</b>																			
COGS													0.6	7.7	17.9	33.7	39.0	48.7	55.4
R&D	3.2	3.2	2.4	3.4	12.1	3.8	4.0	4.3	4.5	16.5	20.0	22.5	20.0	10.0	5.0	5.0	5.0	5.0	5.0
SG&A	1.7	1.7	3.3	1.8	8.5	1.9	1.9	2.0	1.8	7.5	8.5	15.0	30.0	37.5	45.0	67.4	78.0	97.4	110.7
Other																			
<b>Total Expenses</b>	4.9	4.9	5.7	5.2	20.6	5.6	5.9	6.2	6.3	24.0	28.5	37.5	50.6	55.2	67.9	106.2	122.0	151.0	171.1
<b>Operating Income (Expense)</b>	(4.9)	(4.9)	(5.7)	(5.2)	(20.6)	(5.6)	(5.9)	(6.2)	(6.3)	(24.0)	(28.5)	(37.5)	(44.2)	(30.6)	(134.1)	(272.2)	(313.3)	(389.7)	(441.0)
<b>OTHER</b>																			
Interest income				0.1	0.1	0.1	0.1	0.1	0.1	0.4	0.4	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5
Interest expense	(0.2)	(0.2)		(0.1)	(0.4)	(0.1)	(0.1)	(0.1)	(0.1)	(0.2)	(0.2)	(0.2)	(0.2)	(0.2)	(0.2)	(0.2)	(0.2)	(0.2)	(0.2)
Other			(5.1)																
<b>Total Other Income (Expense)</b>	(0.2)	(0.2)	(5.1)	0.1	(0.3)	0.1	0.1	0.1	0.1	0.2	0.2	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3
<b>Income before Tax</b>	(5.1)	(5.1)	(10.9)	(5.1)	(20.9)	(5.6)	(5.9)	(6.2)	(6.3)	(23.8)	(28.3)	(37.2)	(43.9)	(30.9)	(134.4)	(272.5)	(313.6)	(390.0)	(441.3)
<b>Taxes</b>														10.5	45.7	92.6	106.6	132.6	150.1
<b>Net income (loss)</b>	(5.1)	(5.1)	(10.9)	(5.1)	(20.9)	(5.6)	(5.9)	(6.2)	(6.3)	(23.8)	(28.3)	(37.2)	(43.9)	(20.4)	(88.7)	(179.8)	(207.0)	(257.4)	(291.3)
EPS, Basic (GAAP)	(\$0.41)	(\$0.28)	(\$0.81)	(\$0.22)	(\$1.51)	(\$0.24)	(\$0.25)	(\$0.26)	(\$0.26)	(\$1.01)	(\$1.06)	(\$1.24)	(\$1.44)	\$0.66	\$2.80	\$5.56	\$6.27	\$7.65	\$8.48
EPS, Diluted (GAAP)	(\$0.24)	(\$0.19)	(\$1.13)	(\$0.16)	(\$0.94)	(\$0.17)	(\$0.18)	(\$0.19)	(\$0.19)	(\$0.74)	(\$0.81)	(\$0.97)	(\$1.13)	\$0.52	\$2.20	\$4.40	\$4.99	\$6.11	\$6.80
Shares outstanding, Basic	12.5	18.4	1.0	23.3	13.8	23.4	23.6	23.7	23.8	23.6	26.6	29.9	30.5	31.1	31.7	32.4	33.0	33.7	34.3
Shares outstanding, Diluted	21.0	26.9	9.6	31.8	22.3	31.9	32.1	32.2	32.3	32.1	35.1	38.4	39.0	39.6	40.2	40.9	41.5	42.2	42.8
<b>Operating Ratios</b>																			
COGS													10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%
Gross Margin	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	90.0%	90.0%	90.0%	90.0%	90.0%	90.0%	90.0%
R&D	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	308.7%	11.7%	2.5%	1.3%	1.1%	0.9%	0.8%
SG&A	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	463.0%	43.7%	22.3%	17.8%	17.9%	18.0%	18.1%
Operating Margin	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	-681.7%	35.7%	66.4%	71.9%	72.0%	72.1%	72.1%
Taxes	34.0%	34.0%	34.0%	34.0%	34.0%	34.0%	34.0%	34.0%	34.0%	34.0%	34.0%	34.0%	34.0%	34.0%	34.0%	34.0%	34.0%	34.0%	34.0%
Net Margin	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	-677.1%	23.8%	43.9%	47.5%	47.6%	47.6%	47.6%
Source: Company reports and RBC Capital Markets estimates.																			
<b>Balance Sheet - Select Items</b>																			
Cash and cash equivalents	2.4	(8.1)	55.6	55.6	55.7	50.2	44.5	38.7	38.7	102.0	64.5	20.3	28.6	88.1	222.2	416.0	647.6	921.7	921.7
