



2012

ANNUAL REPORT

Educating the next generation of investors

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GPS Creed

“ We believe that ethics should take absolute precedence
and profit at the price of integrity is no profit at all.

We believe that those who have been blessed with prosperity
should help those in need
and that donating time and knowledge
is more important than simply writing a check.

We believe that learning through experience
is just as important as learning the theory
and that the process of learning
should be interesting and intellectually engaging.

We believe that through friendship,
we can learn from each other,
and through mentorship
wisdom can be passed down so youth can learn from history.

We believe that people should be active investors
having input in their investments
learning about the companies they invest in
learning about the industries they invest in
purchasing the underlying business rather than the stock.

We believe that by doing what we love
by being well-informed
by being well-educated
by doing due diligence we can profit.

”

Mission Statement



“Global Platinum Securities will strive to provide a comprehensive investment education to the future generation of passionate and intellectually curious business leaders in an ethical and socially responsible fashion.”

Board of Managers

The Founders

Tim Shannon
Georgetown University '07

Rufino Mendoza
Georgetown University '07

Ken Talanian
Georgetown University '06



Hoshrav Patel
New York University '09

Roman Smukler
New York University '09

Cole Magrath
Georgetown University '10

Wesley Bayer
Georgetown University '12

Jaime Steinhardt
Georgetown University '12

Kevin Tracey
Colorado University '12

Dominic Gerster
London School of Economics '12

Rob Green
University of Dayton '09

Upper Management

Chief Executive Officer

Wesley Bayer
Georgetown University '12



Chief Operating Officer

Jaime Steinhardt
Georgetown University '12



Portfolio Managers

Dominic Gerster
London School of Economics '12

Kevin Tracey
Colorado University '12



Vice President of Marketing

Lawrence Koo
London School of Economics '12

Vice President of Philanthropy

Benjamin Bold
Georgetown University '13



Vice President of Technology

Ben Wigoder
London School of Economics '11



Vice President of Personnel

Brian Weickmann
Colorado University '12

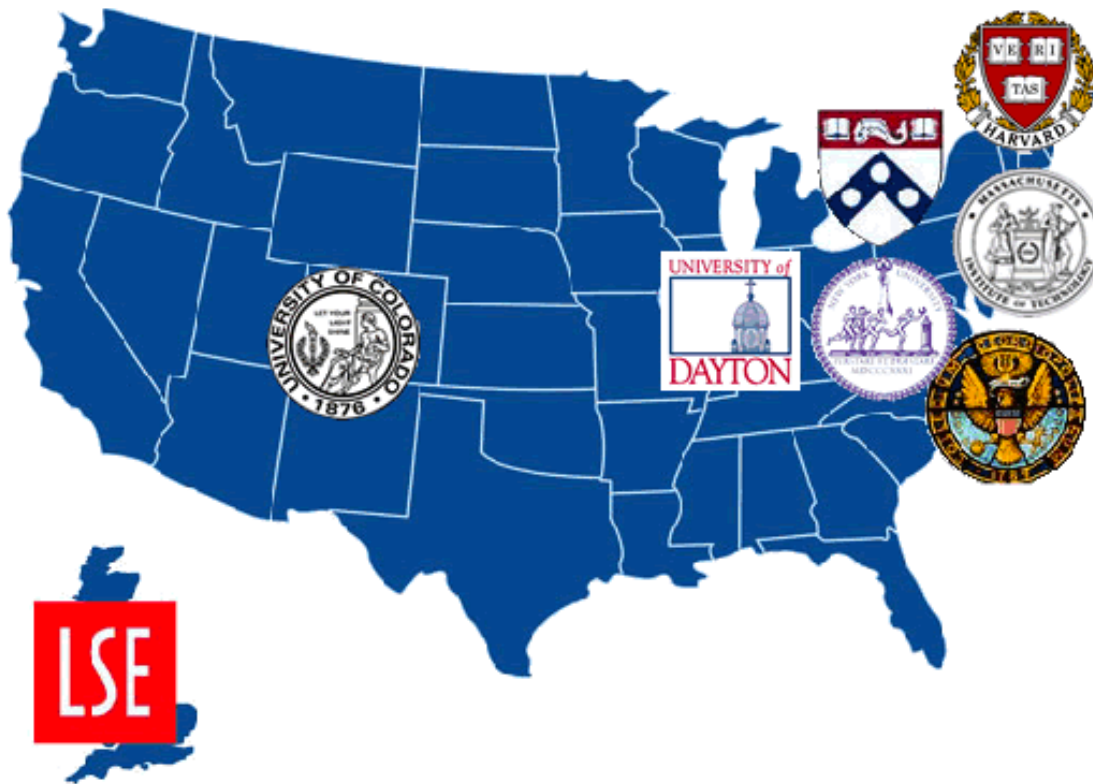


Vice Presidents of Education

Jamie Perse
Colorado University '13

Rexhi Dollaku
Harvard University '13

Membership



University of Colorado

Loren Harman '13
Zach Pendleton '13
Jamie Perse '13
Kevin Allman '14
Thomas Gorman '14
Eleanor Meloul '15

University of Dayton

Ryan Hunn '13
Erica Kleinman '13
AJ Ziegler '13
Joe Nitting '14
Linh Pham '14
Andrew Brackmann '15
