

Hi. My name is Ken Jones. I have lived in Greenbrae for 20 years. While I also am with 350 Marin, I am here strictly to speak from my more than 35 years of experience with investing and to your fiduciary responsibility to employees and to us in your community here in Marin who could be impacted if you do not focus your fiduciary responsibility on all the risk factors.

Let me say I do not see in the list of any of the investment managers listed on your website that you consult with ones that can give you the point of view of, say, Harrington Investments in Napa, on the volatility coming that is implied in some of what I about to say.

In 2010, Exxon, in their annual report, for the first time ever, were unable to get to 100% of their reserve replacement ratio with oil, as they could not find enough, so they quickly bought a natural gas company and used that. What oil they have found since is extremely difficult and very expensive to get to for one reason or another. That same year, we had the Deepwater Horizon spill. It is important to know what the connection between both of these events is. BP came very close to filing for bankruptcy. As it is, with this one incident, BP had to sell off much of their valuable assets, their stock price dropped from over 60 to less than 30 in a couple of weeks and has never reached all that close to that pre-2010 price. They're still on shaky ground with all the lawsuits and payments yet to be dealt with. And we are simply waiting for which company is the next one to do the same thing. Actually, it could be BP again, since they have gone back in with almost nothing more in the way of controls on what they are doing.

All of this is happening in the context of huge changes in technology and energy generation that have brought the cost down for renewable energy to where it is already cheaper than any fossil fuel based energy. Warren Buffet has already seen all this and, through his Mid-American Energy subsidiary, Berkshire Hathaway America is America's single largest owner of both solar and wind electrical power generation capacity. Mr. Buffet does not like risk.

And Bloomberg now has a CARBON RISK VALUATION TOOL to measure a company's potential in stranded assets, their impact on earnings and share price.

The Fossil Fuel Free Index which is very soon to be an Exchange Traded Fund, has slightly out performed the S&P 500 Index (SPX) over 10, 5, and 3 years and only by the smallest margin (less than a percent) underperformed YTD and last 6 and 3 mos.

How soon will this be obvious to everyone? As former SEC Commissioner and 2 time Ronald Reagan appointee, Bevis Longstreth, recently wrote: "For fiduciaries, the planet's present condition and trajectory pose major, and growing, portfolio risks. Prudence requires that they be well informed about these risks and act with the requisite caution and care . . . fiduciaries have a compelling reason on financial grounds alone to divest these holdings before the inevitable correction occurs. He continues "it is entirely possible, even predictable, that continuing to hold equities in fossil fuel companies will be ruled negligence."