Investment Policy 2026-2036

Principles, decade themes, winning business models, governed company research map, portfolio rules and falsifiers

Evidence date	22 August 2026
Debate design	Five sequential Codex workers and five independent Fable 5 challenges
Source SHA-256	632e2a2ef87fa1af7cbaa931681a25c1157bc1ba356e36c5f982425cfb598cb8

Policy boundary. This document is a governance instrument and research map, not a portfolio or recommendation. Liability closure, investor facts, the actual comparator, company evidence audits and valuation reviews remain incomplete. No company is a buy and no trade, order, hedge, message, account opening or portfolio change is authorized.

1. Round-4 adjudication: F4-1 through F4-14

Amendment	Disposition	Final rule and reason
F4-1	**Accepted, then corrected by F5-1/F5-3; D-1 closed on branch (a).**	Remove Vmult; floor only the epistemic multiplier, while liquidity and factor penalties retain full force and a hard factor breach arithmetically sets allowed loss to zero. Ordinary single-equity severity is floored at 40%, producing a best-case 2.5% ceiling at the highest FS; no generic 5%/8% conviction tier exists. The concentration minority may reopen only after a preregistered five-year record covering at least 20 fully underwritten decisions, independently audited after-tax attribution, verified liability surplus, and challenger sign-off.
F4-2	**Accepted and executed.**	Four consecutive quarters of an embedded issuer/factor hard-cap breach force a written choice: capped/blended comparator or cap raised by amendment. No renewable exception. The diagnostic proxy comparator breaches the old AI and AI+power FSL caps; Section 7 executes the cap-amendment branch provisionally because the actual investor comparator, holdings, taxes, and executable capped alternative are unknown.
F4-3	**Accepted.**	FS is modified by liability duration/flexibility and income-market correlation. Report PVL* at ±10%/±20%; ambiguity uses the lower state. Promotion requires two consecutive annual reviews; verified capacity deterioration demotes immediately.
F4-4	**Accepted.**	Inflation-linked duration is structural matching for verified real liabilities when index, law, and market integrity pass. Lower gross risk is the crash null only. Section 6 reruns the grind using only default-admissible assets and prints the failure/pass boundary.
F4-5	**Accepted, calibrated at 50% by default.**	At purchase, derating loss is w × (1 - conservative-case multiple/current multiple). Active derating loss must fit within 50% of MDB; up to 75% requires a written amendment and independent challenge. Ex-post breach causes a process post-mortem, not an automatic sale of an intact thesis.
F4-6	**Accepted.**	Tier A same-jurisdiction second custodian is mandatory. Tier B second legal system/plain instruments uses tax, reporting, title, transfer, sanctions and estate-situs subset review. Tier C entities/trusts/complex wrappers defaults to 0% until the full gauntlet passes.
F4-7	**Accepted.**	Score the comparator's top 20 constituents individually; bucket the remainder by sector proxies; refresh annually and on material event; repeat independently after six months in year one. Each feasibility cap is max(risk cap, comparator FSL + 1 percentage point). Report the risk/feasibility gap in currency.
F4-8	**Accepted.**	Entry tranches attach to filings or preregistered milestones and expire by day 180. If all gates and the conservative case clear and no information event is pending, full deployment is the default; behavioral pacing records expected opportunity cost. This is a rule only, not authorization here.
F4-9	**Accepted.**	Tax deferral uses the applicable statutory rate, fixed ten-year horizon, and comparator replacement return. Two annual holds chiefly justified by deferral require an independent challenger. "Next liquid window" means five trading days absent a security-specific integrity event; a 90-day tax wait requires cost at day 0.
F4-10	**Accepted.**	The complexity flag applies only to ancillary finance in non-financial businesses. Principal balance-sheet businesses instead face class batteries: reserve development/float cost/capital for insurers; deposit beta/full-cycle credit/NPL/capital for banks; net flows/fee compression/client concentration/capital for managers. Missing or failed evidence blocks Core.
F4-11	**Accepted.**	Annual active-program value is active sleeve × evidenced premium × evidenced hit rate, compared with research hours valued at the operator's opportunity cost plus data/tax costs. Two consecutive negative years suspend new active work to comparator-plus-ILF status until re-justified. The zero-active minority remains live.
F4-12	**Accepted.**	H covers only essential spending beyond D36 already funded. At FS≥1.75 with high spending flexibility, D24 may replace D36 by annual documented election.
F4-13	**Accepted.**	Orchestration hashes and run metadata appear only in Appendix C, not the governing constitution.
F4-14	**Accepted.**	U4-1 executability and U4-2 time-stamped/procyclical diversifier evidence are in the dispute register with observables.

2. Constitution and durable principles

1. **Purpose hierarchy.** Survival, legal title, near-term essential liabilities, and incapacity continuity precede nominal return; tax-aware real compounding follows; optional aspiration is last.
2. **Labels.** Every material assertion is tagged as fact, inference, assumption, forecast, classification, or unresolved. A narrative never becomes evidence by repetition.
3. **Three budgets.** Permanent impairment loss, mark-to-market drawdown, and decade-long real grind are distinct. Passing one does not pass another.
4. **Liability-first measurement.** Report funded status FS=A*/PVL*, coverage, real after-tax returns, currency mismatch, and liquidity before portfolio return.
5. **Comparator burden.** The named low-cost implementable comparator is an active position with look-through risks. Active complexity must beat it after tax, cost, hours, and error.
6. **Shortfall parity.** Excess caution that creates a modeled liability shortfall is governed as seriously as excess risk, but never licenses risk beyond capacity or trait tolerance.
7. **Evidence-to-loss.** Evidence controls tolerable loss; valuation controls admission/hurdle; neither story quality nor confidence directly grants weight.
8. **No recourse leverage by default.** Mortgages remain balance-sheet liabilities; paid options and collateralized structures retain notional, path, expiry, basis and repeat-premium analysis.
9. **Look through.** Aggregate issuers, sovereigns, factors, currencies, financing chains, counterparties, and the comparator.
10. **Fast broad, slow active.** Broad strategic sleeves rebalance mechanically; single names move only after evidence review, except enumerated solvency/integrity events.
11. **Tax is friction, not thesis.** Re-underwrite as if unowned. Deferral can support hold-not-add, never rescue a failed business case indefinitely.
12. **Amend rather than excuse.** Persistent breaches become explicit amendments or compliant design changes. Emergency exceptions are narrow, risk-monotone, recorded within 24 hours, independently reviewed within seven days, and expire within 30.
13. **Minimum viable governance.** ILF check, look-through dashboard, decision journal, annual funded-status review, exception log, and active-program viability are mandatory; everything else must earn its hours.
14. **Research is non-authorization.** Themes identify causal questions. Company classifications organize diligence. Only a current full review can create an investable conclusion, and this document performs none.

3. Funded-state selector and operational architecture

Investor facts are missing; all bands are conditional. A* is investable assets after known taxes/transaction costs; PVL* is probability-weighted present value of liabilities plus explicit safety margin. Assess FS at base PVL* and PVL* ±10%/±20%. Use the lower state if ±10% changes the band. A promotion needs two annual confirmations; death, incapacity, income loss, leverage, litigation, custody impairment, or inflexible spending can demote immediately.

FS	Strategic sleeve	Opportunity sleeve	Error budget (EB)	Illiquid ceiling	Active tracking-error ceiling
<1.00	95-100%	0-5%	0-3%	0-5%	0-2%
1.00-1.24	90-95%	5-10%	3-5%	0-8%	0-3%
1.25-1.74	80-90%	10-20%	5-8%	5-12%	0-4%
≥1.75	75-90%	10-25%	8-10%; hard 12%	10-15%; hard 20%	0-5%

Second axis. At equal FS, shorten MDB/EB one state when essential liabilities are inflexible/near, or labor/business income is highly correlated with portfolio losses. Flexibility can justify D24 at FS≥1.75, but does not enlarge issuer loss budgets. Strategic sleeve: named comparator, nominal duration matched to nominal liabilities, inflation-linked duration matched to verified real liabilities, ILF, and only validated diversifiers. Opportunity sleeve: fully underwritten active names plus nested speculative options. Speculative loss-not market value-is capped at 0-2%, 2-3%, 3-5%, or preferred 5%/hard 7% across the four FS bands; per option market value is normally 0.25-0.75% and assumed total loss.

3.1 ILF

ILF target = D36 + Tax12 + Commit + H × max(0, essential spending beyond D36 - dependable income covering that later interval); hard floor = six months uncovered essential spending + twelve months fixed commitments + known taxes. D36→D24 election requires FS≥1.75 and a documented high-flexibility finding. Use home-liability currency, short duration, high title/custody integrity; report real drag as insurance cost. Never buy risk from the emergency floor.

3.2 Rebalancing and decision clocks

- Strategic sleeves: act when >5 percentage points or >20% relative from the approved band, subject to emergency floor/taxes. Do not mechanically refill a broken theme.
- Hard gate/title/fraud/de-licensing: freeze immediately; resolve within 0-5 trading days.
- Pillar 0, hard cap, two missed milestones, or EC<60: full re-underwrite within 30 days; no add.
- Valuation-only deterioration: no mechanical trim. E falling below admission forbids add; re-underwrite. An intact thesis may remain only if standardized after-tax comparison clears.
- Entry pacing, if ever authorized elsewhere: event-anchored, ≤180 days; otherwise full deployment is the statistical default after all gates clear. This document authorizes neither.
- Two material Policy Exception Events in 12 months freeze new discretion pending review.

4. Canonical business-model scorecard

Pillar	Question	0	2	4
A Demand/lock-in	Is demand recurring, necessary, switching-costly, and measured in retained cohorts/installed base?	Promotional/undifferentiated	mixed retention/need	mission-critical, measurable ratchet
B Structure/cycle/payer	Is industry structure rational; payer funded and collectible; cycle state favorable?	price-taking/weak payer/flood	mixed	oligopoly/mandated, funded payer, harvest discipline
C Capital economics	Does incremental after-tax cash return exceed cost after economic depreciation, dilution, leases and maintenance capex?	value destructive	near hurdle	durable high incremental return and cash conversion
D Governance/capture	Does value reach each share after pay, issuance, acquisitions, related parties and state leakage?	leakage/opaque	mixed	aligned, transparent per-share capture
E Valuation/falsifiability	Does reverse-DCF conservative return clear the comparator and are hard disconfirmers preregistered?	upside case fails	base clears	conservative clears +1pp

Evidence Coverage EC = verified required fields / applicable required fields, weighted toward T1 filings/contracts/regulators. Research-only <60; multiplier 0.50 at 60-74; 0.75 at 75-84; 1.0 at ≥85. Ordinary admission requires every pillar ≥2. The company-map EC and pillar scores are **provisional analyst assumptions [A]**: no name has completed the independent adversarial-corroboration pass, and any T1-versus-T2/T3 conflict scores zero until resolved. Evidence can only reduce admissible loss; it cannot waive the severity floors or create a conviction tier.

Class overlays. Assurance: binary license/liability stress. Aftermarket: installed-base aging and independent alternatives. Exchanges/rails: two-sided liquidity, take rate, regulation. Vertical software: retention after seat/AI normalization. Reliability distribution: density, working capital, substitution. AI/cloud: merchant capacity versus internal hyperscaler versus equipment oligopoly; funding loops and useful-life error. Regulated/state capex: appropriation/rate-case-to-cash conversion. Brands: cohort desire, price/mix versus units. Healthcare: net price, payer access, exclusivity cliff and replacement pipeline. Natural resources: depletion, cost curve, jurisdiction and cycle. Serial acquirers: organic bridge, contingent consideration and leverage. Balance-sheet financials use the F4-10 batteries.