Eric Flanigan '15

Georgetown University

Ben Bold '13
Lauren Grzybowski '13
Andrew Provost '13
Matthew Morris '14
Jim Myrtetus '14
Fraser Simpson '14
Danny Sullivan '14
Alex Martino '15

Membership

Harvard University

Peter Chen '13
Rexhi Dollaku '13
Sebastian Garcia '13
Andrew Provost '13
Raina Gandhi '14
Scott Yu '14
Andrew Das Sarma '15
Nathan Gupta '15

London School of Economics

Samiha Bham '13
Nicolas Dupuis '13
Paul Schmelzing '13
Aidar Artykbaev '14
Drummond Clark '14
Alexandre Momeni '15

Massachusetts Institute of Technology

Justin Colt '13
Shelly Jin '13
Jenny Hu '14
Oliver Huang '14
Jhanavi Pathak '14
Frank Zhu '15
Nicolai Ludvigsen '15
Jack Sul '15



New York University

Jay Bhalodi '13
Jeremiah Leong '13
David Windish '13
Jacob Preston '14
Simon Ma '15
Nicole Shu '15

University of Pennsylvania

Ashish Patra '13
Justin Ang '14
Josh Liang '14
Sahil Khetpal '14
Shruti Shah '14
Dominic Waltz '14
Matej Senkarcin '15



Letter from the Founders

We could tell you about the Eurozone crisis. We could opine on Bank of Japan policy or regale you with stories about our latest successful investment. Yet while the core activity of GPS is ostensibly students managing a portfolio as value investors, this is not its distinguishing feature. GPS is fundamentally about creating an environment where a student can boundlessly pursue his or her passion for business and investing.

It is through this shared passion that we also hope to see lifelong friendships develop. Friendship is not just about supporting each other during our lowest points, but also celebrating each other's milestones of success. While they lack the braggadocio to boast about their own accomplishments, we would like to raise a glass to the successes our friends have achieved this year. Tim Piechowski was the first alumnus to sign his name to a 13D letter. Jon Brachle made Vice President at J.P. Morgan. Beau Beckley has published a book. Cameron Robertson, our beloved "Chuckie", was kicked off Kickstarter but then kicked back by generating millions of dollars in revenue using a self-built pre-order system aptly called Selfstarter. Andy Artz was the Chief Financial Officer of OMGPOP, a gaming company that was sold to NASDAQ-listed Zynga.

The composition of alumni occupations now spans a diverse set, including social media, OEM, marketing, entrepreneurship, oil and gas, law, and education in ad-

dition to traditional finance and consulting. Yet we continue to share the bond of intellectual curiosity and desire to give back to society. One way we advance this effort is through industry councils, where alumni discuss a wide range of topics such as Hedge Funds, Macroeconomics, Credit Markets, Healthcare, Media, Private Equity, Venture Capital, and Entrepreneurship.

