

# Trickle Research

Every raging river, every great lake, every  
deep blue sea starts ... with a trickle



## Research Update & Allocation Increase

# NextTrip

NextTrip, Inc.  
(Nasdaq: NTRP)

**Report Date: 07/29/25**

**12-24 month Price Target: \$8.50**

**Allocation: \*4**

Closing Stock Price at Initiation (Closing Px: 02/05/25): \$6.64

Closing Stock Price at Allocation Increase (Closing Px: 07/28/25): \$3.96

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**Disclosure:** Portions of this report are excerpted from NextTrip's filings, website(s), presentations or other public collateral. We have attempted to identify those excerpts by *italicizing* them in the text.

We initiated coverage of NextTrip in February (2025). The Company has made several meaningful announcements since the initiation that we think are topical to the opportunity. We have provided most telling of these (in our view) below, as well as some color reflecting our view of why they matter. In each case, we have just provided a summary of each announcement, and the following link provides the full context of each: [Press Releases - NextTrip](#).

- (1) SANTA FE, NM / ACCESS Newswire / February 28, 2025 / NextTrip, Inc. (NASDAQ:NTRP) a leading travel technology company, announced today the conversion of \$2.6 million in short-term debt, including \$1.5 million previously advanced by the Company's Chairman and CEO. These loans were converted into restricted equity ahead of completion of the Company's fiscal year-ended February 28, 2025. Additionally, certain other creditors agreed to convert their \$1.1 million of debt into restricted equity. This is in addition to the \$1.75 million in short-term promissory notes previously converted to restricted equity on December 31, 2024.***

To reiterate a few bullet points from our initiating coverage, we initiated NextTrip with an allocation of 3, which is lower than our typical initiating allocation of 4. Our reasoning at the time was that they clearly needed to raise some capital, but there was no particular visibility to that end. More specifically, they had an S-1 in front of the SEC, but the process was not moving very quickly, so again, it was unclear to us how those capital constraints might impact the casndce of the business. This debt conversion answered a potion of this question. Along the same lines, bullet (8) below, solved another portion of this problem, which we have elaborated on as well. As we have noted many times throughout our research, access to capital is one of the single biggest challenges that early-stage ventures face, and that is certainly the case with NextTrip.

- (2) SANTA FE, NM / ACCESS Newswire / March 27, 2025 / NextTrip, Inc. a leading travel technology company, today announced the launch of NextTrip Cruise, an innovative online cruise booking platform designed to simplify and enhance the cruise planning experience. With real-time availability, access to expert cruise specialists, and exclusive travel perks, NextTrip Cruise offers a seamless end-to-end booking process for travelers seeking the ultimate cruise vacation.***

Our enthusiasm for NextTrip stems from a handful of initiatives they are building that we think will create marked synergies once they are all fully integrated. Those initiatives include pieces on their media side as well as on the travel side, creating constructive synergies across the two platforms that we think will provide the basis for success. The announcement above references an addition to the travel side of the enterprise that we alluded to in our initiation. Specifically, we expect them to add traditional travel related pieces to create a broad footprint across the industry including cruises, destination packages, group booking, applications and arrangements to attract independent travel agents to the platform and others. We think it is fair to say that because of the popularity of cruises in general, management has been particularly focused on adding a robust cruise piece to the mix. This announcement is the front end of that pursuit.

- (3) SANTA FE, NM / ACCESS Newswire / April 1, 2025 / NextTrip, Inc. (NASDAQ:NTRP) a leading travel technology company dedicated to transforming how travelers plan, book, and experience trips, today announced significant progress in Group Booking activity and lead conversions following its recent collaboration with Five Star Alliance. NextTrip announced the***

***launch of its Group Booking Platform last summer, designed to modernize and streamline a traditionally manual and cumbersome process, bringing efficiency and ease to travelers and group organizers alike.***