4.1 Loss-budget arithmetic and D-1 result

AllowedLoss = BaseIssuerLoss(FS) × max(0.50, ECmult) × Lmult × Fmult, only after all admission gates pass. BaseIssuerLoss is 0.25%, 0.50%, 0.75%, 1.00% across the FS bands. Lmult: 1.0 ≤5-day liquidity; 0.75 at 6-30 days; 0.50 at 31-365; 0.25 beyond one year. Fmult: 1.0 with full headroom; 0.75 if factor use >75%; 0.50 if >90%; **zero** if adding breaches a hard cap. MaxWeight = AllowedLoss/S. Valuation is an admission/hurdle, not another loss multiplier. No floor rescues illiquidity or a hard factor breach.

Anti-gaming severity floors. Ordinary single equity: S≥40%; levered financial, cyclical or roll-up: S≥60%; binary-license, pre-cash-flow or flagged-EM exposure: S≥80-100%. A lower S requires written evidence and an independent challenge. These floors void the legacy generic 5% and 8% single-name rows. D-1 is closed with an intentional ordinary-equity ceiling near 2-2.5%; the concentrated-value view remains a rejected-with-reasons minority under the achievable reopening test in Section 1.

Implied maximum weight by bear-case permanent-impairment severity (% of total portfolio). Entries are best-case, fully liquid, full-factor-headroom ceilings; parentheses show only the 0.50 epistemic floor. They are policy limits, never recommendations.

S	FS<1.00 (0.25% loss)	FS1.00-1.24 (0.50%)	FS1.25-1.74 (0.75%)	FS≥1.75 (1.00%)
100%	0.25 (0.13)	0.50 (0.25)	0.75 (0.38)	1.00 (0.50)
80%	0.31 (0.16)	0.63 (0.31)	0.94 (0.47)	1.25 (0.63)
60%	0.42 (0.21)	0.83 (0.42)	1.25 (0.63)	1.67 (0.83)
50%	0.50 (0.25)	1.00 (0.50)	1.50 (0.75)	**2.00 (1.00)**
40%	0.63 (0.31)	1.25 (0.63)	1.88 (0.94)	**2.50 (1.25)**

Speculative/pre-cash-flow positions use S=100%; the 0.25-0.75% per-name speculative cap binds before any larger diagnostic result. The map's Wmax is an optimistic diagnostic ceiling only. **Current admissible weight for every named company is zero** because investor facts, EC audits, current valuation, factor headroom and implementation approval are incomplete.

5. Decade scenarios, themes and counterthemes

Scenario	Mechanism	Winners to research	Failure/countertheme
S1 productive diffusion	AI/electrification raise output after complementary capital	mission-critical data, semicap, automation, power management, workflow	capex glut, weak customer monetization, shorter asset lives
S2 inflation/repression grind	nominal assets and cash lose real value; states steer capital	indexed liabilities, pricing power, short-cycle distributors, sound balance sheets	controls, windfall taxes, index basis/integrity failure
S3 fragmented blocs	export controls, localization, defense and duplicate supply chains	testing, trusted foundry, grid, sovereign procurement bottlenecks	monopsony, stranded localization, retaliation
S4 crash/sequence	valuation and credit unwind together	ILF, matched duration, liquid quality after re-underwrite	false safety, forced selling, comparator concentration
S5 adaptation/physical constraint	power, water, climate and insurability become gating inputs	efficiency, grid control, underwriting discipline	unfunded public plans, rate suppression, litigation
S6 plateau/muddle	nominal growth, mediocre productivity, range-bound themes	low-cost comparator, boring compounders, disciplined capital return	research theater and overtrading

Research themes are conditional causal maps: verification/standards; installed-base aftermarket; market infrastructure; reliability distribution; semicap and power-control bottlenecks; funded health innovation; regulated resilience; balance-sheet franchises; selective brands; EM platforms with audited per-share capture. Counterthemes: energy abundance erodes scarcity rents; AI replaces seat/value metrics and some information tolls; procurement duplication wastes capital; prevention shifts payer economics; peace dividend reverses defense; financial repression punishes visible surplus; capex harvest may reward survivors but not builders. No theme authorizes ownership.

6. Grind test with default-admissible assets

Assumptions, not forecasts: starting investable assets A*=1.50m; stressed real liabilities PVL*=1.10m; equity -45%, matched nominal duration -25%, verified duration-matched ILBs 0% real, ILF cash -10%. ILBs get no speculative +15% gain. No withdrawal is hidden in the arithmetic.

Diagnostic mix	End assets	Coverage	Result
45% equity / 25% nominal / 20% ILB / 10% ILF	1.5×(1-.2025-.0625-0-.01)=1.0875m	0.989	**FAIL by 12,500 immediately**; any spending extends the failure.
40% equity / 20% nominal / 30% ILB / 10% ILF	1.5×(1-.18-.05-0-.01)=1.1400m	1.036	**PASS by 40,000**, only if roughly 30% is genuinely real/index-matchable and basis/title integrity holds.

Thus the inherited illustrative mix does not close the grind. A boundary mix can pass, but it is not a recommendation and cannot be certified without the liability currency/index/duration schedule. Lower gross risk remains the crash null; verified inflation-linked matching is the grind instrument. **Liability closure remains uncertified.**

7. Comparator proxy scoring, forced choice and certification block

The investor's actual named comparator is missing. For diagnosis only-not ratification-the draft uses 60% MSCI ACWI and 40% liability-matched high-grade fixed income. The source factsheets establish holdings availability, not the analyst sensitivity scores (MSCI ACWI factsheet; iShares ACWI holdings). The inherited proxy produced AI FSL 8.2% and joint AI+power FSL 9.0%, above the original 5% and 8% risk caps. Those figures are plausible order-of-magnitude assumptions but **not reproducible enough to ratify a cap**: the top-20 worksheet and the required second independent scoring pass do not yet exist.

Forced choice: retain the original risk caps and set all active additions with material AI/power sensitivity to zero until the actual comparator study is completed. A temporary diagnostic ceiling may never exceed twice the original cap, floats neither with index concentration nor analyst convenience, and auto-reverts after 12 months. Ratification requires: the actual named comparator; archived top-20 weights; sector buckets for the remainder; two independent scoring passes; ±0.25 sensitivity perturbation ranges; a capped/blended alternative; tracking-error budget and abandonment point; and written comparison of Japan-1989, US-1992-2025/2013-2025, Nortel/TSE and Nokia/HEX. Liability-matched duration is excluded from directional rates FEW and reported separately with basis risk.

Until that work is complete, actual-comparator scoring is a **certification blocker**, the proxy cap decision is unratified, the original caps govern, and the accepted embedded risk is disclosed rather than excused.

8. Global company research map: scope and reading rules

There are **42 named companies**: 11 Core Research Candidates, 13 Watchlist/Price Sensitive, 6 Speculative Options, and 12 Avoid/Counterexamples. Legal-domicile counts are North America 27, Europe 9, and Asia/emerging markets 6; economic exposure is separately described. The map is materially correlated with the 2010-2025 consensus-quality factor, so U3-2 remains open and composition reveals the screen's lens rather than forward returns. A/B/C/D/E, EC and S are provisional analyst assumptions [A], with no completed adversarial-corroboration pass. A link to an IR/filings page is an **evidence pointer**, not a verified 2026 fact, and receives no EC credit until the cited disclosure is extracted. Wmax is a diagnostic policy ceiling, never a recommendation. Every classification expires after 12 months without refresh and then reverts to **Unclassified Research Note**.

8.1 Core Research Candidates - quality plausible; valuation and full evidence still open

1. **S&P Global - SPGI, NYSE; United States. Classification: Core Research Candidate. Fit/theme:** mandated-like ratings plus indices/data/workflow; assurance and information tolls. **Causal thesis (forecast):** regulation, debt issuance, benchmarks, and embedded workflow can compound recurring revenue with limited incremental capital, while the Mobility separation sharpens the portfolio. **2026 fact:** Q2 revenue rose 11%, adjusted margin expanded 200 bps and adjusted EPS rose 23%; Mobility was separated July 1 (company Q2 release). **Screen:** A4/B3/C4/D3/E2; EC78%; S60%; Wmax1.67%. **Valuation sensitivity:** long-duration multiple and debt-cycle volume; conservative case must normalize issuance. **Failure:** AI/workflow substitution or ratings liability/regulatory loss. **Need:** segment retention, price/unit bridge, litigation and reverse DCF. **36-month falsifier:** recurring growth <5%, margin erosion >300 bps, or a material de-licensing/liability event. **Non-buy:** candidate only; no current full valuation or legal review, admissible weight 0.
2. **CME Group - CME, Nasdaq; United States. Classification: Core Research Candidate. Fit/theme:** exchange/clearing rail with two-sided liquidity and risk-management demand. **Causal thesis:** macro uncertainty and electronification deepen liquidity; incremental volume monetizes at high cash margins, but fee regulation and product concentration cap the score. **2026 fact:** management reported record Q1 revenue and adjusted earnings alongside continued volume growth (Q1 commentary). **Screen:** A4/B4/C4/D3/E2; EC78%; S50%; Wmax2.00%. **Valuation sensitivity:** current multiple embeds sustained volume/fee resilience; normalize exceptional volatility. **Failure:** rival liquidity, mandated fee cuts, clearing default, cyber outage. **Need:** product-level open interest/cohort economics, concentration, stress liquidity, reverse DCF. **36-month falsifier:** share loss in core contracts plus >10% fee compression or material clearing impairment. **Non-buy:** research candidate, not a recommendation; admissible weight 0.
3. **Visa - V, NYSE; United States. Classification: Core Research Candidate. Fit/theme:** global acceptance/data rail; scale/density reliability. **Causal thesis:** electronic payment penetration and value-added services can outgrow consumption while four-party economics remain capital-light. **2026 fact:** fiscal Q3 results and operating data were released by Visa in July 2026 (company release). **Screen:** A4/B4/C4/D4/E2; EC82%; S50%; Wmax2.00%. **Valuation sensitivity:** duration-like multiple, cross-border mix and normalized incentives; E cannot exceed 2 without a current reverse DCF. **Failure:** regulated interchange, account-to-account displacement, cyber/settlement failure. **Need:** net yield, incentive cohorts, token/service economics, antitrust exposures. **36-month falsifier:** payment-volume share loss with net-revenue yield down >100 bps or a structural regulatory take-rate reset. **Non-buy:** classification is not an entry judgment; admissible weight 0.
4. **Fastenal - FAST, Nasdaq; United States. Classification: Core Research Candidate. Fit/theme:** dense reliability distribution, vending/on-site embedded inventory and low-ticket mission-critical inputs. **Causal thesis:** route density and embedded replenishment improve customer productivity and share while working capital remains the central cost. **2026 fact:** Q2 daily sales rose 14.7%, operating margin was 21.0%, and operating cash flow equaled 69% of net income (company Q2 release). **Screen:** A3/B3/C3/D4/E2; EC80%; S50%; Wmax2.00%. **Valuation sensitivity:** premium multiple assumes resilient organic growth and margin; normalize industrial cycle and inventory cash use. **Failure:** customer insourcing, digital price transparency, density dilution. **Need:** cohort/site returns, price/unit bridge, inventory obsolescence, reverse DCF. **36-month falsifier:** on-site growth fails to produce share gains and cash conversion remains <75% through a full cycle. **Non-buy:** no completed valuation/portfolio review; admissible weight 0.
5. **Berkshire Hathaway - BRK.B, NYSE; United States. Classification: Core Research Candidate. Fit/theme:** insurance float, decentralized compounder and balance-sheet optionality. **Causal thesis:** low-cost float plus retained operating cash and disciplined redeployment can compound per-share value across regimes; size reduces opportunity set. **2026 fact:** the 2025 annual report filed in February 2026 provides insurance, railroad, energy, manufacturing and liquidity disclosures (company annual report). **Financial battery/screen:** reserve development2, float cost2, capital2 (all provisional [A], capped at 2 until ten-year triangles, float-cost and stressed-capital exhibits attach); A3/B3/C4/D3/E2; EC82%; S40%; Wmax2.50%. **Valuation sensitivity:** sum-of-parts, normalized underwriting and cash drag; succession and tax matter. **Failure:** poor post-succession allocation, catastrophe reserve error, conglomerate discount. **Need:** current look-through valuation, reserve triangles, BHE liabilities, successor incentives. **36-month falsifier:** persistent adverse reserve development plus per-share intrinsic-value

growth below comparator after tax/cost. **Non-buy:** battery is provisional, not a completed insurer/conglomerate review; admissible weight 0.

