THE MANIFESTO FIRST OFFICESCENTS OFFICES CONTROL 2012

2012 YEAR IN REVIEW

man·i·fes·to [man-uh-fes-toh] noun, plural man·i·fes·toes.

noun, plural man.i.tes.toes. a public declaration of intentions, opinions, objectives, or motives, as one issued by a government, sovereign, or organization.

WELCOME TO THE 2012 FD YEAR IN REVIEW

We're not huge on rules at FIRST DESCENTS. But intentions, opinions, objectives and motives? Those we firmly believe in. Because we're also not your run-ofthe-mill organization. This isn't your average crew of folks. We're not out doing status quo stuff. And 2012 was anything but an ordinary year. Our participants, programming, volunteers, teams and commitment to extraordinary experiences for young adults with cancer made 2012 our most groundbreaking year yet. We accomplished a lot together for hundreds of people in eleven states and three countries, immersed in unmatched river, rock, mountain and surf experiences.

Yes, 2012 was exceptional. But, despite this marking our 12th circle around the sun, we don't really measure accomplishments in years here. More like moments the important ones, the ones that come to define us.

By that measure, we've done a lot. Enough to know that there's still so much more to do.

Welcome to the year in review. We're incredibly proud of the successes herein, but as you read through, keep one thing in mind:

WE'RE JUST GETTING STARTED.

WE ALL HAVE TO START SOMEWHERE. BUT IF THE JOURNEY IS WORTH IT, THE END IS NEVER IN SIGHT.

DON'T EVER LET CANCER GET THE BETTER OF YOU. MAKE DAMN SURE YOU SHOW IT THE BEST OF YOU.

EXTENDING THE RAD

In 2012, and as it is with any good first descent, we here at FD found ourselves pushing our limits, facing huge challenges and having to focus on our mission and core values, cling to our beliefs, trust our instincts and lean on each other to navigate our biggest rapid yet: the need to extend the FD experience to more and more young adults with cancer.

Many things happened in 2012 that made it so huge. Here are just a few highlights:

We challenged ourselves with the ambitious goal to nearly double the size of the organization and the number of programs we offer. We hosted 45 programs around the country and the world. Yep, we took FD international! Participants crushed it in Costa Rica surfing glassy waves on beautiful beaches and I had the pleasure of kayaking deep canyons and trekking over 15.000 foot mountain passes in Peru alongside 15 other FD Family members. As weird as it may sound, I found myself laughing at cancer because, there atop remote mountains, surrounded by my closest friends, we had beat cancer! We were, in fact, Out Living It!

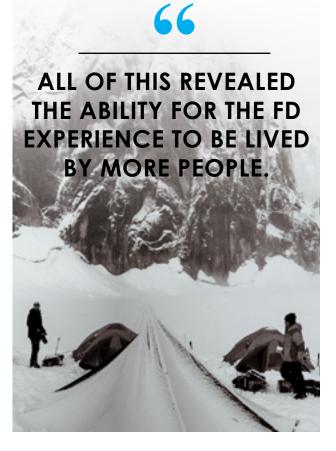
FIRST DESCENTS continues to evolve and innovate to meet the requests of our participants by creating and implementing several FDi (introductory) programs around the country. FDi's are weekend programs built in partnership with medical centers. FD runs the program and the Center fills it with their patients. The testimonials from those weekends were every bit as powerful as a week-long program; the barriers to entry were lowered and many of our FDi participants have gone or will go onto an FD1.

We began the long awaited journey to quantify our programs by partnering with Stanford's Head of Behavioral Sciences, Dr. Stephen Koslyn, and his partner, a clinical psychologist, Dr. Robin Rosenberg. We're anxiously awaiting the results from the study but are confident they'll reveal what we've known all along—these programs dramatically change lives!

For years, we here at FD have been trying to scale our programs by consistently delivering the same life-changing adventure, and I'm excited to announce that this year, thanks to the hard work of Corey Nielsen and Willie Kern—our Global Experience Developers and "soul curators"—FD has found a way to teach other Purveyors of Rad (our Lead Staff) to deliver the FD experience to the young adults who attend our programs time and time again.

All of this revealed the ability for the FD experience to be lived by more people, in more places and in new and amazing ways. With this realization, we're on a mission to hand it out, free of charge, to as many people as possible moving forward. We all deserve to be OUT LIVING IT! As always, I want to extend a HUGE thanks to all of you who've made it possible. This adventure is OURS and only exists with the collective belief that outdoor adventure is powerful, transformative and necessary. Thank you for believing with us and doing so much to make it possible! We're just getting started.

