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Dear Limited Partners,

Last year as the holidays approached we sent out a quick missive wishing you all a wonderful and safe holiday season. In contrast to the usual letter of holiday cheer, we briefly described an article that we'd come across and found interesting in the past year. As 2018 approached we had actually prepared a similar letter, and then came to the conclusion that the article selected may have been perhaps ill-suited given the holiday festivities, so we refrained from sending it out.

As we recently marked our three year anniversary (and as we sit in the bright sunshine of a sunny California summer day), we thought we'd continue our "tradition" and send the letter out now. Although our timing is a bit late, the sentiment remains. We're hoping it helps you gain some perspective and remind you what makes a person's life rich and rewarding (beyond the normal financial measures).

In this letter we wanted to share with you some insights in an article written by Bronnie Ware. Some of you may know Ms. Ware as she's an internationally renowned author. For those unfamiliar with Ms. Ware, she is based in Australia and was formerly a palliative caregiver who'd written an article that was later turned into a best-selling memoir. As portfolio managers, when dealing with probabilistic scenarios, we've always found it helpful to invert questions before answering them, and when the topic centers around a life well-lived, it's not only helpful to ask "how do I live a happy life," but also "what do people regret the most at the end of life?" It's always best to know where some of the potholes in life are, and fortunately we have Ms. Ware as a guide.

In the article she wrote about five of the most common regrets her patients experienced in the end, and we thought we'd share them with you. Here they are (along with her observations):

1. I wish I'd had the courage to live a life true to myself, not the life others expected of me.

(This is the most common regret of all . . . it is easy to see how many dreams have gone unfulfilled. It is very important to try and honour at least some of your dreams along the way.)

2. I wish I hadn't worked so hard.

(This came from every male patient that I nursed. They missed their children's youth and their partner's companionship. Women also spoke of this regret By simplifying your lifestyle and making conscious choices along the way, it is possible to not need the income that you think you do. And by creating more space in your life, you become happier and more open to new opportunities, ones more suited to your new lifestyle.)

3. I wish I'd had the courage to express my feelings.

(Many people suppressed their feelings in order to keep peace with others. As a result, they settled for a mediocre existence and never became who they were truly capable of becoming . . . speaking honestly . . . it raises the relationship to a whole new and healthier level.)

4. I wish I had stayed in touch with my friends.

(It all comes down to love and relationships in the end.)

5. I wish that I had let myself be happier.

(Many did not realise . . . that happiness is a choice. They had stayed stuck in old patterns and habits. The so-called 'comfort' of familiarity overflowed into their emotions, as well as their physical lives. Fear of change had them pretending to others, and to their selves, that they were content. When deep within, they longed to laugh properly and have silliness in their life again.)

What's surprising to us about the five regrets is that they're so commonly shared, which means many people, despite their disparate lives, are tethered to some core truths about how to live a life well-lived (or at the very least how to live one on your own terms and with fewer regrets). The source of these insights also let's appreciate their importance because in the end when the din of our daily lives fade away, five simple things (i.e., living well, living freely, living honestly and happily, and spending our lives surrounded by friends and family) are what matters.

We think Ms. Ware described it best when she wrote "Life is a choice. It is YOUR life. Choose consciously, choose wisely, choose honestly. Choose happiness." We couldn't have found a more apropos quote to end this note with, so we'll leave it at that. As we head towards the holiday winter season, however, wherever, or whomever you choose to spend the remaining 2018 with, we wish you a truly safe, prosperous and happy one.

Sincerely,



Nelson Wu
Managing Director