6. **Chubb - CB, NYSE; Switzerland. Classification: Core Research Candidate. Fit/theme:** P&C underwriting/float franchise; balance-sheet financial. **Causal thesis:** disciplined risk selection, global distribution and positive float economics can compound book value through pricing cycles. **2026 fact:** Q2 combined ratio was 83.8%, net investment income rose 12.3%, core operating ROE was 15.3%, and book value per share rose 12.3% year on year (company Q2 release). **Battery/screen:** reserves2, float cost2, capital2 (all provisional [A], capped at 2 until ten-year reserve triangles, float-cost and stressed-capital exhibits attach); A3/B3/C4/D4/E2; EC84%; S40%; Wmax2.50%. **Valuation sensitivity:** catastrophe-normalized ROE and price/book. **Failure:** latent casualty inflation or catastrophe model error. **Need:** ten-year reserve triangles, reinsurance recoverables, climate concentration. **36-month falsifier:** cumulative adverse development >5% of opening equity or combined ratio structurally >100. **Non-buy:** no current price/book-ROE underwriting; admissible weight 0.
7. **DBS Group - D05, SGX; Singapore. Classification: Core Research Candidate. Fit/theme:** deposit franchise and wealth/payments bank; balance-sheet financial. **Causal thesis:** low-cost regional deposits, digital service and fee mix can sustain above-cost returns as Asian wealth deepens. **2026 fact:** Q2 net profit reached S$3.08b, H1 ROE 17.5%, NPL ratio 1.0%, and deposits grew 11% (bank Q2 release). **Battery/screen:** deposit beta2, full-cycle credit2, capital2 (all provisional [A], capped at 2 until deposit cohorts, full-cycle loss and stressed-CET1 exhibits attach); A4/B3/C4/D3/E2; EC82%; S50%; Wmax2.00%. **Valuation sensitivity:** normalize net interest margin, credit costs and regional property exposure. **Failure:** deposit repricing, China/SEA credit loss, operational outage or state direction. **Need:** stressed CET1, vintage credit, deposit cohorts, related-party/jurisdiction review. **36-month falsifier:** NPL >2.5%, material deposit-share loss and ROE below cost across six quarters. **Non-buy:** not a completed bank valuation or domicile fit review; admissible weight 0.
8. **Taiwan Semiconductor Manufacturing - TSM/2330, NYSE/TWSE; Taiwan. Classification: Core Research Candidate. Fit/theme:** trusted foundry/process and packaging bottleneck; AI equipment ecosystem. **Causal thesis:** process complexity, yield learning and customer trust support share and returns, but geopolitical severity is irreducible. **2026 fact:** TSMC published Q2 2026 audited/management results and guidance through its investor site (company Q2 results). **Screen:** A4/B4/C3/D3/E2; EC80%; S80%; Wmax1.25%. **Valuation sensitivity:** normalize AI demand, utilization and economic depreciation; terminal multiple cannot ignore Taiwan risk. **Failure:** blockade/conflict, export controls, node execution or overbuild. **Need:** wafer-price/unit bridge, packaging economics, overseas fab returns, customer concentration, reverse DCF. **36-month falsifier:** leading-node share loss >10 points, sustained sub-cost overseas returns, or advanced-node utilization <70% absent recession. **Current factor bar:** while the unratified comparator proxy remains above the original AI/power risk caps, admissible active addition is zero regardless of any later underwrite outcome. **Non-buy:** geopolitical/legal/valuation work incomplete; admissible weight 0.
9. **ASML - ASML, Euronext Amsterdam/Nasdaq; Netherlands. Classification: Core Research Candidate. Fit/theme:** lithography equipment oligopoly with service installed base; picks-and-shovels. **Causal thesis:** escalating patterning complexity and service annuity support economic rents, constrained by customer concentration and export policy. **2026 fact:** Q2 sales were €9.3b, gross margin 54%, net income €2.9b, with 2026 sales outlook €43-45b (company filing exhibit). **Screen:** A4/B4/C4/D3/E2; EC82%; S70%; Wmax1.43%. **Valuation sensitivity:** extreme duration to terminal EUV/High-NA economics; normalize bookings and export mix. **Failure:** China restrictions, customer capex digestion, technical substitution or shorter tool lives. **Need:** installed-base margin, backlog cancellation, customer ROI, reverse DCF. **36-month falsifier:** material leading-edge lithography share loss or service revenue/installed base diverges for six quarters. **Current factor bar:** while the unratified comparator proxy remains above the original AI/power risk caps, admissible active addition is zero regardless of any later underwrite outcome. **Non-buy:** quality does not clear price automatically; admissible weight 0.
10. **Schneider Electric - SU, Euronext Paris; France. Classification: Core Research Candidate. Fit/theme:** power management, automation and data-center electrical bottleneck. **Causal thesis:** electrification and power scarcity raise demand for efficient control hardware/software and a large service channel. **2026 fact:** H1 revenue was €21.2b, organic growth 14%, adjusted EBITA €4.1b, margin 19.3%, and free cash flow €1.6b (company results hub). **Screen:** A4/B3/C3/D3/E2; EC78%; S50%; Wmax2.00%. **Valuation sensitivity:** current expectations may capitalize data-center growth too far; normalize working capital, mix and cycle. **Failure:** capacity glut, channel destocking, integration or Chinese competition. **Need:** organic price/volume, data-center exposure, installed-service economics, economic depreciation. **36-month falsifier:** orders/revenue conversion breaks while capex rises and incremental ROIC falls below cost. **Current factor bar:** while the unratified comparator proxy remains above the original AI/power risk caps, admissible active addition is zero regardless of any later underwrite outcome. **Non-buy:** no full expectation audit; admissible weight 0.
11. **RELX - REL, LSE/NYSE; United Kingdom. Classification: Core Research Candidate. Fit/theme:** embedded legal/scientific/risk workflow and data; information toll with AI both enhancer and substitute. **Causal thesis:** authoritative content, workflow integration and high renewal can sustain per-share compounding if AI value capture exceeds content commoditization. **2026 fact:** the company's February 2026 results reported continued underlying growth and issued 2026 outlook (2025 results release). **Screen:** A4/B3/C4/D4/E2; EC77%; S50%; Wmax2.00%. **Valuation sensitivity:** premium multiple assumes durable AI monetization; normalize acquisitions and content investment. **Failure:** generative substitutes

weaken pricing/retention or regulation constrains data. **Need:** product cohorts, AI attach economics, organic/acquired bridge, reverse DCF. **36-month falsifier:** renewal/usage decline plus organic growth <4% or AI costs cause >300bp margin erosion. **Non-buy:** research candidate only; admissible weight 0.

8.2 Watchlist / Price Sensitive - model plausible, gate or expectation unresolved

12. **GE Aerospace - GE, NYSE; United States. Classification: Watchlist/Price Sensitive. Fit/theme:** installed-engine aftermarket and aviation bottleneck. **Causal thesis:** a growing installed base creates long-duration service cash flows, but supply constraints and safety liabilities can reverse operating leverage. **2026 fact:** Q2 orders were $16.5b (+17%), revenue $13.3b (+21%), and free cash flow $3.0b (+43%) (company Q2 release). **Screen:** A4/B3/C3/D2/E1; EC72%; S60%; Wmax1.67%. **Valuation:** current expectations require durable shop-visit growth; economic lives and supplier finance need recast. **Failure:** safety event, fleet grounding, supply bottleneck or hidden ancillary finance. **Need:** engine-vintage service cohorts, warranty, receivables financing, owner earnings. **36-month falsifier:** shop-visit conversion misses plan by >15% and cash conversion <70% without a recession. **Non-buy:** E<2 and complexity work incomplete; admissible weight 0.

13. **Microsoft - MSFT, Nasdaq; United States. Classification: Watchlist/Price Sensitive. Fit/theme:** installed enterprise workflow/cloud platform and internal hyperscaler. **Causal thesis:** distribution and developer ecosystems can monetize AI across software and cloud, but capex/depreciation and cannibalization determine per-share capture. **2026 fact:** FY2026 revenue was $331.8b (+18%), operating income $155.2b (+21%), and net income $133.7b (company FY release). **Screen:** A4/B4/C3/D4/E1; EC74%; S50%; Wmax2.00%. **Valuation:** admired consensus quality whose price embeds long AI durability; conservative reverse DCF not done. **Failure:** AI revenue fails to cover depreciation/power and weakens existing pricing. **Need:** AI revenue, depreciation lives, capex cohort returns, cloud backlog quality. **36-month falsifier:** AI-linked gross profit remains below incremental depreciation/power for six quarters. **Current factor bar:** while the unratified comparator proxy remains above the original AI/power risk caps, admissible active addition is zero regardless of any later underwrite outcome. **Non-buy:** E fails; no current valuation review, admissible weight 0.

14. **Alphabet - GOOGL, Nasdaq; United States. Classification: Watchlist/Price Sensitive. Fit/theme:** intent auction, cloud and internal hyperscaler. **Causal thesis:** proprietary demand intent and distribution may defend advertising while cloud/AI expands, but answer engines can reduce click economics. **2026 fact:** Alphabet's investor site filed its Q2 2026 Form 10-Q and results package (company quarterly results). **Screen:** A4/B3/C4/D3/E1; EC72%; S60%; Wmax1.67%. **Valuation:** requires separate Search, Cloud and Other Bets reverse DCF; capex lives are decisive. **Failure:** query monetization falls faster than AI/cloud contribution; antitrust remedies. **Need:** AI-query revenue/cost cohorts, TAC, depreciation, remedy scenarios. **36-month falsifier:** Search revenue per query and operating profit both decline for four quarters while capex/sales stays elevated. **Current factor bar:** while the unratified comparator proxy remains above the original AI/power risk caps, admissible active addition is zero regardless of any later underwrite outcome. **Non-buy:** valuation and legal arithmetic incomplete; admissible weight 0.

15. **NVIDIA - NVDA, Nasdaq; United States. Classification: Watchlist/Price Sensitive. Fit/theme:** accelerated-compute equipment/ecosystem oligopoly. **Causal thesis:** hardware/software integration and rapid cadence can retain rents if customer AI cash returns justify replacements. **2026 fact:** FY2026 revenue was $215.9b (+65%), Data Center $193.7b (+68%), gross margin 71.1% (company FY release). **Screen:** A4/B3/C4/D4/**E0**; EC74%; S70%; **Wmax0 because E0 fails admission**. **Valuation:** the required conservative case has not cleared; cyclically exceptional margins and customer concentration make terminal arithmetic fragile. **Failure:** customer monetization shortfall, custom silicon, export control, accelerated obsolescence. **Need:** end-customer cash ROI, financing loops, useful lives, normalized margin/replacement cycle. **36-month falsifier:** rental prices and customer AI gross profit fall while supply/capex rises, or Data Center growth <10% with inventory correction. **Current factor bar:** while the unratified comparator proxy remains above the original AI/power risk caps, admissible active addition is zero regardless of any later underwrite outcome. **Non-buy:** this is the required admired consensus-quality rejection by E/severity arithmetic; admissible weight 0.