Obviously, the Company's Group Booking initiative is designed to generate revenue and profits on its own, but we think it may also provide NextTrip with the ability to reach business travelers and ultimately create cross selling opportunities of those business travelers into the Company's leisure products/programs. The basic strategy is to attract new customers through the booking/event side (where presumably they have a positive/seamless experience) and then introduce those same customers to their leisure offerings. As the announcement references, this initiative started with the acquisition of 49% of Five Star Alliance, which was essentially a premier online luxury travel agency renowned for its curated collection of five-star hotels and resorts worldwide. Historically, while Five Star received frequent group booking inquiries, it typically passed those opportunities on to other booking related enterprises for little or no remuneration. Incidentally, NextTrip completed the acquisition of the other outstanding 51% of Five Star in April 2025 {see bullet point (6) below}, allowing for the full consolidation of the enterprise providing NextTrip access to Five Star's luxury travel customers and high-end resort arrangements, but also in turn, allows NextTrip to harvest the potential booking opportunities that Five Star previously passed on to others.

- (4) SANTA FE, NM / ACCESS Newswire / April 3, 2025 / NextTrip, Inc. (NASDAQ:NTRP) today announced a strategic partnership with Intimate Hotels of Barbados ("IHB"), the premier collection of independent hotels, apartments, guest houses, and vacation rentals across Barbados. Travelers will gain access to over 35 unique IHB properties, from charming boutique hotels and cozy guest houses to luxury vacation rentals. A newly designed, co-branded booking portal will be added to the IHB website and will enable guests to create fully customizable travel packages, including accommodations, flights, tours, activities, and excursions - all in one place. Beyond facilitating bookings, NextTrip will manage all reservation processing and customer service, ensuring a seamless experience from booking to check-out.***

This particular announcement is perhaps a bit less "big picture" than some of the the others, but we think it represents the type of collaboration(s) the Company's platform may be able to attract going forward and the breadth of the platform's product offerings will in part determine their success.

- (5) SANTA FE, NEW MEXICO / ACCESS Newswire / April 7, 2025 / NextTrip, Inc. (NASDAQ:NTRP) today announced it has acquired the JOURNY trademark and associated domain names and other assets related to the business from Ovation, LLC. Ovation will remain involved with the channel via an ownership stake in NextTrip. This strategic acquisition enhances NextTrip's content portfolio, expands its advertising reach, and further strengthens its existing Compass.tv platform, reinforcing the Company's commitment to delivering premium travel discovery content that drives engagement and travel bookings. JOURNY, a premier established adventure and travel-themed FAST (Free Ad-Supported Streaming TV) channel, curates immersive programming centered on exploration and global culture. Available on leading smartphones and FAST channel platforms that reach over 17 million active devices each month, JOURNY captivates a diverse and engaged audience with high-quality travel storytelling.***

This announcement reflects the continued advance of the Company's media pillar. To reiterate, our basics thesis is that they are building travel media and travel booking businesses that we believe will support one another but as stand-alone profit centers. More specifically, our model assumes that the media portion of the business will generate ad revenue based on the breadth of their media audience, and that a portion of that

audience will ultimately become a travel customer. Frankly, assumptions around how quickly the Company could organically add media viewers to their newly established Compass.tv FAST channel has been one of the visibility challenges to our model. Clearly, acquiring media pieces with established audiences should improve that visibility and allow for better assumptions around both media ad and travel booking conversions.

- (6) SANTA FE, NM / ACCESS Newswire / April 14, 2025 / NextTrip, Inc. (NASDAQ:NTRP) today announced it has exercised its option and completed the acquisition of the remaining 51% stake in Five Star Alliance, making it the sole owner of the premier luxury travel brand. This follows NextTrip's initial 49% stake purchase earlier this year, bringing its ownership to 100% and consolidating all of Five Star Alliances' business into NextTrip for stakeholder benefit.**

This announcement is the culmination of bullet point (3) above.

- (7) SANTA FE, NEW MEXICO / ACCESS Newswire / May 8, 2025 / NextTrip, Inc. (NASDAQ:NTRP) today announced it has secured a \$3 million revolving line of credit from its Chairman (Donald P. Monaco) to support the Company's ongoing growth and operational plans. The facility, which carries a two-year term, is expected to be used for general working capital purposes. The Company believes this funding mechanism provides meaningful financial flexibility to support critical near-term initiatives and minimize the need for potential shareholder dilution. The Company intends to use drawdowns to accelerate marketing efforts across NextTrip's travel booking and media channels, support key product launches, and fund the continued development and integration of its technology platform and recent acquisitions. The line of credit is also expected to support targeted revenue-generating projects and strategic growth opportunities throughout 2025.**