Though industry councils help alumni stay in contact with each other on a professional level, our camaraderie is best fostered through in-person social events. Much like New York, alumni in London and the San Francisco Bay Area have relatively cohesive cultures. As always, alumni look forward to meeting students when revisiting their campuses or attending the three annual GPS conferences.

As 2012 comes to a close, we want to thank Jaime Steinhardt for assuming the lead on the Alumni Association, with help from Cole Magrath and Lambert Wang.

On the student side, Georgetown University, the University of Pennsylvania, the University of Colorado, Harvard University, the Massachusetts Institute of Technology, New York University, the London School of Economics, and the University of Dayton recruited 25 undergraduates for the upcoming year. This year's analyst class demonstrates an indefatigable spirit and thirst for knowledge as witnessed by both members and alumni during this year's interviews.

As written in our creed, we believe that those who have been blessed with prosperity should help those in need and that donating time and knowledge is more important than simply writing a check. Once again, in addition to the philanthropic activities at the pod level, at the 2012 summer conference, GPS students and alumni from different pods carried out a coordinated giving back initiative together, delivering food for “Meals on Wheels” in New York.

Central to the vision of the organization has been an enduring connection between members and alumni. As the gap in age between the oldest and youngest member grows, this will be an increasingly difficult challenge. We hope our common intellectual curiosity in the fields of business and philanthropy and the excitement of future joint ventures built upon a foundation of friendship will tie us together.

Yours sincerely,

Tim Shannon
Georgetown University '07

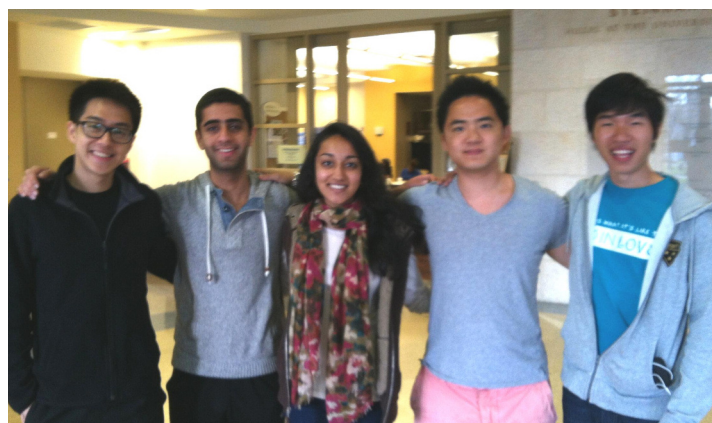
Rufino Mendoza
Georgetown University '07

Ken Talanian
Georgetown University '06

Alumni mentorship is part and parcel of GPS. To the students, don't be shy. Reach out to alumni; there are 117 of us. Ask us about our successes, but also ask us about our mistakes. Pitch ideas. Ask advice. We are here to satiate your intellectual curiosity. It is our way of paying forward the support we received from our initial investor base.

To our investors, thank you. Without you, none of this would have been possible.

Finally, thank you to Rexhi Dollaku, Jamie Perse, and the rest of the 2012 undergraduate leadership team for continuing the tradition of building the organization through their actions each and every day. We look forward to supporting Fraser Simpson and Matt Morris as they lead the undergraduates in exemplifying the GPS ethos of intellectual curiosity this upcoming year.





Letter from 2012 CEO & CFO

2012 was another excellent year for Global Platinum Securities. I am incredibly proud of the work our team has completed this year. In spite of the great year for the markets – the S&P 500 returned 13.4% for the year – the GPS portfolio returned 17.27%, again demonstrating our commitment to quality fundamental research and financial education. Indeed, our two portfolio managers, Fraser Simpson (Georgetown '14) and Loren Harman (Colorado '14), did an excellent job navigating the markets and managing our growing research output, as did all our research analysts. We have continued to surpass the S&P 500 since inception – a joke we often make is that we need to use a new benchmark! – while continuing to foster a passion for investing and a passion for each other. While the financial performance of GPS is impressive, what I am most proud of are the components that separate GPS from a traditional fund: our emphasis on teaching the next generation of investors and our desire to build long-term and lasting relationships with our fellow GPSers. So long as we continue our deep commitment to cultivate and develop those key components, our financial performance will follow.