16. **Eaton - ETN, NYSE; Ireland. Classification: Watchlist/Price Sensitive. Fit/theme:** electrical distribution/control and grid/data-center bottleneck. **Causal thesis:** power scarcity and electrification support backlog and pricing, yet the cycle can attract capacity and acquisitions. **2026 fact:** Q2 sales rose 21% (14% organic), Electrical Americas orders 41%, backlog 43%, and segment margins reached 23.1% (company Q2 release). **Screen:** A4/B3/C3/D3/E1; EC72%; S50%; Wmax2.00%. **Valuation:** current multiple may extrapolate backlog and peak margin. **Failure:** order duplication/cancellation, capacity flood, integration. **Need:** backlog conversion, price/cost, organic/acquired bridge, incremental ROIC. **36-month falsifier:** backlog growth reverses and incremental margins turn negative through four quarters. **Current factor bar:** while the unratified comparator proxy remains above the original AI/power risk caps, admissible active addition is zero regardless of any later underwrite outcome. **Non-buy:** price-sensitive watch, not a recommendation; admissible weight 0.

17. **London Stock Exchange Group - LSEG, LSE; United Kingdom. Classification: Watchlist/Price Sensitive. Fit/theme:** market infrastructure, indices/data and workflow. **Causal thesis:** embedded data/workflow plus clearing can compound recurring income, provided Microsoft-linked product investment produces organic capture. **2026 fact:** H1 guidance called for

7-7.5% organic total-income growth, about 100 bps margin expansion and ≥£2.7b free cash flow (company H1 release). **Screen:** A4/B3/C3/D3/E1; EC73%; S50%; Wmax2.00%. **Valuation:** integration and AI expectations require segment reverse DCF. **Failure:** data disintermediation, clearing regulation, Refinitiv integration drag. **Need:** ASV retention, product cohorts, capitalized development, clearing stress. **36-month falsifier:** ASV growth <4%, margin misses >300 bps, or clearing capital loss. **Non-buy:** E<2; admissible weight 0.

18. **Moody's - MCO, NYSE; United States. Classification: Watchlist/Price Sensitive. Fit/theme:** ratings assurance plus analytics; structurally similar to SPGI with issuance sensitivity. **Causal thesis:** regulatory embedding and proprietary risk datasets can compound, but binary liability and price matter. **2026 fact:** the company's IR site provides 2026 quarterly releases and SEC reports (company financials). **Screen:** A4/B3/C4/D3/E1; EC70%; S70%; Wmax1.43%. **Valuation:** normalize debt issuance and analytics retention; current conservative return untested. **Failure:** ratings reform/liability, private-credit opacity, AI data substitution. **Need:** segment price/volume, retention, litigation, issuance sensitivity. **36-month falsifier:** analytics retention falls materially and ratings share/fees decline through a full issuance recovery. **Non-buy:** assurance severity and E block Core; admissible weight 0.

19. **Constellation Software - CSU, TSX; Canada. Classification: Watchlist/Price Sensitive. Fit/theme:** decentralized vertical-market-software serial acquirer. **Causal thesis:** disciplined small acquisitions and durable niche workflows can compound per share if deployment runway and organic quality persist. **2026 fact:** company filings and quarterly shareholder materials are maintained on its investor site (company filings). **Screen:** A4/B3/C4/D3/E1; EC69%; S60%; Wmax1.67%. **Valuation:** requires organic/acquired bridge, acquisition-cohort IRRs and dilution-adjusted reverse DCF. **Failure:** deployment at lower returns, opaque organic decay, key-person/culture dilution. **Need:** vintage returns, contingent consideration, organic growth consistency, leverage. **36-month falsifier:** three acquisition vintages earn below cost or organic revenue is negative for six quarters. **Non-buy:** admired compounder but evidence/price gate remains; admissible weight 0.

20. **Eli Lilly - LLY, NYSE; United States. Classification: Watchlist/Price Sensitive. Fit/theme:** patented healthcare innovation with manufacturing bottleneck. **Causal thesis:** incretin/oncology innovation and manufacturing scale may expand treated populations, but payer access, net price and concentration dominate. **2026 fact:** Q2 revenue was $23b (+48%); reported price effect was -13%, and management cited four acquisitions plus $4.5b manufacturing investment (company Q2 release). **Screen:** A4/B3/C3/D3/E1; EC71%; S60%; Wmax1.67%. **Valuation:** flagship growth and terminal share are heavily embedded. **Failure:** safety, access/net-price reset, capacity misbuild or pipeline cliff. **Need:** indication net price, persistence, payer mix, patent/replacement map. **36-month falsifier:** volume growth fails to offset net-price erosion and lead-franchise contribution peaks without replacement. **Non-buy:** E and concentration unresolved; admissible weight 0.

21. **Novo Nordisk - NOVO-B, Nasdaq Copenhagen; Denmark. Classification: Watchlist/Price Sensitive. Fit/theme:** diabetes/obesity franchise and peptide manufacturing. **Causal thesis:** chronic-disease penetration can compound if efficacy, supply, net pricing and pipeline renewal withstand competition. **2026 fact:** Novo published Q2/H1 2026 results on August 4 through its investor results page (company results). **Screen:** A4/B3/C3/D3/E1; EC71%; S60%; Wmax1.67%. **Valuation:** normalize GLP-1 share, price and capex; patent/replacement mapping mandatory. **Failure:** share loss, payer restrictions, safety or failed next-generation pipeline. **Need:** country/indication net price, persistence cohorts, capacity returns, exclusivity dates. **36-month falsifier:** obesity share and net price both fall materially while next-generation assets fail noninferiority. **Non-buy:** current full clinical/valuation review absent; admissible weight 0.

22. **MercadoLibre - MELI, Nasdaq; United States legal domicile (Delaware), Latin America economic exposure. Classification: Watchlist/Price Sensitive. Fit/theme:** EM commerce/logistics/payment ecosystem with credit balance sheet. **Causal thesis:** density and trust can lower transaction/friction costs across Latin America; fintech credit introduces loss and funding cyclicality. **2026 fact:** Q2 metrics included 131m LTM unique buyers, 2.9b LTM items delivered and 88m monthly active users (company overview); Q1 local-currency revenue grew 45.5% (company filing). **Screen:** A4/B3/C3/D3/E1; EC70%; S70%; Wmax1.43%. **Valuation:** segment SOTP, FX and credit vintage normalization required. **Failure:** credit losses, regulation, logistics intensity or leakage/dilution. **Need:** cohort ROIC, vintage losses/funding, USD per-share capture. **36-month falsifier:** credit losses exceed risk pricing and USD per-share FCF lags regional nominal activity for two years. **Non-buy:** EM/financial battery incomplete; admissible weight 0.

23. **Ferrari - RACE, NYSE/Euronext Milan; Netherlands/Italy. Classification: Watchlist/Price Sensitive. Fit/theme:** scarcity luxury brand, personalization and controlled supply. **Causal thesis:** enforced scarcity and brand community support price/mix and high returns, but duration/expectations are extreme. **2026 fact:** the official corporate page reports 2025 net revenue €6.7b, adjusted EBITDA €2.6b and industrial FCF €1.0b (company corporate page). **Screen:** A4/B4/C4/D4/E0; EC70%; S50%; **Wmax0 because E0 fails admission**. **Valuation:** conservative reverse DCF does not yet clear; EV transition and personalization assumptions are sensitive. **Failure:** scarcity dilution, brand damage, Chinese demand, capex/R&D. **Need:** order-book cancellation, cohort resale values, model economics, current price. **36-month falsifier:** volume grows faster than client/order depth while residual values and personalization decline. **Non-buy:** admired quality rejected at current unknown arithmetic; admissible weight 0.

24. **Rheinmetall - RHM, Xetra; Germany. Classification: Watchlist/Price Sensitive. Fit/theme:** state-funded defense bottleneck and ammunition capacity. **Causal thesis:** replenishment and European rearmament may support a multi-year funded backlog, but state monopsony, working capital and peace reversal matter. **2026 fact:** 2026 reports and order/backlog disclosures are maintained on the official investor page (company IR). **Screen:** A4/B2/C3/D3/E1; EC68%; S60%; Wmax1.67%. **Valuation:** backlog is not cash; appropriation, advance payments and margin normalization required. **Failure:** procurement delay/cancellation, cost overruns, peace dividend, political control. **Need:** contract funding, cancellation terms, cash conversion by program, capacity returns. **36-month falsifier:** funded awards/backlog conversion <70% of plan and working capital absorbs >50% of cumulative EBIT. **Non-buy:** payer and valuation gates incomplete; admissible weight 0.

8.3 Speculative Options - research optionality only; assumed total loss

25. **CoreWeave - CRWV, Nasdaq; United States. Classification: Speculative Option. Fit/theme:** merchant/neocloud AI capacity. **Causal thesis:** specialized orchestration may earn a service premium during scarcity; financing/customer concentration can transfer most value to lenders and suppliers. **2026 fact:** Q1 2026 materials are posted by the company and disclose the current expansion/financing profile (company IR). **Screen:** A3/B1/C1/D2/E0; EC55%; S100%; Wmax **0.75% speculative cap**. **Valuation:** equity is a residual option; conventional sales multiple is inadmissible without debt/lease waterfall and normalized rental prices. **Failure:** utilization/rental-price decline, refinancing, customer or GPU collateral concentration. **Need:** contract enforceability, related funding, power leases, depreciation lives, debt covenants. **36-month falsifier:** rental prices fall >30% while utilization <70% or interest/lease cash exceeds gross profit. **Non-buy:** research-only, current admissible weight 0.

26. **Samsara - IOT, NYSE; United States. Classification: Speculative Option. Fit/theme:** connected-operations vertical workflow and telemetry. **Causal thesis:** integrated safety/fleet/asset data can become a system of record with expanding modules, but stock compensation and competition may prevent per-share capture. **2026 fact:** fiscal 2027 quarterly filings and shareholder materials are on the official IR site (company results). **Screen:** A3/B2/C2/D1/E0; EC58%; S100%; Wmax0.75%. **Valuation:** growth multiple requires durable net retention after seat/device normalization and fully diluted cash economics. **Failure:** commoditized hardware, platform bundling, SBC leakage. **Need:** cohort retention, device subsidies, fully diluted owner earnings, competitive wins/losses. **36-month falsifier:** dollar retention <105%, gross margin down >500 bps, or share count grows faster than FCF per share. **Non-buy:** speculative research, not an entry; admissible weight 0.

27. **Symbotic - SYM, Nasdaq; United States. Classification: Speculative Option. Fit/theme:** warehouse automation bottleneck with concentrated anchor customers. **Causal thesis:** automation may lower fulfillment cost, but project accounting, customer concentration and installation execution make cash capture uncertain. **2026 fact:** quarterly reports and 2026 operating updates are filed on the company IR site (company financials). **Screen:** A3/B1/C1/D1/E0; EC52%; S100%; Wmax0.75%. **Valuation:** backlog is not revenue or cash; milestone margins and working capital must replace headline bookings. **Failure:** deployment delay, contract concentration, cost overruns, related-party complexity. **Need:** site-vintage ROIC, cancellation rights, warranty, related parties, cash bridge. **36-month falsifier:** installed sites miss contractual throughput or cumulative project cash remains negative despite revenue growth. **Non-buy:** hard evidence gaps; admissible weight 0.

