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February 26, 2018

Mehdi Mahmud
President and Chief Executive Officer
First Eagle Investment Management Company
1345 Avenue of the Americas, 48th Floor
New York NY 10105

Dear Mr. Mahmud:

I urge you to use your financial leverage as a major gun company shareholder to encourage more responsible actions by these companies.

On February 14, 2018, a 19-year old gunman opened fire on students, teachers, and staff at Marjory Stoneman Douglas High School in Parkland, Florida, killing 17 people and injuring at least 14 others. The gunman's weapon of choice was the AR-15 rifle. AR-15-style rifles were also used to kill dozens in recent mass shootings in Newtown, San Bernardino, Orlando, Sutherland Springs, and Las Vegas.[79]

Gun violence has become an epidemic in America. Since the start of 2018, there have been 34 mass shootings in the United States.[80] The headlines are fewer, but gun violence also occurs every day on streets, playgrounds and homes across this country. According to the Gun Violence Archive, guns have already claimed the lives of over 2,200 people, including 86 children, this year.[81]

The AR-15 rifle used in the Parkland murders is manufactured by Smith & Wesson, a subsidiary of the publicly traded American Outdoor Brands Corporation (AOBC). There are two other large, publicly traded companies that manufacture similar weapons, Sturm, Ruger & Company, and Vista Outdoors.[82] First Eagle holds the fourth largest stake in Vista Outdoors.[83]

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[79] Los Angeles Times, Mass Shootings are Getting Deadlier. And the latest ones all have something new in common: The AR-15 (Feb. 14, 2018) (http://www.latimes.com/nation/la-na-ar-15-story.html).

[80] Gun Violence Archive (accessed Feb. 23, 2018) (http://www.gunviolencearchive.org/).

[81] Gun Violence Archive (accessed Feb. 23, 2018) (http://www.gunviolencearchive.org/).

[82] For example, Sturm Ruger manufactures the AR-556, described by American Rifleman as "an entry-level AR-15 carbine that's definitely ready to give the other budget ARs on the market a run for their money," the weapon that was used in the November 2017 Sutherland, Springs, Texas church massacre. (*American Rifleman*, AR-556 (Dec. 15, 2014) (https://www.americanrifleman.org/articles/2014/12/15/ruger-ar-556/); *CNN*, What we know about the rifle used in the Texas church massacre (Nov. 6, 2017) (http://money.cnn.com/2017/11/06/news/companies/ruger-ar-556-ar-15/index.html)). Savage Arms, a subsidiary of Vista Outdoors, "announced that it is now in the AR, or MSR, business, introducing four models simultaneously," in January 2017 (*American Rifleman*, Savage Arms Introduces Its First AR Rifles (Jan. 3, 2017) (https://www.americanrifleman.org/articles/2017/1/3/savage-arms-introduces-its-first-ar-rifles/).

[83] CNN Money, Top 10 Owners of Vista Outdoor Inc.) (accessed February 23, 2018) (http://money.cnn.com/quote/shareholders/shareholders.html?symb=VSTO&subView=institutional).

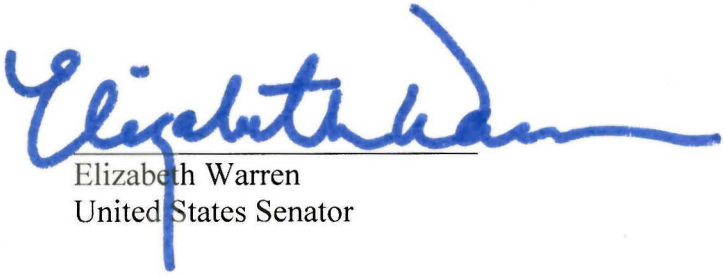
This means that your company directly benefits from sales of weapons, including those that are used in violent assaults. In a terrible twist, "stock prices of gunmakers often rise after mass shootings."[84] For example, after the shooting in Las Vegas, which left 58 dead and over 850 injured, stock in AOBC rose by over 3%. Following the slaughter of students and staff in Parkland, AOBC's stock rose as much as 4.5%,[85] and "[h]istory shows that Sturm Ruger and American Outdoor Brands rise 1.6 percent and 2.2 percent, respectively, five days after a mass shooting."[86]

I encourage you take action to ensure that the gun companies in which you invest are taking steps to reduce gun violence. There are numerous ways in which these companies can act. Gun companies can establish tougher self-regulation to ensure that the retail outlets that sell their products impose their own requirements (such as higher minimum age requirements for purchase of weapons, or requiring waiting periods prior to purchase). They can direct company research towards the development of safer weapons and violence reduction. They can take additional actions in conjunction with their distributors, retailers, and other business partners. None of these actions would substitute for action by the federal government, but each would help reduce gun violence.

Your company is in a powerful position. You have reaped significant benefits from your investment in gun manufacturers, but have done little to reduce the violence and murders caused by their products. I urge you to begin to use your vast investment in gun manufacturers to prevent gun violence.

I ask that you brief my staff on your plans for action no later than March 9, 2017.

Sincerely,



Elizabeth Warren
United States Senator

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[84] CNBC, Smith & Wesson's parent company closes higher after the Florida shooting (Feb. 15, 2018) (https://www.cnbc.com/2018/02/15/gun-stocks-are-rallying-as-they-usually-do-after-a-mass-shooting.html).

[85] CNBC, Smith & Wesson's parent company closes higher after the Florida shooting (Feb. 15, 2018) (https://www.cnbc.com/2018/02/15/gun-stocks-are-rallying-as-they-usually-do-after-a-mass-shooting.html).

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