In 2012, we welcomed 24 new analysts from across our eight schools into GPS. Our two Vice Presidents of Education, Raina and Scott (both Harvard '13) did an incredible job educating this new crop of analysts, ensuring

that the analysts were challenged to learn about investing while building the strong relationships which make GPS so special. I am continually impressed by how well Raina and Scott led the restructuring of our education program. The program is as healthy as it has ever been. Our recent (and growing) emphasis on feedback, as well as a more quantitative realignment of the education program ensures that core of GPS remains even stronger than our founders envisioned.

Our conferences continue to be a highlight for GPS members and alumni, and 2012 was no exception. With the generous help of our alumni (and a new outward focus from the management team), we had some of the best conferences to date. In the summer, we had the opportunity to hear from a variety of professionals, including Patrick McGinnis (a Latin American venture capital/private equity investor), David Damast (a partner at York Capital Management) and Luke Holden (founder of Luke's Lobster). In the fall, we were fortunate to hear from another incredible cast of investors, including Eiichiro Kuwana (President of Cook Pine Capital), Alex Robertson (Chief Executive Officer of Tiger Management), a variety of senior analysts from Tiger Cub funds, as well as GPS alumnus Jimmy Zhu (MIT '08). Each conference, I am reminded how fortunate we are as an organization to hear from these incredibly talented

and successful people. Matt Morris (Georgetown '14) and Peter Chen (Harvard '13) deserve a huge round of applause for coordinating these wonderful conferences, as do all those who helped make them possible.

As a management team, we instituted a variety of changes – both major and minor – to continue making GPS as efficient an organization as possible. We completely retooled our onboarding process for new management team members, hoping to reduce the uncertainty surrounding the first few weeks on the job. We created more opportunities for dialogue between Portfolio Managers and Sector Leaders in order to ensure that we execute our investment strategy consistently. We encouraged more communication between analysts, members, and alumni by pairing new analysts with member and alumni advocates. This ensures that new generations of GPSers feel as committed to the organization as possible. I have to give my thanks to the 2012 management team – you all were an inspiration to work with, and I am honored to have had your support in making a positive contribution to GPS.

I would be remiss if I did not mention our continued philanthropic work. At GPS, we truly believe that while we are investing in our future, we should invest our time and resources helping others less fortunate. Each pod continued our GPS tradition of hosting philanthropic events on their respective campuses. Additionally, team GPS spent time during each of our conferences doing philanthropic work, including delivering meals to underserved New Yorkers with Meals on Wheels (a particular highlight of ours). Our commitment to philanthropy is a

defining aspect of being a GPS member, and it is one we take very seriously. Thank you to Lauren Gryzbowski for her help as Vice President of Philanthropy (Georgetown '13) in coordinating our philanthropic efforts. We are proud of the work team GPS has done – and will continue to do – to help others in need.

When Jamie and I joined GPS, we knew very little about the finance world. Now as seniors, when we look back at our experience, we are humbled to have had the opportunity to give our time to an organization that has given us so many enriching opportunities. GPS has been the most formative organization for so many of us, and indeed for Jamie and I as well. Not only has GPS prepared us to enter the financial world as educated investors but, more importantly, it has helped us cultivate lifelong friendships we will forever treasure. It is the bonds that we make with each other that is our most enduring strength, and I know these connections will continue to serve members well in the future.

As we write this letter, we are sad that our time as GPS members is nearing its end. But, we are more optimistic than ever. GPS is now in even better hands under a new management team, and I know they share a similar commitment to the preservation and growth of GPS. We hope they realize, as we did, that they have the collective support of nearly 50 members and over 100 alumni. The future for GPS is indeed bright.

Sincerely,
Rexhi Dollaku & Jamie Perse





Letter from the 2013 CEO

“So what exactly is GPS?” I’ve answered this question countless times. I’ve rarely felt satisfied with my answer. From the outside, we are an international and intercollegiate investing organization that gives accomplished students a unique financial education through active investment management. Yet this is just the tip of the iceberg. Looking back on these past three years it has meant so much more. Indeed, GPS cannot be explained but only experienced.