28. **Nu Holdings - NU, NYSE; Cayman Islands/Brazil. Classification: Speculative Option. Fit/theme:** digital deposit/credit/payments franchise in EM. **Causal thesis:** low servicing cost and engagement can broaden financial access, but underwriting, funding and governance must survive a full Brazilian credit cycle. **2026 fact:** 2026 results and regulatory/SEC filings are maintained on the official investor site (company results). **Financial battery/screen:** deposit beta2, full-cycle credit1, capital2; A4/B2/C2/D2/E0; EC57%; S100%; Wmax0.75%. **Valuation:** growth must be translated into loss-adjusted, fully diluted USD per-share cash. **Failure:** credit/funding shock, regulation, FX, leakage. **Need:** vintage curves, deposit beta, regulatory capital, cohort contribution. **36-month falsifier:** loss-adjusted ROE falls below cost while deposits reprice and USD FCF/share stagnates. **Non-buy:** short full-cycle record; admissible weight 0.

29. **Sea Limited - SE, NYSE; Singapore/Southeast Asia. Classification: Speculative Option. Fit/theme:** EM commerce/payments/digital entertainment platform. **Causal thesis:** logistics density and payments can reinforce commerce, but subsidy cycles and cross-segment capital allocation threaten capture. **2026 fact:** company quarterly results and filings are available from its official investor portal (company results). **Screen:** A3/B2/C2/D2/E1; EC58%; S100%; Wmax0.75%. **Valuation:** sum-of-parts needs normalized subsidies, credit and gaming cash; no consolidated sales multiple. **Failure:** competitive reacquisition spending, credit loss, gaming decline, governance. **Need:** country cohorts, fulfillment unit economics, credit vintages, dilution. **36-month falsifier:** commerce contribution margin reverts negative without share gain or USD FCF/share fails to grow. **Non-buy:** speculative option only; admissible weight 0.

30. **BYD - 1211, HKEX / 002594, Shenzhen; China. Classification: Speculative Option. Fit/theme:** vertically integrated EV/battery manufacturer and energy hardware challenger. **Causal thesis:** manufacturing integration and scale may lower cost globally; brutal price competition, export barriers and capex intensity can destroy returns despite unit growth. **2026 fact:** 2026 interim and exchange filings are published through BYD's official investor page (company reports). **Screen:** A3/B2/C2/D2/E1; EC59%; S100%; Wmax0.75%. **Valuation:** normalize pricing, dealer inventory, subsidies, capex/depreciation and tariffs; unit

growth is insufficient. **Failure:** price war, trade barriers, technology recall, governance/state leakage. **Need:** model-level margin, dealer inventory, overseas capex returns, related parties, USD per-share capture. **36-month falsifier:** auto gross margin remains below cost-of-capital economics while capacity/utilization worsens. **Non-buy:** EM/state/cycle gates incomplete; admissible weight 0.

8.4 Avoid / Counterexamples - demonstrates that appealing narratives fail the gates

31. **Palantir Technologies - PLTR, Nasdaq; United States. Classification: Avoid/Counterexample. Fit/theme:** admired mission-critical analytics/AI software; counterexample to vertical workflow. **Causal thesis offered by market:** deployments compound through ontology and switching costs. **2026 fact:** current results and fully diluted share data are filed on its official IR site (company financials). **Screen:** A4/B3/C3/D1/E0; EC68%; S80%; **Wmax0 (E hard gate)**. **Valuation:** even strong growth can fail per-share conservative return when expectations/SBC are high. **Failure:** procurement concentration, product commoditization, dilution, price compression. **Need:** customer-cohort cash returns, SBC-normalized FCF/share, contract concentration, reverse DCF. **36-month falsifier for Avoid:** fully diluted FCF/share compounds >20% while conservative expected return clears comparator+1pp; absent that, reject. **Non-buy:** admired-consensus arithmetic failure; policy ceiling 0.

32. **Intel - INTC, Nasdaq; United States. Classification: Avoid/Counterexample. Fit/theme:** semiconductor/foundry buildout and proposed harvest candidate. **Causal thesis offered:** state support and capacity rationalization restore foundry economics. **2026 fact:** current quarterly filings disclose continuing manufacturing investment and government-linked support (company filings). **Screen:** A2/B1/C0/D2/E1; EC72%; S100%; **Wmax0**. **Valuation:** book/fab value is not owner value without competitive yields and after sustaining capex. **Failure:** node delays, customer absence, subsidy dependence, negative FCF. **Need:** external foundry cohort returns, capex/depreciation, capacity exits, subsidy terms. **36-month falsifier for Avoid:** two independent external customers scale on leading nodes, capex/depreciation <1, and segment cash return exceeds cost. **Non-buy:** fails F3-5-no confirmed harvest and sustaining state backstop remains; ceiling 0.

33. **Boeing - BA, NYSE; United States. Classification: Avoid/Counterexample. Fit/theme:** installed-base aftermarket/defense oligopoly counterexample. **Causal thesis offered:** duopoly backlog and services recover with production. **2026 fact:** SEC filings continue to disclose safety, certification, cash and contract risks (company SEC filings). **Screen:** A4/B2/C0/D0/E1; EC80%; S100%; **Wmax0**. **Valuation:** backlog is not cash; normalize rework, customer advances, debt and program charges. **Failure:** safety/certification, quality culture, defense overruns, leverage. **Need:** independent safety evidence, unit cash by program, supplier finance, fixed-price exposure. **36-month falsifier for Avoid:** independently verified quality stabilization plus positive cumulative FCF excluding advances and no new material charge. **Non-buy:** governance/capital gates fail; ceiling 0.

34. **Coinbase - COIN, Nasdaq; United States. Classification: Avoid/Counterexample. Fit/theme:** crypto exchange/custody rail counterexample. **Causal thesis offered:** regulated scale and custody become durable financial infrastructure. **2026 fact:** current SEC reports describe transaction volatility, custody and regulatory exposures (company filings). **Screen:** A2/B1/C2/D2/E0; EC70%; S100%; **Wmax0**. **Valuation:** normalize token prices/volumes and stablecoin economics; exclude cycle-peak take rates. **Failure:** fee compression, regulation, custody loss, token bear market. **Need:** through-cycle subscription margin, asset segregation/title, regulatory capital, customer concentration. **36-month falsifier for Avoid:** non-transaction owner earnings cover fixed costs across a full crypto drawdown and legal title is independently validated. **Non-buy:** cycle/title/E gates fail; ceiling 0.

35. **PG&E - PCG, NYSE; United States. Classification: Avoid/Counterexample. Fit/theme:** regulated grid/resilience counterexample. **Causal thesis offered:** mandatory grid capex earns allowed returns. **2026 fact:** regulatory filings and quarterly reports detail wildfire, capital-plan and financing exposures (company reports). **Screen:** A4/B1/C1/D1/E1; EC76%; S100%; **Wmax0**. **Valuation:** allowed ROE is not realized cash after wildfire mitigation, financing and political disallowance. **Failure:** catastrophic liability, adverse rate case, dilution/debt. **Need:** rate-base cash bridge, insurance/recovery, asset hardening outcomes, bill affordability. **36-month falsifier for Avoid:** no catastrophic loss, funding plan without material dilution, and realized cash ROIC reaches allowed return. **Non-buy:** payer/liability/capture gates fail; ceiling 0.

36. **Plug Power - PLUG, Nasdaq; United States. Classification: Avoid/Counterexample. Fit/theme:** hydrogen/energy-abundance and capex bottleneck counterexample. **Causal thesis offered:** scale and subsidies lower green-hydrogen cost. **2026 fact:** current filings disclose liquidity, losses and financing requirements (company filings). **Screen:** A1/B1/C0/D1/E0; EC68%; S100%; **Wmax0**. **Valuation:** subsidy-adjusted gross profit and fully financed capex, not addressable market. **Failure:** funding, plant execution, customer concentration, negative unit economics. **Need:** plant-level cash cost/utilization, subsidy collectibility, covenants, dilution. **36-month falsifier for Avoid:** two plants sustain positive unsubsidized contribution and consolidated operating cash is positive without equity issuance. **Non-buy:** capital/evidence gates fail; ceiling 0.

37. **Nike - NKE, NYSE; United States. Classification: Avoid/Counterexample. Fit/theme:** global consumer brand counterexample. **Causal thesis offered:** brand heat and direct distribution restore premium growth. **2026 fact:** fiscal filings and quarterly results document the current product/channel reset (company results). **Screen:** A2/B2/C3/D3/E1; EC75%;

S60%; **Wmax0 because E1 fails admission**. **Valuation:** distinguish price/mix from units and inventory/channel support; brand history is not terminal growth. **Failure:** cultural relevance loss, wholesale conflict, promotion, China weakness. **Need:** cohort purchase frequency, full-price sell-through, inventory aging, CAC. **36-month falsifier for Avoid:** two years of full-price unit growth, stable gross margin and share recovery without marketing intensity rising. **Non-buy:** demand evidence insufficient; ceiling 0.

38. **Teladoc Health - TDOC, NYSE; United States. Classification: Avoid/Counterexample. Fit/theme:** healthcare access/platform counterexample. **Causal thesis offered:** virtual care and chronic management create scale/density. **2026 fact:** current filings show segment, impairment and customer economics disclosures (company quarterly results). **Screen:** A2/B1/C1/D1/E1; EC72%; S100%; **Wmax0**. **Valuation:** acquired goodwill and adjusted EBITDA cannot substitute for retention and owner cash. **Failure:** employer churn, commoditization, acquisition impairment, weak payer proof. **Need:** cohort retention, utilization-to-outcome, payer savings, SBC-normalized FCF. **36-month falsifier for Avoid:** independently verified clinical savings and retention >95% produce positive diluted FCF/share. **Non-buy:** payer/capture gates fail; ceiling 0.

39. **Flagstar Financial - FLG, NYSE; United States. Classification: Avoid/Counterexample. Fit/theme:** deposit/CRE balance-sheet financial counterexample. **Causal thesis offered:** restructuring and deposit stabilization normalize returns. **2026 fact:** regulatory/SEC results disclose capital, deposits, credit and commercial-real-estate exposure (company financials). **Battery/screen:** deposit beta1, full-cycle credit0, capital2; A2/B0/C0/D2/E1; EC78%; S100%; **Wmax0**. **Valuation:** price/book is meaningless without normalized losses, funding and capital. **Failure:** CRE loss, uninsured-deposit flight, capital raise, supervision. **Need:** loan vintages, criticized assets, deposit cohorts, stressed CET1. **36-month falsifier for Avoid:** NPL/charge-offs normalize, core deposits persist, and ROTCE exceeds cost without dilution for eight quarters. **Non-buy:** class battery blocks admission; ceiling 0.

40. **Bausch Health - BHC, NYSE/TSX; Canada. Classification: Avoid/Counterexample. Fit/theme:** legacy roll-up and healthcare franchise counterexample. **Causal thesis offered:** asset separation and debt reduction reveal franchise value. **2026 fact:** SEC filings continue to disclose leverage, separation and legal/operating risks (company filings). **Screen:** A2/B1/C0/D0/E1; EC75%; S100%; **Wmax0**. **Valuation:** enterprise value waterfall, legal claims and debt maturities dominate brand EBITDA. **Failure:** refinancing, litigation, organic erosion, governance. **Need:** debt-by-entity, covenant, organic bridge, contingent liabilities. **36-month falsifier for Avoid:** net leverage <3× from retained cash, clean separation, and positive organic FCF/share. **Non-buy:** leverage/roll-up gates fail; ceiling 0.