This announcement dovetails with bullet point (1) above, which again, addresses what we think is one of the Company's most topical challenges. On some levels, while we are not mitigating the importance of these other announcements, this event may be the most telling development for NextTrip perhaps since its entry into the public market. In short, the investment provides them with the necessary capital to execute the business plan and effectively launch the business(s), but it may also provide some insights into the confidence the Chairman has in that same business plan. For context, we think Mr. Monaco's unique background, which spans both travel and media, is topical to that confidence. Like some of the other announcements noted here, this event provides some visibility and, in our view, derisks the story a bit.

- (8) SANTA FE, NEW MEXICO / ACCESS Newswire / May 13, 2025 / NextTrip, Inc. (NASDAQ:NTRP) today announced a strategic partnership with Nuitee, a premier global hotel API provider. Through this collaboration, NextTrip is strategically integrating Nuitee's extensive lodging portfolio, featuring up to 1.5 million properties, into its travel booking platform. This initiative reflects a tactical expansion of our lodging offerings, aligning with our broader goal of strengthening our presence in the vacation home and short-term rental markets, while also enhancing hotel and resort inventory. These accommodations are a natural fit with our proprietary PayDay product, which enables consumers to book vacations with flexible installment payments.**

Much like bullet point (4) above, this represents another collaboration that we think expands the breadth of the NextTrip platform, and we suspect there will be others going forward.

- (9) SANTA FE, NM / ACCESS Newswire / June 3, 2025 / NextTrip, Inc. (NASDAQ:NTRP) today announced a strategic partnership with Save Your Day Films ("SYDF"), an award-winning media and production company, to accelerate its expansion into the global travel media space through JOURNY.tv, NextTrip's recently acquired, premier FAST (Free Ad-Supported Streaming TV) channel. JOURNY curates immersive, adventure, and travel-themed programming centered on exploration and global culture, reaching over 17 million active devices each month via leading smartphones and FAST platforms, and captivating a diverse and engaged audience with high-quality travel storytelling. This collaboration marks a major step in NextTrip's evolution from a travel booking platform into a fully integrated media and travel ecosystem, enabling consumers to move seamlessly from discovery and inspiration to planning and booking, all within the same experience.**

As with IHB and Nuitee on the travel side, SYDF represents another collaboration piece on the media side to expand the breadth of the segment. Here again, we suspect the Company will continue to try to add similar content partnerships going forward that should help drive media presence and advertising clout and ostensibly drive additional travel bookings.

- (10) SANTA FE, NM / ACCESS Newswire / June 10, 2025 / NextTrip, Inc. (NASDAQ:NTRP) today announced the beta launch of its next-generation Travel Agent Booking Platform, with over 170 independent travel agents enrolling in the first few days. Built to modernize both the tools and experience of today's travel professionals, the platform is designed to eliminate outdated systems and bring cutting-edge efficiency to a long-underserved segment of the travel industry. Recognizing the lack of innovation in current agent platforms, NextTrip has developed a dynamic, user-friendly system that optimizes both front-end and back-end operations. By dramatically reducing manual tasks, the platform gives agents more time to focus on growing their business through sales and client engagement, rather than time-consuming administrative work.**

This announcement includes an issue that the Company identified (early in our introduction) as a need within the industry that they felt they could better address. Succinctly, NextTrip's founders have expressed the view (to us) that changes travel industry have made it more difficult for the traditional travel agent. Those challenges include the advent and growth of Online Travel Agencies ("OTA") such as Booking Holdings Inc. (Nasdaq: BKNG), which operates Booking.Com, Priceline, Kayak, OpenTable and others, as well as Expedia Group, Inc. (Nasdaq: EXPE), which operates Expedia, Hotels.com, Vrbo, Travelocity, Hotwire.com, Orbitz, Trivago and others. They also include the consolidation of large destination providers like Wyndham Hotels & Resorts, Marriott International, Hilton Worldwide, Hyatt, and others. Collectively, those forces have created greater competition and lower fees for traditional travel agents, but it has also limited their access to products (and technology) their travel customers might otherwise want to book through them.