It’s amazing how far we’ve come as a group and as a fund. We’ve consistently outperformed the S&P 500 while building an organization that has endured and prospered, despite the constant turnover of personnel dictated by our (sadly) limited time at university. We are an eccentric group. GPS brings together dozens of nationalities and even more languages. Our undergraduate members include entrepreneurs, nomadic enthusiasts, members of Norway’s Royal Guard and expert marksmen in the Singaporean military. Most importantly, we are family that invests in each other.

Yet despite its success, GPS stands at a crossroads. From an investing perspective, rarely has the world been so volatile, with years of unprecedented monetary policy, the rise of new economic powers and a debt crisis that continues to threaten the world’s largest economic bloc. To our members’ credit, our diligence and risk averse value investing philosophy has delivered consistent returns. Looking forward, continuing this trend will require discipline, creativity and increased engagement with the portfolio.

Organizationally we are also getting older. Incoming analysts from the 2013 Class are now eight years younger – two full college cycles – than our founders. As GPS grows up, we need to decide how we wish to see it evolve. We have a strong foundation, but it is one that needs to be built upon.

What changes should we welcome and what traditions are worth preserving? On that note, we will strengthen our post-graduate institutional structure – ensuring our ever expanding alumni are increasingly engaged.

Looking forward, another major objective is streamlining administrative processes through technology to allow future members to focus on what makes GPS so indefinable – mentorship, high quality investing education, and giving back. This translates into simplifying the crucial logistics that underpin our organizational health, such as analyst onboarding and attendance. This should foster greater engagement, particularly enhancing the GPS sector experience and creating a fuller and deliberative investing process.

Each year GPSers accomplish great things, both individually and as a group. We want these efforts to be recorded and built upon by future generations, rather than living only in the memory of those who took part. Consequently, we are working on recording our past and making it accessible – whether that is past conferences details, investment research, or Upper Management transition documents.

The best reason to start an organization is to make meaning, to create something that makes the world a better place. What is GPS? I still cannot fully explain what it is, but I can say what it does: GPS changes lives. It brings the best together both in the world and for the world, who bring out the best in each other. I’m blessed to have an Upper Management smarter than myself who all share the same vision. We look forward to continuing the tradition.

Warm Regards,
Fraser Simpson



Giving Back Program

“A good GPA doesn’t make you a good person,” – amidst my pursuit of excellence in academics, sports and extracurriculars, my dad never overlooked an opportunity to remind me of the importance of helping others. Bonded by intellectual curiosity, my GPS peers maintain impressive GPAs, diplomas and career opportunities; however, our desire to give back is equally as unifying. Our commitment to service is consecrated in our creed; we believe that those who have been blessed with prosperity should help those in need and that donating time and knowledge is more important than simply writing a check.

The devastation of natural disasters and the imposition of funding limits on financial education programs gave rise to a greater need for service this year. The GPS community responded to these emerging needs. At the summer conference in New York City, GPS students and alumni partnered with Meals On Wheels to provide food to homebound families. At the pod level, GPS students forged new relationships with organizations in their respective communities that addressed a variety of educational prerequisites, the factors that help students perform better in school:

The Georgetown Pod continued its partnership with the Meyers Institute for College Preparation. Pod members held a budgeting workshop for middle and high school students from resource-constrained areas of D.C. The students discussed the importance of goal setting, how to develop financial goals, and how budgeting is an effective tool to achieve these goals. The stu-

dents created budgets for various goal scenarios and were asked to make person budgets. The Georgetown pod intends to host a similar Giving Back event during the spring semester.

Similar to the Georgetown Pod, the Colorado Pod taught a personal finance course at Silver Creek High School in Boulder, Colorado. Pod members emphasized the role of investing in personal finance, summarized the types of investments and introduced students to careers in finance. The students ended the day with a stock picking challenge; students partnered with pod members to select a stock, which required financial analysis and ratio comparisons. Due to student enthusiasm, Silver Creek High School has requested that the Colorado pod hold the seminar more frequently.

