



Company-Sponsored Research Case Study



| BIOCORRX, INC. (BICX) CASE STUDY

WHY IS COMPANY-SPONSORED RESEARCH (CSR) NEEDED?

- Obtaining research is difficult for small-capitalization, low-volume stocks. Small-cap coverage is simply uneconomical for the traditional broker/dealer model.
- Frequently, small-capitalization stocks incur the large expenses of being public, while not sufficiently realizing the benefits of being public.
- Within the debt markets, companies pay bond raters to issue ratings on their bond offerings and small-capitalization companies will likely need increased coverage, similar to the debt markets in our view.
- Paid research allows under-followed companies to reach new investors and institutions.

JGR CAPITAL'S CSR MODEL

- Research analysts can always decide if they want to cover a specific equity based on its investment merits
- Reports are identical to JGR Capital's long-short equity traditional equity research reports, except with a revised disclosure
- All companies must be approved by JGR Capital's senior management prior to being covered in order to maintain the JGR Capital's brand
- JGR Capital offers some of the lowest prices for ISR in the industry, with portions of payments able to be made in stock upon analyst approval. This equity incentive aligns JGR Capital with the company, as we benefit as the client benefits

THE EFFECTS OF COMPANY-SPONSORED RESEARCH

ONE YEAR OF COVERAGE IN A SNAPSHOT



At the time of initiating coverage on BioCorRx, Inc., there were zero analysts covering the company. After we issued our initiation report on BICX on January 19th, 2017, its stock increased by 6.25% the day after. Now the stock has remained around \$0.185 (from \$0.032 at initiation) a share, an increase of almost 600%.