Prepaid expenses and other current assets	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1
<b>Total current assets</b>	3.5	(7.0)	56.8	56.8	56.8	51.4	45.7	39.8	39.8	107.2	72.1	30.4	53.0	143.8	325.8	535.3	795.8	1,089.7	1,089.7
Property, plant and equipment, net	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.0	0.0	(0.0)	(0.1)	(0.1)	(0.1)	(0.2)	(0.3)	(0.3)	(0.4)	(0.4)	(0.4)
<b>Total assets</b>	3.7	(6.8)	56.9	56.9	56.9	51.5	45.7	39.9	39.9	107.2	72.1	30.3	52.8	143.6	325.6	534.9	795.4	1,089.3	1,089.3
<b>Current Liabilities</b>																			
<b>Total current liabilities</b>	11.8	11.8	11.8	11.8	11.8	11.8	11.8	11.8	11.8	11.8	11.8	12.3	12.8	13.3	13.8	14.3	15.1	16.5	17.5
<b>Total liabilities</b>	4.6	4.6	4.6	4.6	4.6	4.6	4.6	4.6	4.6	4.6	4.6	4.6	4.6	4.6	4.6	4.6	4.6	4.6	4.6
Share Capital	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Share Premium	0.1	0.1	68.5	68.5	68.5	68.5	68.5	68.5	68.5	162.5	162.5	162.5	162.5	162.5	162.5	162.5	162.5	162.5	162.5
Accumulated deficit	(74.0)	(84.5)	(89.2)	(89.2)	(94.4)	(99.8)	(105.6)	(111.4)	(111.4)	(138.1)	(173.7)	(216.0)	(194.0)	(103.7)	77.8	286.4	545.4	838.3	838.3
<b>Total stockholders' equity</b>	(12.7)	(23.2)	40.5	40.5	35.3	29.9	24.1	18.3	18.3	85.6	50.0	7.7	29.7	120.0	301.5	510.1	769.1	1,062.0	1,062.0
<b>Total liabilities and stockholders' equity</b>	3.7	(6.8)	56.9	56.9	51.8	46.3	40.6	34.7	34.7	102.0	66.9	25.1	47.7	138.5	320.4	529.8	790.2	1,084.1	1,084.1
<b>Cash Flow Statement - Select Items</b>																			
Net Income (loss)	(5.1)	(5.1)	(10.9)	(5.1)	(20.9)	(5.6)	(5.9)	(6.2)	(6.3)	(23.8)	(28.3)	(37.2)	(43.9)	(20.4)	(88.7)	(179.8)	(207.0)	(257.4)	(291.3)
Depreciation and amortization	0.0	0.0	0.0	0.1	0.0	0.0	0.0	0.0	0.0	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1
Stock based compensation	0.4	0.4	0.4	0.4	1.2	0.4	0.4	0.4	0.4	1.6	1.6	1.6	1.6	1.6	1.6	1.6	1.6	1.6	1.6
<b>Net cash provided (used) by operating activities</b>	(5.1)	(2.5)	(10.5)	(4.7)	(17.5)	(5.1)	(5.4)	(5.7)	(5.8)	(22.1)	(30.6)	(37.5)	(44.1)	8.4	59.6	134.2	193.8	231.6	274.3
Purchase of property and equipment and intangible assets	(0.0)	(0.0)	(0.0)	(0.1)	(0.1)	(0.0)	(0.0)	(0.0)	(0.0)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)
Net cash used in investing activities	(0.0)	(0.0)	(0.0)	(0.1)	(0.1)	(0.0)	(0.0)	(0.0)	(0.0)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)
Proceeds from issuances				68.4	68.4						94.0								
<b>Net cash provided by (used in) financing activities</b>	7.0			68.4	75.4						94.0								
Decrease in cash and cash equivalents	(5.1)	4.5	(10.5)	63.7	57.9	(5.1)	(5.4)	(5.7)	(5.8)	(22.1)	63.4	(37.5)	(44.2)	8.3	59.5	134.1	193.7	231.6	274.2
<b>Cash and cash equivalents at the beginning of the year</b>	2.9	(2.1)	2.4	(8.1)	2.9	60.8	55.7	50.2	44.5	60.8	38.7	102.0	64.5	20.3	28.6	88.1	222.2	416.0	647.6
<b>Cash and cash equivalents at the end of the year</b>	(2.1)	2.4	(8.1)	55.6	60.8	55.7	50.2	44.5	38.7	38.7	102.0	64.5	20.3	28.6	88.1	222.2	416.0	647.6	921.7