The Dayton Pod hosted an event similar to the Colorado Pod; Dayton pod members continued their partnership with the DECA, the Dayton Early College Academy. The Academy aims to strengthen the academic experiences of middle and high school students in resource-constrained communities. Pod members hosted a financial education seminar that discussed the importance of budgeting. Students were also exposed to the concept of credit, banking, and savings.

The MIT Pod taught an introductory investing class to middle and high school students at the annual Spark conference at MIT. Spark is a renowned program that gathers hundreds of students from the New England region to learn from MIT students. Pod members covered basic investing topics including financial analysis,

ratio analysis, and valuation.

Last Spring, the Harvard Pod participated in a fundraiser for St. Jude's Children's Hospital. Pod members competed in Boston's annual Great Urban Race, a competitive, urban scavenger-hunt event in which teams race through the city on foot to solve puzzles, complete challenges and cross the finish line. Proceeds from the event supported the hospital's research initiative.

As communities throughout the Northeast struggled to recover from Hurricane Sandy, the NYU Pod participated in an emergency response initiative to help restore battered public areas. Pod members lent a hand to the Hudson River Foundation by helping to restore park-space along New York's southern waterfront.

Similarly, the LSE Pod volunteered with the Trust for Urban Ecology, which manages the Greenwich Peninsula Ecology Park in Southern London. Pod members helped to restore the wetland habitat by collecting debris and removing branches. Pod members worked with their project manager to learn about the dependence of wetland animals on the coppice willow tree. Georgetown Pod members Fraser Simpson (2013 CEO) and Matt Morris (2013 COO) joined the LSE pod for the event.

In West Philadelphia high schools, the Penn Pod partnered with the Financial Literacy Community Project to help promote financial literacy and awareness. On the horizon of adulthood, the students targeted within the schools had little exposure to finances in their education; thus the Penn Pod was able to help

them make informed financial decisions. The Pod will look to continue this experience moving forward.

The past year proved strong for the philanthropic arm of GPS as each Pod worked to make an impact on the underprivileged students in the surrounding communities. We expect our 2013 Giving Back Initiative to be equally as impactful. Next year, our Giving Back events will aim to teach students about the importance of college and how to pay for college. Each pod will teach one saving-for-college seminar per semester at a local high school. The VP of Philanthropy will work in partnership with the College Savings Foundation, a non-profit organization with the mission of helping families achieve their education savings goals, to develop teaching materials. The lesson will focus on budgeting concepts, including how to set a savings goal and how to develop a budget. Saving-for-college concepts, like the net price of college, 529 plans and scholarships, will also be addressed. Our objective is to change the misconceived perception that college is not an option for underprivileged students due to affordability.

GPS has provided me the opportunity to partake in activities that are both intellectually stimulating and emotionally fulfilling. It has been a sincere pleasure to serve as the Vice President of Philanthropy and I look forward to maintaining my involvement in the Giving Back initiative as an alumna.

In service,
Lauren Grzybowski





2011 In Review

Looking back to last year's annual report, coming into 2012 we reflected upon just how far the economy had come from the depths of the Great Recession. Despite a myriad of improving indicators, most notably the roaring stock market, we were admittedly hesitant to wholeheartedly strap on our bull suits.

At the time, we were confronted by a seemingly endless list of global issues, many of which, if improperly addressed, could have resulted in economic catastrophe. For the vast majority of these events, particularly the European Financial Crisis, whether or not such a crisis would occur was far from certain. Even more so than before, investors could do little more than speculate as to the final outcome.

In the face of such uncertainty, it would have been easy to become overwhelmed, taking the conservative route and distancing oneself from the market. Instead, we built on the high standards of investment research established by our predecessors and looked to our value investing philosophy for guidance. We committed ourselves to never acting irrationally, even in the face of challenging and uncertain circumstances. While focusing first and foremost on protecting our capital, we aimed to make ourselves willing and able to capitalize upon any opportunity offered by the surrounding uncertainty.