That said, as with many online applications, what online travel affords in terms of potential time savings, convenience, price discovery and others, it may lack in personal customer service. That may be particularly topical with certain types of travel where the itineraries are more complex, or more unique. To that end, some studies suggest that 40+% of the traveling public still prefer to use a travel agent, which is why we think NextTrip's initiatives to attract/entice traditional travel agents to the platform may prove prescient. Succinctly, we think the added customer service provided by agents, especially in planning high-end and/or more unique travel experiences, fits into the NextTrip footprint. In short, while we have not attempted to model the impact

of their travel agent initiatives, if they are able to deliver meaningful advantages to traditional agencies, we think this could be a wild card in the model, and as such be measurably additive to the story going forward.

***(11) SANTA FE, NM / ACCESS Newswire / July 15, 2025 / NextTrip, Inc. (NASDAQ:NTRP) today announced the transition and strengthening of its Board of Directors with the appointments of Carmen Diges, David Jiang, Steve Kircher, and Jimmy Byrd. The appointments add a diverse range of experience across global capital markets, corporate development, technology, and media, supporting the Company's strategic execution and long-term growth initiatives. Carmen, David, Steve and Jimmy are being appointed to the board in accordance with the share exchange agreement entered into with NextTrip Holdings Inc. in December 2023. These appointments mark the final step in the Company's reverse acquisition of the NextTrip business and come after the successful completion of all change in control and business milestones outlined in the original share exchange agreement. The appointments will take effect on July 28, 2025, at which time Salvatore Battinelli, Jacob Brunsberg, Dennis Duitch and Kent Summers, the continuing Sigma Additive solutions directors, will step down. With this board transition, the Company will be fully aligned under NextTrip's leadership and strategic direction.***

As the above notes, this announcement marks the final piece of the Company's transition to a public enterprise, and by extension the commencement of the integrated media/travel business they have been building. As covered throughout the various announcements above, as well as other previous to these, the Company has spent the past 15 months or so, assembling the pieces of the business, including its public posture and initial capitalization, and now, "its game time". With much of that heavy lifting behind them, the focus will now turn from that development of the business to their success in executing it. We remain constructive about their ability to do that in a manner that should reflect measurably better valuation assessments in the coming quarters. That said, we submit, the visibility around the cadence of the launch of the business in terms of revenues and resulting profits, remains poor. For instance, visibility around revenue recognition (booking a full travel receipt versus only booking a commission from those receipts) is not clear. While that nuance should not (all other things remaining equal) impact the ultimate *profit* booked from those transactions, it does have the ability to impact recognized revenues. To be clear, we will almost certainly need to make meaningful adjustments around our model as we move forward, and again, some of that may be the result of how the revenue is received, but it may also be the result of the pace of the business momentum being less robust than we are assuming here. We would add, where available, we have modeled that pace around Company run rate guidance, which may or may not prove accurate.

Recall, in our initiating report, we noted that we were starting our coverage of NextTrip with an allocation of 3 rather than our typical starting allocation of 4 because of the "*open-ended nature of their capital requirements/efforts*". To translate, we had concerns about what their success might be accessing capital. As we noted above, the line of credit extended by the Chairman has addressed some of those concerns, although we suspect additional equity sales to support growth remain a likely scenario. However, given the current posture of the business, and assuming it rolls out relatively close to our assessments, we think their prospects to attract more favorable capital are certainly better today than they were when we initiated the coverage. As a result, we are raising our allocation from 3 to \*4 as well as maintaining our 12-24 month price target of \$8.50.

