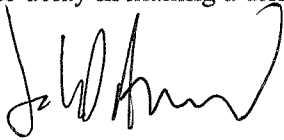


We look upon our financial position with a mix of disbelief and humility, never having dreamed that we would be in this situation. Our backgrounds are similar to that of many Americans. We each had a solid middle-class upbringing with an emphasis on values, work ethic and social responsibility. We each attended public secondary school and worked our way through private universities. And, of course, we dreamed of one day being “rich,” in the way that all young people fantasize about having everything they want. To our great surprise, we now fit that very elementary label. We have more than ample resources to be good providers for our family and mentors to our children, and we have a lifestyle that is comfortable and then some.

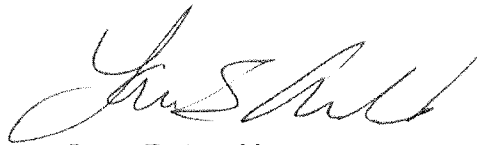
We are deeply indebted to our community and our country for the many opportunities granted to us, and for a social and economic environment in which we could make the most of those opportunities. We consider it our responsibility to ensure the same opportunities for others. We view our wealth in this light — not as an end in itself, but as an instrument to effect positive and transformative change. To this end, we have contributed a significant portion of our wealth to the Laura and John Arnold Foundation and will continue to do so during our lifetime. Upon our death, the vast majority of our assets will be left to the Foundation.

At the Foundation, we focus on areas where (1) philanthropic investments can lead to solutions that are self-sustaining in the long-term, (2) we can leverage a relatively small investment to create a large impact on total societal benefit and (3) the market does not presently yield optimal results, due to inefficiencies, lack of adequate information or other reasons. These guiding principles have led us to invest in a number of areas including education reform, health care, social services and social justice.

We are blessed to embark on this critical endeavor at a relatively early stage in our lives and with a great sense of urgency. We will devote the majority of our wealth, time and resources to philanthropy in the coming years, and we fully intend to achieve transformative results during our lifetime. There is no more worthwhile work and no greater mission. And there is no reason for delay in making a difference.



John D. Arnold



Laura E. Arnold