Source: Company reports and RBC Capital Markets estimates.



## Required disclosures

### Conflicts disclosures

The analyst(s) responsible for preparing this research report received compensation that is based upon various factors, including total revenues of the member companies of RBC Capital Markets and its affiliates, a portion of which are or have been generated by investment banking activities of the member companies of RBC Capital Markets and its affiliates.

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An analyst's 'sector' is the universe of companies for which the analyst provides research coverage. Accordingly, the rating assigned to a particular stock represents solely the analyst's view of how that stock will perform over the next 12 months relative to the analyst's sector average. Although RBC Capital Markets' ratings of Top Pick (TP)/Outperform (O), Sector Perform (SP), and Underperform (U) most closely correspond to Buy, Hold/Neutral and Sell, respectively, the meanings are not the same because our ratings are determined on a relative basis.

#### Ratings

**Top Pick (TP):** Represents analyst's best idea in the sector; expected to provide significant absolute total return over 12 months with a favorable risk-reward ratio.

**Outperform (O):** Expected to materially outperform sector average over 12 months.

**Sector Perform (SP):** Returns expected to be in line with sector average over 12 months.

**Underperform (U):** Returns expected to be materially below sector average over 12 months.

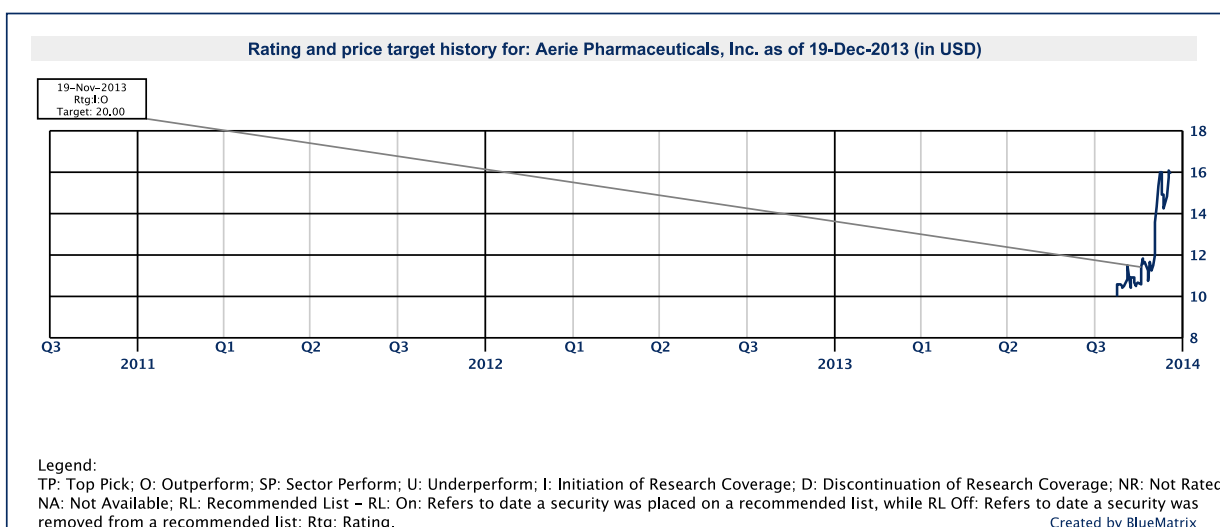
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As of March 31, 2013, RBC Capital Markets suspends its Average and Above Average risk ratings. The **Speculative** risk rating reflects a security's lower level of financial or operating predictability, illiquid share trading volumes, high balance sheet leverage, or limited operating history that result in a higher expectation of financial and/or stock price volatility.

## Distribution of ratings

For the purpose of ratings distributions, regulatory rules require member firms to assign ratings to one of three rating categories - Buy, Hold/Neutral, or Sell - regardless of a firm's own rating categories. Although RBC Capital Markets' ratings of Top Pick(TP)/ Outperform (O), Sector Perform (SP), and Underperform (U) most closely correspond to Buy, Hold/Neutral and Sell, respectively, the meanings are not the same because our ratings are determined on a relative basis (as described below).

Distribution of ratings				
RBC Capital Markets, Equity Research				
As of 30-Sep-2013				
Rating	Count	Percent	Investment Banking Serv./Past 12 Mos.	
			Count	Percent
BUY [Top Pick & Outperform]	769	51.00	271	35.24
HOLD [Sector Perform]	656	43.50	179	27.29
SELL [Underperform]	83	5.50	13	15.66



References to a Recommended List in the recommendation history chart may include one or more recommended lists or model portfolios maintained by RBC Wealth Management or one of its affiliates. RBC Wealth Management recommended lists include a former list called the Prime Opportunity List (RL 3), the Guided Portfolio: Prime Income (RL 6), the Guided Portfolio: Large Cap (RL 7), the Guided Portfolio: Dividend Growth (RL 8), the Guided Portfolio: Midcap 111 (RL 9), the Guided Portfolio: ADR (RL 10), and the Guided Portfolio: Global Equity (U.S.) (RL 11). RBC Capital Markets recommended lists include the Strategy Focus List and the Fundamental Equity Weightings (FEW) portfolios. The abbreviation 'RL On' means the date a security was placed on a Recommended List. The abbreviation 'RL Off' means the date a security was removed from a Recommended List.

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