41. **First Quantum Minerals - FM, TSX; Canada/Zambia-Panama exposure. Classification: Avoid/Counterexample. Fit/theme:** copper scarcity/natural-resource counterexample. **Causal thesis offered:** electrification raises copper demand and scarcity rents. **2026 fact:** company filings report operations, debt and jurisdiction matters including Cobre Panamá (company reports). **Screen:** A3/B1/C1/D1/E1; EC73%; S100%; **Wmax0**. **Valuation:** spot-price NAV cannot ignore depletion, sustaining capex, taxes, closure and expropriation. **Failure:** jurisdiction/title, leverage, cost inflation, commodity downcycle. **Need:** mine-level reserve economics, legal outcomes, debt ladder, stress copper. **36-month falsifier for Avoid:** durable Panama resolution plus balance-sheet survival at conservative copper and positive after-sustaining FCF. **Non-buy:** title/cycle gates fail; ceiling 0.

42. **Adani Enterprises - ADANIENT, NSE; India. Classification: Avoid/Counterexample. Fit/theme:** EM infrastructure/serial incubation counterexample. **Causal thesis offered:** privileged execution across airports, energy and logistics captures India's buildout. **2026 fact:** exchange filings and annual reports disclose a complex multi-business structure and related-party/governance framework (company investor downloads). **Screen:** A3/B1/C1/D0/E0; EC55%; S100%; **Wmax0**. **Valuation:** no conglomerate growth multiple; require entity-by-entity debt, guarantees, related parties and USD per-share cash. **Failure:** governance/leakage, refinancing, state dependence, project overruns. **Need:** independent ownership/guarantee map, cash waterfalls, payer contracts, auditor evidence. **36-month falsifier for Avoid:** simplified audited structure, declining consolidated leverage, no related-party leakage and positive USD FCF/share across two years. **Non-buy:** governance/coverage gates fail; ceiling 0.

8.5 Model-class coverage and documented absences

Round-3 major class	Positive research representation	Avoid/counterexample or supported absence
Ratings/audit/TIC assurance	SPGI, Moody's	No listed pure-play global audit partnership qualifies: Big Four audit networks are private partnerships; SPGI/MCO carry binary ratings stress.
Installed-base aftermarket	GE Aerospace	Boeing
Exchanges/clearing/payment rails	CME, Visa, LSEG	Coinbase
Vertical workflow/data	RELX, Microsoft, Constellation	Palantir (valuation/per-share gate)
Reliability distribution	Fastenal	**Search incomplete, not a negative call:** Grainger, WESCO and MSC Industrial were named and rejected from this edition because current valuation, leverage/integration, organic-growth and cycle evidence was not completed.
Semicap/foundry/cloud layers	TSMC, ASML; CoreWeave option	Intel; NVIDIA fails E and remains Watch
Power/grid/regulated capex	Schneider, Eaton	PG&E, Plug Power
Consumer scarcity/brands	Ferrari	Nike; Ferrari itself fails E
Healthcare innovation/services	Lilly, Novo	Teladoc; no patent-cliff terminal growth assumed
Defense/state procurement	Rheinmetall	Boeing
Natural resources/harvest	**No full harvest candidate qualifies. Search remains incomplete:** Micron/memory, Maersk/container shipping and Transocean/offshore services were examined and rejected from this edition because financing-window closure, net capacity exit, balance-sheet survivability and shareholder cash-return gates were not all evidenced.	First Quantum; Intel
Serial acquirer	Constellation	Bausch Health; Adani complexity also stress-tests acquisition/incubation
EM platform/per-share capture	MercadoLibre; Nu, Sea, BYD options	Adani Enterprises
Insurance/deposit/asset management	Berkshire, Chubb, DBS; Nu option	Flagstar. **Asset-manager search incomplete, not a negative call:** BlackRock, T. Rowe Price and Invesco were named and rejected from this edition because current net-flow, fee-compression, client-concentration and valuation work was not completed.

9. Monitoring, falsification, sell discipline and research sunset

Cadence. Monthly: ILF, custody/title alerts and hard-gate events only. Quarterly: holdings, issuer/factor headroom, pillar-breaking evidence, tax lots and exception log. Annually: FS with PVL sensitivities, actual-comparator top-20/bucket refresh, ILF drag, live-underwrite scorecards/reverse DCFs, jurisdiction transfer test, active-program viability and policy amendments. A company classification expires after 12 months without refresh and reverts to Unclassified Research Note. Two missed milestones or EC<60 trigger a 30-day re-underwrite and no add. Each annual map refresh must report a counter-canon screen, a non-US screen, and at least three named rejected candidates for any claimed class absence. A theme with no decision or explicit abstention threshold after 36 months moves to annual-check status and records hours/cost.

Exit hierarchy. (1) legal title/fraud/de-licensing/financing-covenant threat: minimum risk-monotone action within five trading days if authorized under the separate implementation process; (2) Pillar A-D becomes 0, hard cap persists, or full-underwrite gate fails: close/reduce under a five-to-30-day governed review; (3) thesis intact but expected return below comparator after standardized tax/cost: no add, challenger after two deferral-led holds, act within five trading days after decision; (4) mark-to-market drawdown alone never forces sale. No thesis-free averaging down. A tax delay is priced day 0.

Valuation-drawdown budget. Before any authorized purchase elsewhere, archive current and conservative multiples/reverse-DCF outputs and calculate $w\times(1-M_{conservative}/M_{current})$. Sum across active holdings must be ≤50% of MDB after strategic-sleeve stress. Up to 75% requires amendment. An ex-post overshoot creates a sizing post-mortem, not a mechanical trim.

10. Key risks, unresolved disputes and portfolio-level falsifiers

- **Uncertified liability closure:** the admissible 45/25/20/10 grind mix fails by 12,500 immediately; the 40/20/30/10 boundary only passes if real-liability matching is valid. Observable: verified liability cash-flow schedule, currencies, index basis, title and tax.
- **Comparator born in breach:** proxy AI FSL 8.2% and joint AI+power 9.0% exceed original caps. The provisional cap amendment is a disclosed acceptance, not risk removal. Observable: archived actual top-20 holdings and sector buckets, then capped/blended implementation study.
- **Active program may be uneconomic:** active capital is enabled only when portfolio value × active sleeve × evidenced premium × evidenced hit rate ≥ 2 × fully loaded annual cost. Below that prospective threshold, the program runs in paper-journal mode with zero active capital; above it, two consecutive negative realized-viability years still suspend deployment. Illustrative workload is about 40 governance hours plus 15-25 hours per live underwrite: eight live names imply roughly 160-240 hours/year before one-off comparator and custody work. If the operator cannot precommit the hours, reduce the live set-possibly to zero-before research begins.
- **Concentration minority:** rejecting a conviction tier can leave genuine edge underused. Observable to reopen: ≥10-year decision-level record after tax/cost, pre-registered attribution, verified liability surplus, independent challenger and operational capacity.
- **Procyclical evidence:** trend/diversifier admission can depend on the evaluation start date. Observable: net full-cycle results under rolling start dates, implementation costs and crisis conditionality; no single decade decides.
- **Narrative/capex:** AI, defense, electrification, health and EM demand can accrue to customers, labor, states or lenders rather than shareholders. Observable: incremental after-tax cash per diluted share, not orders/addressable market.
- **Political/title risk:** export controls, reimbursement, tariffs, rate cases, sanctions, estate situs and capital controls can dominate business quality. Observable: binding law/contracts and transfer tests, not announced budgets.
- **Obsolescence and economic lives:** rapid replacement can inflate reported profit. Observable: retirement curves, resale/rental prices, maintenance capex and customer cash ROI.

Portfolio falsifiers: freeze new active work if (a) EC audits cannot be maintained; (b) two annual active-viability results are negative; (c) two material exception events occur in 12 months; (d) actual comparator cannot be scored reproducibly within 16 operator hours/year; or (e) liability closure remains unmeasured at the next annual review. In those states the default is named comparator + ILF + verified nominal/real liability matching, not improvised substitutes.

11. Direct answers to the twelve exact Round-4 Fable questions

1. **F4-1…F4-14/D-1:** Section 1 adjudicates all fourteen. All are accepted, with F4-5 calibrated to a 50% default and F4-2 executed provisionally. D-1 takes branch (a): intentional ordinary ~2% ceiling at S50; no conviction tier. Concentration remains a rejected-with-reasons minority with a reopening test.
2. **Implied max-weight table:** Section 4.1 prints it before the company map. At best FS, S100/80/60/50/40/30/20/12.5 imply 1.00/1.25/1.67/2.00/2.50/3.33/5.00/8.00%; the gate-floor equivalents are half. Hard gates remain zero.
3. **Grind rerun:** Section 6 uses only equity, matched nominal bonds, verified ILBs and ILF. The 45/25/20/10 mix fails by 12,500 immediately (coverage 0.989); a 40/20/30/10 diagnostic passes by 40,000 only if its 30% ILB match is genuine. Duration of accepted slow failure is unbounded once withdrawals occur because none were supplied.
4. **Comparator FEW/FSL/forced choice:** Section 7 scores five factors at top-20-plus-sector-proxy resolution. It is born in breach of AI and AI+power caps and of rates FEW due to matched bonds. F4-2 branch (b) is executed: provisional FSL caps 9.2% AI and 10.0% joint, original-cap gap reported, no active AI/power adds, actual comparator decision within 12 months.
5. **Financials/harvest:** Chubb and DBS are Core balance-sheet financial screens; Berkshire adds insurer/allocator, Nu is an option, and Flagstar is a failed bank battery. No full harvest candidate qualifies. Intel is explicitly rejected because confirmed net capacity exit/cash returns are absent and state support persists.
6. **Core row completeness:** all 11 Core rows state A-E, EC, S, Wmax and non-buy; each is still weight zero absent a current full review.
7. **Avoid by model class/admirable rejection:** Section 8.5 maps every major class. The 12 Avoid rows include Palantir, Intel, Boeing, Coinbase, PG&E, Plug, Nike, Teladoc, Flagstar, Bausch, First Quantum and Adani. NVIDIA and Ferrari are admired consensus-quality Watch names whose E arithmetic fails; Palantir is the explicit admired Avoid.
8. **F4-10 financial battery:** Chubb and DBS use the correct battery templates, but their blessing direction is not demonstrated: all favorable battery scores are provisional [A] and capped at 2 until reserve-triangle/deposit-cohort/stressed-capital exhibits attach. Nu (2/1/2) and Flagstar (1/0/2) show the same battery can constrain rather than automatically bless financials.
9. **Ten Section-15 prohibitions:** Section 14 audits each prohibition against the map’s highest-risk entry and the compliance mechanism.
10. **Traceability:** Appendix A lists every P1-P52 and F1-F4 item by origin, disposition and minority; Appendix B lists D/U disputes and observables; Appendix C gives all four receipts.
11. **Assembled-policy stress:** Section 15 tests hidden consensus, recency, survivorship, narrative, concentration, obsolescence, politics and complexity. One person cannot maintain the full apparatus for 42 live underwrites; the executable version limits active full underwrites to eight and uses the one-page checklist.
12. **Certification:** none. Liability closure remains uncertified; all numeric bands await verified investor facts; every named company is non-buy absent a current complete evidence/valuation review. This policy does not authorize a transaction.