While many of the threats faced by the global economy coming in to 2012 seemed to fall by the wayside, our stance on managing the portfolio reaped great rewards. Both of us are proud to report that the group's productivity and engagement with holdings continued tradition in outperforming the market. We returned 17.27% versus the S&P of 13.41%, generating an alpha of 6.06% for 2012. While we are pleased with these returns, special thanks must go to our wizened portfolio managers of old for seeing the value of these investments many years ago.

Value investing has a long time horizon, often longer than a GPS undergraduate cycle. Coming into 2012 we thus wanted to refresh the portfolio, promote long term engagement, and facilitate the research process. We re-examined older holdings, reevaluating older positions to determine whether theses had played out our changed given macroeconomic volatility. This led to a number of timely trims and sells we are pleased with, such as Tiffany & Co. (TIF), NextEra Energy (NEE) & Core-Mark (CORE).

Furthermore, we tried to increase engagement across the board, pairing up analysts with senior members on research projects as well as pushing analyst reach out and "investment networking" in the search for new and interesting ideas. We sought to get analysts engaged early, and were impressed by the fact that two actually pitched companies before the culmination of the education program.

In addition to our traditional investing methodology, we pushed research for smaller cap companies, where we believed it might be easier to develop a research edge as undergraduates. In this regard, we are pleased to have added Sandstorm Metals & Energy (STTYD) and MOCON Inc. (MOCO) as long term additions to the portfolio.

Finally, we would like to thank all our members whose devotion and hard work have made 2012 a real success for the investors in GPS. Special thanks go to our Sector Leaders – Paul Schmelzing (Technology), Matt Morris (Consumers), Nicolas Dupuis (Energy & Natural Resources), A.J. Ziegler (Healthcare) and Dom Waltz (Financials) for your extraordinary efforts this year – it was an honour serving with you.

Best,
Fraser Simpson & Loren Harman



Looking Forward

Last year proved to be a paradoxical year for the markets. In spite of the economic crisis in the Eurozone, a sluggish economic recovery, and the U.S. government's inability to reign in spending, the market rallied 13%, turning in its best year since 2009. These concerns remain unanswered even today. While Europe appears to have reached a state of cautious stability, the recent crisis in Cyprus shed light on what a delicate balance this is. In the U.S., the Fed continues to use QE to artificially stimulate the economy, yet significant questions remain as to the efficacy and potential downsides of this real-world policy experiment. Central bank largesse, both in the U.S. and in Japan, have caused distortions in markets, prompting investors reach for yield and continue to penalize capital heavy sectors, and have produced unintended structural consequences for the economy. Political partisanship has only compounded the uncertainty regarding the economy as the new normal of brinksmanship continues to challenge fiscal agreement, and paltry political compromise repeatedly threatens to stymie economic growth in the developed world and beyond. We believe these stories will continue to be important market drivers in 2013.

Jon Stewart once quipped, "If I'd only followed CNBC's advice, I'd have a million dollars today. Provided I'd started with a hundred million dollars." Despite the recent performance of the market, we have continued to avoid speculation about macroeconomic trends and remain true to our value-driven analysis and long time horizon. It is our view that, despite popular belief that

rallies in the equity markets has been the result of prodigious monetary policy alone, fundamentals are showing improvement, albeit unevenly across sectors. While compelling value opportunities become scarce as the market rallies, we will continue to employ in-depth, fundamental research to find diamonds in the rough.

As we look toward 2013, we are optimistic that holding steadfast to core principles will continue to serve us well in the long run. By making adjustments to sector research efficiency and establishing a more diligent, formal system for monitoring existing holdings, we believe the organization can be more versatile and attentive to the fundamental status of companies new and old.

Whitney Tilson wrote six years ago that investors ought to be willing to re-buy their portfolio every day. In the same vein, Lee Ainslie emphasized that there are no "holds" in value investing: "Every day you're either willing to buy more at the current price or, if you aren't, you should redeploy the capital to something you believe does deserve incremental capital." We have adopted this mantra as our own and plan to take a hard look at existing holdings to ensure we are confident in our theses and that they are still intact. In an upward market, value portfolios often underperform the market, and investing discipline and fortitude compel us to eschew the froth of animal spirits to explore better possible treasures lying underneath.

Best,
Nathan Gupta & Scott Yu