## Projected Operating Model

| NextTrip, Inc.   |                  |                     |                     |                     |                     |                     |
|--|------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| Projected Operating Model  |                  |                     |                     |                     |                     |                     |
| Prepared By: Dave Lavigne - Trickle Research   |                  |                     |                     |                     |                     |                     |
|  | (Actual)         | (Estimate)          | (Estimate)          | (Estimate)          | (Estimate)          | (Estimate)          |
|  | 05/31/25         | 08/31/25            | 11/30/25            | 02/28/26            | Fiscal 2026         | Fiscal 2027         |
| Revenue  | \$ 138,827       | \$ 1,553,918        | \$ 2,516,277        | \$ 5,724,216        | \$ 9,933,237        | \$39,433,163        |
| Cost of revenue (exclusive of depreciation and amortization, shown separately below) | \$ 99,921        | \$ 530,256          | \$ 929,643          | \$ 2,346,268        | \$ 3,906,088        | \$16,659,851        |
| <b>Gross profit</b>  | <b>\$ 38,906</b> | <b>\$ 1,023,662</b> | <b>\$ 1,586,634</b> | <b>\$ 3,377,948</b> | <b>\$ 6,027,149</b> | <b>\$22,773,313</b> |
| Operating Expenses   | \$ -             | \$ -                | \$ -                | \$ -                | \$ -                | \$ -                |
| Salaries and benefits  | \$ 696,914       | \$ 769,398          | \$ 811,287          | \$ 956,204          | \$ 3,233,803        | \$ 4,602,691        |
| Stock based compensation   | \$ 138,325       | \$ 140,000          | \$ 140,000          | \$ 140,000          | \$ 558,325          | \$ 290,000          |
| General and administrative   | \$ 30,588        | \$ 66,618           | \$ 95,488           | \$ 191,726          | \$ 384,420          | \$ 1,262,995        |
| Sales and marketing  | \$ 90,035        | \$ 205,392          | \$ 301,628          | \$ 622,422          | \$ 1,219,476        | \$ 4,143,316        |
| Professional Service Fees  | \$ 1,149,476     | \$ 431,078          | \$ 450,326          | \$ 514,484          | \$ 2,545,364        | \$ 2,388,663        |
| Technology   | \$ 321,815       | \$ 327,696          | \$ 375,814          | \$ 536,211          | \$ 1,561,536        | \$ 2,971,658        |
| Organization Costs   | \$ 1,999,670     | \$ 50,000           | \$ 50,000           | \$ 50,000           | \$ 2,149,670        | \$ 200,000          |
| Depreciation and amortization  | \$ 206,650       | \$ 207,063          | \$ 207,477          | \$ 207,892          | \$ 829,083          | \$ 835,736          |
| Other expenses   | \$ 45,170        | \$ 75,000           | \$ 75,000           | \$ 75,000           | \$ 270,170          | \$ 300,000          |
| Total Operating Expenses   | \$ 4,678,643     | \$ 2,272,245        | \$ 2,507,020        | \$ 3,293,939        | \$12,751,847        | \$16,995,060        |
| Operating loss   | \$ (4,639,738)   | \$ (1,248,583)      | \$ (920,387)        | \$ 84,009           | \$ (6,724,698)      | \$ 5,778,253        |
| Other Income/(Expenses)  | \$ -             | \$ -                | \$ -                | \$ -                | \$ -                | \$ -                |
| Loss on disposal of assets   | \$ -             | \$ -                | \$ -                | \$ -                | \$ -                | \$ -                |
| Gain on extinguishment of liability  | \$ (70,100)      | \$ -                | \$ -                | \$ -                | \$ (70,100)         | \$ -                |
| Loss on promissory note receivable   | \$ -             | \$ -                | \$ -                | \$ -                | \$ -                | \$ -                |
| Interest income (expense), net   | \$ (276,333)     | \$ (75,000)         | \$ (75,000)         | \$ (75,000)         | \$ (501,333)        | \$ (300,000)        |
| Other Income (expense)   | \$ 540,245       | \$ -                | \$ -                | \$ -                | \$ 540,245          | \$ -                |
| Total other income (expense)   | \$ 193,812       | \$ (75,000)         | \$ (75,000)         | \$ (75,000)         | \$ (31,188)         | \$ (300,000)        |
| Net loss from continuing operations before taxes                                     | \$ (4,445,926)   | \$ (1,323,583)      | \$ (995,387)        | \$ 9,009            | \$ (6,755,886)      | \$ 5,478,253        |
| Provision for income taxes   | \$ -             | \$ -                | \$ -                | \$ -                | \$ -                | \$ -                |
| Net loss from continuing operations  | \$ (4,445,926)   | \$ (1,323,583)      | \$ (995,387)        | \$ 9,009            | \$ (6,755,886)      | \$ 5,478,253        |
| Net loss from discontinued operations, net of taxes                                  | \$ -             | \$ -                | \$ -                | \$ -                | \$ -                | \$ -                |
| Net Income/Loss  | \$ (4,445,926)   | \$ (1,323,583)      | \$ (995,387)        | \$ 9,009            | \$ (6,755,886)      | \$ 5,478,253        |
| Preferred Dividends  | \$ -             | \$ -                | \$ -                | \$ -                | \$ -                | \$ -                |
| Net Loss Applicable to Common Stockholders   | \$ (4,445,926)   | \$ (1,323,583)      | \$ (995,387)        | \$ 9,009            | \$ (6,755,886)      | \$ 5,478,253        |
| Basic loss per common share from continuing operations                               | \$ (0.68)        | \$ (0.18)           | \$ (0.14)           | \$ 0.00             |                     |                     |
| Diluted loss per common share from continuing operations                             | \$ (0.68)        | \$ (0.16)           | \$ (0.12)           | \$ 0.00             |                     |                     |
| Basic loss per common share from discontinued operations                             | \$ -             | \$ -                | \$ -                | \$ -                |                     |                     |
| Diluted loss per common share from discontinued operations                           | \$ -             | \$ -                | \$ -                | \$ -                |                     |                     |
| Loss per common share basic  | \$ (0.68)        | \$ (0.18)           | \$ (0.14)           | \$ 0.00             | \$ (0.92)           | \$ 0.66             |
| Loss per common share diluted  | \$ (0.68)        | \$ (0.16)           | \$ (0.12)           | \$ 0.00             | \$ (0.85)           | \$ 0.64             |
| Weighted average number of shares outstanding basic                                  | 6,585,197        | 7,268,617           | 7,268,617           | 8,339,748           | 7,365,545           | 8,339,748           |
| Weighted Average Number of Shares Outstanding diluted                                | 6,585,187        | 8,404,094           | 8,460,918           | 8,510,331           | 7,990,132           | 8,600,630           |