12. One-page operating checklist

1. **Annual facts:** update assets, liabilities, taxes, currencies, income correlation, decision makers, succession, domicile; calculate FS at PVL base/±10/±20 and apply hysteresis.
2. **Survival:** verify ILF floor/target, D36 or elected D24, fixed commitments, title, beneficiary/incapacity access, Tier-A second custodian and transfer test.
3. **Strategic design:** name comparator and matched nominal/real liability sleeves; record bands, MDB, EB and illiquid ceiling. No placeholder comparator after 12 months.
4. **Look-through:** archive top 20 constituents; bucket the rest; calculate issuer, sector, sovereign, currency, FEW/FSL and joint stresses; resolve four-quarter breaches by amendment.
5. **Active admission:** all A-E≥2, EC≥60, no hard gate, reverse DCF/hurdle, S and AllowedLoss, derating budget, tax/cost, two disconfirmers for >3% diagnostic size.
6. **Options:** total-loss assumption; per-name 0.25-0.75%; sleeve loss cap; no averaging down; 24-month harvest expiry.
7. **Decision record:** evidence timestamp/tier, causal thesis, countertheme, falsifier, event-anchored pacing, tax lots, action clock and explicit “non-buy until approved.”
8. **Monthly/quarterly:** monthly survival alerts; quarterly holdings/look-through and pillar-breaking evidence only. Do not rescore everything.
9. **Annual governance:** run the prospective 2× active-viability threshold and print the hours budget (about 40 governance hours plus 15-25 per live underwrite); attribute comparator-design value separately from company-selection value; audit ILF drag, exceptions, tax deferrals/challengers, diversifier start-date sensitivity and policy amendments.
10. **Certification blockers and stop rules:** withdrawal-path/grind budget, liability closure, actual-comparator scoring and company EC audits must all be complete before certification. Two exception events freeze discretion; failure of the prospective viability threshold means paper mode; two negative deployed years suspend active work; unmaintainable scoring defaults to comparator+ILF+matching.

The checklist omits full 22-measure evidence files, legal memoranda, reserve/credit cohorts, reverse-DCF schedules, top-20 worksheets and dispute exhibits. Those live in research files and are opened only for at most eight active full underwrites, events, or the annual audit.

Appendix A - Full debate traceability

A1. Policy articles P1-P52

A = adopted into this integrated draft; A/R = adopted as later reframed. Numeric bands remain contingent. The minority column records the live contrary view rather than manufacturing consensus.

P	Origin	Subject	Final disposition / minority
P1	R1 Codex	goal hierarchy	A; Shortfall Parity later makes excessive caution symmetric
P2	R1 Codex	epistemic labels	A; no minority
P3	R1 Codex	liability segmentation	A; flexibility second axis added
P4	R1 Codex	real after-tax measurement	A
P5	R1 Codex	named low-cost comparator	A/R; comparator is a risky position, not neutral
P6	R1 Codex	active-risk burden	A; zero-active minority strengthened
P7	R1 Codex	circle-of-competence gate	A; unknown remains zero
P8	R1 Codex	capacity/tolerance weakest link	A/R; trait/state split, capacity binds
P9	R1 Codex	ILF	A/R; formula, bands, de-overlap and drag audit
P10	R1 Codex	no recourse leverage default	A/R; narrow operational exceptions only
P11	R1 Codex	look-through concentration	A/R; forced choice for persistent breach
P12	R1 Codex	liability-led currency	A; long-horizon hedge still open
P13	R1 Codex	tax discipline	A/R; standardized deferral/challenger
P14	R1 Codex	valuation ranges	A; reverse DCF and derating budget added
P15	R1 Codex	evidence-to-size	A/R; evidence-to-loss plus bounded total-loss option
P16	R1 Codex	behavioral controls	A/R; observable exceptions, journal
P17	R1 Codex	amendment process	A; persistent breach cannot become exception
P18	R2 Codex	Shortfall Parity	A; never licenses excess capacity risk
P19	R2 Codex	comparator non-neutral	A/R; top-20 proxy and feasibility cap
P20	R2 Codex	loss-budget sizing	A/R; F4 formula without Vmult
P21	R2 Codex	symmetric capital cycle	A; harvest minority preserved
P22	R2 Codex	home-sovereign integrity	A/R; tiered custody
P23	R2 Codex	fast rules/slow discretion	A
P24	R2 Codex	minimum viable governance	A/R; hours/viability added
P25	R2 Codex	theme non-authorization	A
P26	R2 Codex	36-month milestones/sunset	A
P27	R2 Codex	AI tool is not edge	A
P28	R3 Codex	canonical business-model scorecard	A/R; five non-compensating pillars
P29	R3 Codex	evidence caps	A/R; continuous EC-to-loss
P30	R3 Codex	symmetric cycle states	A
P31	R3 Codex	payer gate	A
P32	R3 Codex	economic depreciation	A
P33	R3 Codex	acquisitions as reinvestment	A
P34	R3 Codex	AI moat burden	A; defensive add-back prohibited while open
P35	R3 Codex	per-share capture	A
P36	R3 Codex	validation protocol	A/R; 200+ needed for statistical claims
P37	R3 Codex	quality is not price	A; central to map rejects
P38	R4 Codex	FS selector	A/R; second axis, sensitivity, hysteresis
P39	R4 Codex	three-layer portfolio	A
P40	R4 Codex	pillar-gated sizing	A

P	Origin	Subject	Final disposition / minority
P41	R4 Codex	loss arithmetic	A/R; Vmult removed, floor 0.50, D-1 closed
P42	R4 Codex	error budget	A
P43	R4 Codex	comparator modification	A/R; exposure-persistence forced choice
P44	R4 Codex	ILF bands/glide	A/R; D36/H de-overlap; D24 election
P45	R4 Codex	common-factor caps	A/R; proxy tier and feasibility gap
P46	R4 Codex	reverse-DCF hurdle	A
P47	R4 Codex	fast broad/slow active	A
P48	R4 Codex	sector-bust behavior	A/R; pre-bust comparator breach resolved
P49	R4 Codex	D-3 default	A/R; lower gross for crash, ILB matching for grind
P50	R4 Codex	second jurisdiction	A/R; Tier A/B/C
P51	R4 Codex	minimum viable governance	A/R; active viability
P52	R4 Codex	Round-5 classification gates	A/R; F4-10 financial battery and explicit non-buy

A2. Amendment ledger F1-F4

Amendment	Origin	Final disposition	Surviving minority / qualification
F1-1 Shortfall Parity	R1 Fable	Accepted in R2; retained	capacity still binds
F1-2 comparator de-neutralization	R1 Fable	Accepted; refined F4/F5	capped-index versus broad-market warnings both survive
F1-3 trait/state tolerance	R1 Fable	Accepted with reframe	genuine life events can override blackout
F1-4 leverage carve-outs	R1 Fable	Reframed/tests retained	paid options not treated as harmless
F1-5 ILF formula/cap/glide	R1 Fable	Reframed, bands set R4/F5	numerical calibration awaits facts
F1-6 loss-cap/speculative sleeve	R1 Fable	Accepted	abstention remains valid
F1-7 solvency/integrity exception	R1 Fable	Accepted	minimum scope only
F1-8 home-sovereign integrity	R1 Fable	Accepted, domicile-calibrated	triggers not universal
F1-9 tax-blind re-underwrite	R1 Fable	Reframed; standardized F4-9	deferral can support hold-not-add
F1-10 observable exceptions	R1 Fable	Accepted	self-report can tighten only
F1-11 stress precedence	R1 Fable	Accepted	liquidity real drag accepted
F1-12 one diligence battery	R1 Fable	Accepted	five-pillar battery supersedes duplicates
F1-13 minimum governance	R1 Fable	Accepted	institutional apparatus scales down
F1-14 missing facts	R1 Fable	Accepted	present policy remains conditional
F1-15 lump-sum prior	R1 Fable	Accepted as prior	event risk can justify paced single names
F2-1 common-factor map	R2 Fable	Accepted; operationalized R4/F5	proxy error remains
F2-2 three AI layers	R2 Fable	Accepted	equipment ≠ hyperscaler ≠ merchant cloud
F2-3 symmetric capital cycle	R2 Fable	Accepted	harvest thesis preserved, no current qualifier
F2-4 shortfall remedy ladder	R2 Fable	Accepted	risk increase last and capacity-bound
F2-5 emergency precedence	R2 Fable	Accepted	unaffected rules continue
F2-6 payer-quality gate	R2 Fable	Accepted/broadened	budgets are not contracts
F2-7 second-jurisdiction floor	R2 Fable	Unresolved R3; resolved structurally by F4-6	Tier-B size is domicile-specific
F2-8 split maintenance/verification	R2 Fable	Accepted	no composite class shortcut
F2-9 S6/research sunset	R2 Fable	Accepted	evidence archived, attention reduced
F2-10 patent cliff	R2 Fable	Accepted/generalized	no terminal bridge by assumption
F2-11 countertheme sketches	R2 Fable	Reframed	not promoted to themes
F2-12 hard falsifiers	R2 Fable	Accepted	firm-level, per-share tests
F2-13 detector repair	R2 Fable	Accepted	no mood-based loosening
F2-14 base-rate attachments	R2 Fable	Accepted with caution	priors lower, never settle
F2-15 disputes/producer bias	R2 Fable	Accepted	consumer/financial classes added
F3-1 pillar restructure	R3 Fable	Accepted	additive quality score retired
F3-2 continuous coverage	R3 Fable	Accepted/tightened	EC not a buy signal
F3-3 complexity flag	R3 Fable	Accepted then scoped by F4-10	principal financials use batteries
F3-4 balance-sheet financials	R3 Fable	Accepted	no automatic S2/S3 tilt
F3-5 two-stage harvest	R3 Fable	Reframed	option-only until full confirmation

Amendment	Origin	Final disposition	Surviving minority / qualification
F3-6 deterrence observables	R3 Fable	Accepted	causal attribution remains open
F3-7 option value	R3 Fable	Accepted	external observable price cap
F3-8 split assurance	R3 Fable	Accepted	binary liability severity retained
F3-9 EM decomposition	R3 Fable	Accepted	USD per-share capture required
F3-10 validation redesign	R3 Fable	Accepted with feasibility gate	small cohort is audit, not validation
F3-11 disappointment roster	R3 Fable	Accepted as stress	no class underweight by story
F3-12 challengers	R3 Fable	Accepted	option/research-only
F3-13 roll-up indicators	R3 Fable	Accepted	30-day re-underwrite
F4-1 loss recalibration/D-1	R4 Fable	Accepted; branch (a)	concentration view rejected with reopening test
F4-2 comparator forced choice	R4 Fable	Accepted/executed cap-amendment branch	capped alternative still must be studied
F4-3 FS second axis	R4 Fable	Accepted	numeric bands contingent
F4-4 grind honesty/D-3 split	R4 Fable	Accepted; result printed	ILB integrity conditional
F4-5 derating budget	R4 Fable	Accepted; default 50% MDB	75% requires amendment
F4-6 custody tiering	R4 Fable	Accepted	Tier-B/C size open
F4-7 FEW feasibility	R4 Fable	Accepted	comparator proxy error reported
F4-8 event pacing	R4 Fable	Accepted	full deployment prior remains
F4-9 deferral standard	R4 Fable	Accepted	tax facts required
F4-10 complexity scope	R4 Fable	Accepted	battery equally blocking
F4-11 active viability	R4 Fable	Accepted	zero-active vs option-value views preserved
F4-12 ILF de-overlap	R4 Fable	Accepted	D24 election conditional
F4-13 provenance relocation	R4 Fable	Accepted	metadata Appendix C only
F4-14 U4 disputes	R4 Fable	Accepted	both remain observable disputes

Appendix B - Open-dispute register

Dispute	Current status	Adjudicating observable / surviving view
D-1 concentration	**Closed for this policy:** no conviction tier; ~2% at S50 best case	Reopen only with verified ≥10-year edge, liability surplus, independent challenge and operator capacity. Minority: rare control/edge cases warrant 10-40%.
D-2 strategic valuation tilt/comparator modification	Procedure resolved; actual design open	Actual comparator/tax basis/top-20 risk; compare capped/blended TE, cost and abandonment with broad-market Japan-1989 and US-1992-2025 exhibits.
D-3 tail insurance/diversification	Split resolution	Crash null is lower gross risk; real grind default is verified ILB matching; trend/tail premium/commodities require full-cycle net carry and Coverage improvement.
D-4 private/illiquid assets	Open; FS bands only	Manager/vehicle cash flows, governance, valuation and net return must beat liquid alternative by 4-6pp; actual investor access unknown.
D-5 long-horizon FX hedge	Open, 0-50% conditional	Liability currencies, carry, basis, tax, crisis covariance; dated liabilities matched first.
U2-1 diversifier carry	Open	Rolling-start full-cycle net results versus equal worst-case-loss reduction in gross risk.
U2-2 AI overbuild	Open by layer	Utilization, rental/token prices, cancellations, customer AI gross profit, capex/depreciation and free cash. Minority: capex defends existing rents.
U2-3 state-capex shareholder return	Open by contract/jurisdiction	Appropriation/rate recovery, cancellation, state take, dilution and real per-share cash.
U2-4 home-sovereign/custody calibration	Structure resolved; size open	Verified domicile/citizenship/tax/estate/title/sanctions and annual transfer test.
U2-5 speculative sleeve	Conditional ranges set; behavioral value open	Total-loss simulations, exception rate, goal probability and hours versus abstention.
U2-6 inherited-dispute umbrella	Superseded by individual D rows	No separate test; kept for provenance.
U2-7 accelerator economic lives	Open	Retirement/impairment/resale, rental price, utilization and vintage margin versus accounting lives.
U2-8 deterrence versus empire-building	Open; no defensive add-back	Ratchet when threat recedes, natural experiments, rival response and spend capped by rents at risk.
U2-9 muddle-through modal decade	Open	S6 comparator attribution and research-sunset cost; minority says dramatic scenarios are overbuilt.
U3-1 AI and assurance rents	Open	Real price, labor hours, error/liability, entrants and client-retained savings.
U3-2 quality-duration crowding	Open but governed at purchase	No-multiple-recovery stress, aggregate derating budget, Coverage and cash per share; no ex-post thesis rewrite.
U4-1 one-person executability	**Resolved adversely for full apparatus; bounded version accepted**	Actual annual hours/cost and decision value. Maximum eight live full underwrites; otherwise comparator+ILF+matching.
U4-2 procyclical diversifier evidence	Open	Rolling start dates across inflation, deflation, crash and calm; net costs/capacity and crisis correlation.

Appendix C - Fable provenance receipts

All four receipts record model claude-fable-5, authentication subscription_oauth_cli, success, one call, prompt cache off, web search off, and trade authorization false. They are provenance, not investment evidence.

Round	Prompt SHA-256	Response SHA-256
1	1d0c64d9700da7622e01fdf10d1191ac573fe5569ac2ef4ed917aed8e7d0fced	b6dded772a3ec075c7281c88b9b0d8ed02cc9b6bc2b157bace6ee61160239ad4
2	d229f2865c113d712920b338b27e490132d203fd720558bcba76526a05ebbd08	2346243d978485c353e92a8ece8ec30a963eb417c655b2fd81693801a10d21ea
3	d92871ccbf02b74351074223540449981070d1ff5afbd4f6913e08aff769ad93	1df1eb6bcc4dff4493a73442214254cc28d4258e4741e308dedde4e6d4226d7e
4	f8876d5b85b87e7952c1faa35a08c32f3a493b385a88e55cb7d849ef41f8e23f	acacbc75f3a0559b6a500ac36d1f761d9b8a973cfb85f2ef131fb0fbe49520df

13. Section-15 prohibition self-audit

Prohibition (Round 4 §15)	Highest-risk map point	Compliance evidence
1. No buy call, target weight, entry/order or portfolio mutation	Every Core row; especially TSMC/ASML	Every row says non-buy and current admissible weight 0. Wmax is explicitly a diagnostic ceiling, never an instruction.
2. No theme/market size/prior/reputation/price decline/index membership as expected-return proof	NVIDIA, Intel, Rheinmetall	AI/rearmament/harvest narratives are separated from cash capture; NVIDIA E0, Intel rejected, state payer gate open.
3. No old additive BMS without pillars, weakest pillar, EC, gates, reverse DCF and dates	All 42	All rows report A-E, EC, dated evidence, valuation sensitivity and missing reverse-DCF work; no additive total appears.
4. No short-history challenger as Core	CoreWeave, Samsara, Symbotic, Nu, Sea, BYD	All six are Speculative Options, assumed total loss and capped at 0.75% diagnostic maximum.
5. Do not ignore comparator-embedded exposure	Microsoft/NVIDIA/Schneider/Eaton	Section 7 scores comparator first and forbids active AI/power additions while original risk caps are exceeded.
6. No management-only claim >1, no averaging evidence conflict, no missing look-through as zero	Symbotic, Adani, Rheinmetall	Low B/C/D/EC scores, explicit missing evidence and zero admissible weight; backlog/budgets get no cash credit.
7. Harvest candidate is not normal-size and cannot roll after 24 months	Intel	Explicitly fails F3-5; policy ceiling 0; no full candidate is claimed.
8. State budgets are not collectible revenue without payer gate	Rheinmetall, PG&E, Intel	Contract/rate/appropriation evidence remains needed; B scores constrain classification.
9. No personalized tax/account/domicile/currency/custody conclusion	DBS, TSMC, Adani; custody section	All domicile and band conclusions are conditional; liability/investor facts remain missing.
10. Do not silently resolve disputes/professional gate	D-1, D-3, U4-1 most at risk	Appendix B states every status, minority and observable; D-1 and U4-1 are resolved explicitly, others remain open/conditional.

14. Final bias and implementation stress test

Attack	Where the assembled policy is vulnerable	Control and residual risk
Hidden consensus	It still assumes core-plus-bounded-active is worth building and favors “quality” franchises.	F4-11 can set active work to zero; financials/harvest countercanon and S6 remain. Residual: research itself can rationalize activity.
Recency bias	2026 AI, power, obesity and defense snapshots dominate the named map.	Six scenarios, S6 sunset, company falsifiers, old-cycle normalization. Residual: source set is intentionally current and not a ten-year base-rate study.
Survivorship bias	Core candidates are winners with clean disclosure; failed predecessors are less visible.	Twelve Avoid cases and class counterexamples. Residual: no systematic delisted cohort; map cannot validate predictive power.
Narrative fallacy	Causal decade theses are memorable and may outrun cash evidence.	Pillar minima, payer/cycle gates, per-share capture, reverse DCF and hard falsifiers. Residual: preliminary scores are analyst judgment.
Concentration	Comparator mega-caps breach AI limits while active names are capped near 2%.	Forced cap amendment, annual currency risk report, no active AI adds. Residual: raising a cap accepts rather than removes risk.
Obsolescence	AI hardware lives, software substitution, health pipelines and brand relevance can change rapidly.	Economic-depreciation tests, 36-month falsifiers and no defensive capex add-back. Residual: evidence can arrive after value loss.
Political/regulatory	Ratings, payments, chips, defense, utilities, healthcare, banks and EM all depend on law/state.	Payer gate, binary severity, custody tiers, jurisdiction/currency look-through. Residual: discontinuous state actions cannot be diversified away completely.
Implementation complexity	42 dashboards × five pillars × factor scoring × tax/custody is institutional work.	Full research queue is not a live portfolio. One operator may maintain **at most eight full underwrites**, top-20 proxy annually, survival monthly and exceptions quarterly. Everything else is annual-check research. Residual: even eight may fail the hours test.

One-person verdict: the full apparatus is **not** executable by one person. The simplified policy is: (1) verified liabilities/FS; (2) ILF and nominal/real matching; (3) one named comparator with annual top-20 proxy; (4) issuer/factor hard limits and forced amendment; (5) no more than eight live active underwrites; (6) one journal/exception log; (7) annual viability audit. If this cannot fit within roughly 40 recurring governance hours plus explicitly budgeted research time, active work is suspended. The one-page checklist deliberately omits deep company exhibits and legal/tax memoranda; that omission is safe only because any item needing them stays weight zero until the work is done.

15. Certification and policy boundary

This is the final debate-integrated policy edition, not a certificate. Liability closure, actual FS, trait tolerance, MDB, tax basis, domicile/custody structure, actual comparator, factor look-through and every company valuation remain unverified. Numeric bands are dated policy hypotheses awaiting investor facts. The source snapshots establish only that a disclosure existed as of the evidence date; they do not verify management claims or complete a full independent evidence-and-valuation underwrite. **No company is a buy; no trade or portfolio change is authorized.**

Appendix D - Final Fable amendments F5-1 through F5-14

Amendment	Final disposition
F5-1 Floor rescope	**Adopted.** The floor applies only to ECmult; liquidity and factor penalties retain full force; hard factor breach means zero.
F5-2 Gate-state consistency	**Adopted.** E0 rows print Wmax 0; Nike is blocked by E1.
F5-3 Severity floors	**Adopted.** Equity 40%; levered/cyclical/roll-up 60%; binary/pre-cash/flagged-EM 80-100%; legacy 5%/8% rows void.
F5-4 Comparator hardening	**Adopted conservatively.** No feasibility-cap ratification without the actual worksheet, second pass and capped-comparator study; original caps govern meanwhile.
F5-5 Rates net of matching	**Adopted.** Liability matching is separated from directional rates exposure and retains basis-risk reporting.
F5-6 Financial batteries	**Adopted.** Favorable scores are provisional [A], capped at 2 pending named exhibits.
F5-7 Documented absence / counter-canon	**Adopted.** Three named rejected candidates and annual non-US/counter-canon screens required.
F5-8 Prospective active viability	**Adopted.** Capital only above a 2× fully loaded cost threshold; otherwise paper mode.
F5-9 Map decay	**Adopted.** Classifications expire after 12 months.
F5-10 Row-level factor bar	**Adopted.** AI/power-sensitive rows state current admissible addition is zero.
F5-11 Hygiene	**Adopted.** MELI domicile, internal codename, evidence-pointer language and speculative-cap priority corrected.
F5-12 Blocking-items label	**Adopted.** Grind path, liability closure, actual comparator and EC audits are checklist blockers.
F5-13 D-1 reopening	**Adopted.** Five years and at least 20 audited decisions replace the impossible ten-year prerequisite.
F5-14 Hours arithmetic	**Adopted.** The policy prints the 160-240-hour eight-name workload and reduces scope prospectively.

The traceability record explicitly notes that the original F4-1 floor defect came from Fable and was faithfully implemented by Codex before Fable corrected it in Round 5. Errors on either side remain visible.

Final unresolved minority views and adjudicating observables

- **D-2 comparator design:** capped/blended versus uncapped remains open; the mandatory actual-comparator study carries evidence in both directions.
- **D-4/D-5:** private assets and currency hedging remain dependent on verified investor facts and implementation evidence.
- **AI overbuild, asset lives and defensive capex:** current factor bar is a dated risk control, not a forecast resolution.
- **Quality-duration crowding:** the map's own composition is evidence of the bias; annual counter-canon/non-US screens adjudicate.
- **Zero-active versus dislocation option:** the prospective 2× cost threshold and paper mode structure the disagreement without forcing consensus.
- **Comparator-engineering-first:** annual attribution must compare value from comparator/matching design with value from single-name work.

Final boundary: liability closure is uncertified; all numeric bands await verified investor facts; the withdrawal-path grind budget is open; actual comparator scoring and EC audits are incomplete; and no company in this map is a buy absent a current, full evidence and valuation review. No transaction is authorized.