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**Rating System Overview:**

There are no letters in the rating system (Buy, Sell Hold), only numbers. The numbers range from 1 to 10, with 1 representing 1 "investment unit" (for my performance purposes, 1 "investment unit" equals \$250) and 10 representing 10 investment units or \$2,500. Obviously, a rating of 10 would suggest that I favor the stock (at respective/current levels) more than a stock with a rating of 1. As a guideline, here is a suggestion on how to use the allocation system.

Our belief at Trickle is that the best way to participate in the micro-cap/small cap space is by employing a diversified strategy. In simple terms, that means you are generally best off owning a number of issues rather than just two or three. To that point, our goal is to have at least 20 companies under coverage at any point in time, so let's use that as a guideline. Hypothetically, if you think you would like to commit \$25,000 to buying micro-cap stocks, that would assume an investment of \$1000 per stock (using the diversification approach we just mentioned, and the 20-stock coverage list we suggested and leaving some room to add to positions around allocation upgrades. We generally start initial coverage stocks with an allocation of 4. Thus, at \$1000 invested per stock and a typical starting allocation of 4, your "investment unit" would be the same \$250 we used in the example above. Thus, if we initiate a stock at a 4, you might consider putting \$1000 into the position ( $\$250 * 4$ ). If we later raise the allocation to 6, you might consider adding two additional units or \$500 to the position. If we then reduce the allocation from 6 to 4 you might consider selling whatever number of shares you purchased with 2 of the original 4 investment units. Again, this is just a suggestion as to how you might be able to use the allocation system to manage your portfolio.

**For those attached to more traditional rating systems (Buy, Sell, Hold) we would submit the following guidelines.**

- A Trickle rating of 1 thru 3 would best correspond to a "Speculative Buy" although we would caution that a rating in that range should not assume that the stock is necessarily riskier than a stock with a higher rating. It may carry a lower rating because the stock is trading closer to a price target we are unwilling to raise at that point. This by the way applies to all of our ratings.
- A Trickle rating of 4 thru 6 might best (although not perfectly) correspond to a standard "Buy" rating.
- A Trickle rating of 7 thru 10 would best correspond to a "Strong Buy" however, ratings at the higher end of that range would indicate something that we deem as quite extraordinary..... an "Extreme Buy" if you will. You will not see a lot of these.