Brad Ludden CEO FIRST DESCENTS



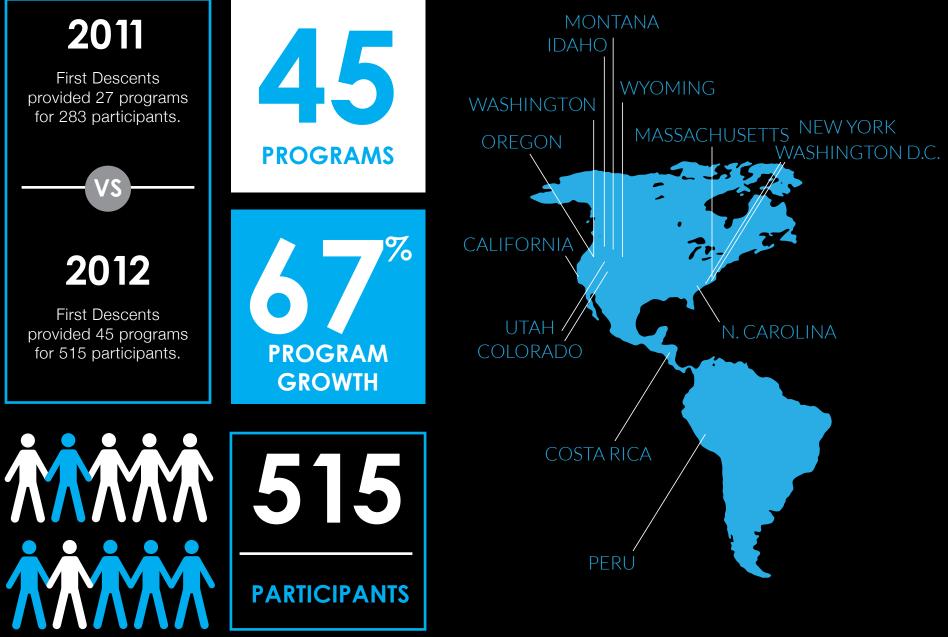
CANCER CAN BE A LONELY PLACE. WE ARE NOT ALONE.

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PROGRAMMING



WHY YOUNG ADULTS? EACH YEAR, NEARLY 70,000 YOUNG ADULTS (AGE 15 – 39) ARE DIAGNOSED WITH CANCER IN THE U.S. ALONE. In contrast to both younger and older patients, survival rates for young

to both younger and older patients, survival rates for young adults have not increased since 1975. Trapped between pediatric and adult oncology, young adults often don't experience tailored quality of care. Young adult cancer fighters and survivors face a unique set of challenges including infertility, loss or lack of insurance, loss or lack of financial independence, re-entry to the workplace and secondary malignancies. These challenges are frequently accompanied by psycho-social issues such as feelings of alienation and isolation, depression and decreased self-confidence.

FIRST DESCENTS uses outdoor adventure as a catalyst for addressing these issues by de-stigmatizing cancer, renewing a sense of self and creating a supportive community. Our programs have proven to be an incredibly effective way of reaching a demographic of fighters and survivors that has traditionally been reluctant to reach out for conventional resources.

Locations: OR, MA, NC, CA, UT, CO, WY, NY, MT, ID, AK

Peru, Costa Rica, US

EMBRACE IRONY. MY CANCER = MY FIRST DESCENT.



MY BODY IS NOT A TEMPLE. MY MIND IS.





MARKETING + PR

SPREADING THE WORD. SPREADING THE LOVE.

Marketing efforts at FIRST DESCENTS spanned traditional and new media in 2012, focusing heavily on developing powerful content and multi-media distribution. Most notably, #OutLivingIt took a stronghold in the social space as both the FIRST DESCENTS official tagline and a great way for our participants, volunteers, sponsors, and staff to tell the world how they're doing just that. The result is a cross-pollinated integration of the FIRST DESCENTS philosophy in a recognizable, relatable, excitable way.

We also worked with our public relations partner, Outside Media, to solidify strategic editorial placements and coverage. This earned media led to millions of free impressions as well as local, regional, national, and global brand exposure. Notably, FIRST DESCENTS participants contributed to a blog on Huffington Post called *Generation Why*, highlighting generational health and wellness issues.

I FEEL THE SUN ON MY COLD, WET FACE. MY FIRST DESCENT MAY HAVE BEEN FLAWED, BUT IT PROVED MY ABIL-ITY TO REALLY LIVE.

Shelley Nolden from Letting Go of Fear: How Risking My Life on a River Helped Me to Live Again Huffington Post: Generation Why



CANCER IS NOT A ONE TRICK PONY. THE FD FAMILY INCLUDES ALL WHO FIGHT.

2012 INNOVATIONS

FDi

In an effort to reach more young adult cancer fighters, we designed and launched FDi (FD Intro) in 2012 with great success. Each two-to-three day weekend program is hosted in collaboration with cancer centers nationwide. The goals of the FDi program are to establish and maintain partnerships with medical centers, lower the barriers to entry for patients (to be inclusive of more ethnic diversity, cultural diversity, socioeconomic diversity, those still in treatment or otherwise unable to attend a weeklong program), and connect young adult patients with other survivors in their local area. The program was met with great success, and FIRST DESCENTS was thrilled to provide FDi adventures at some of the nation's most renowned cancer centers in 2012.

FDrock

We were thrilled to pilot our first caregiver program, FDrock, in 2012. FD participants were given the opportunity to nominate the "rock" who had been by their side through diagnosis, treatment, recovery and survivorship, to attend an FD adventure experience of their own. FDrock is one of the many ways FD is attempting to improve the lives of young adults with cancer—by addressing the whole patient. The need for partner/caregiver respite is well documented, and FIRST DESCENTS is excited to be able to provide FDrock programs, after years of requests from our participants.

FDX INTERNATIONAL

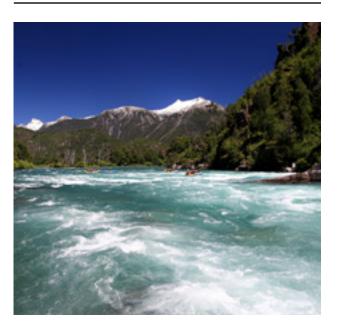
In 2012, we took our epic FDX adventure programs across the globe. FD participants reached fundraising goals of sponsoring a first-time FD1 participant, packed their bags and their passports, and set out on adventures of a lifetime. Our FDX'ers sought surf in Costa Rica and multi-sport challenges in Peru, in addition to exploring some of the United States' most pristine destinations - the Main Salmon River and Denali National Park. FDX continues to be the ultimate adventure for our FD alumni. combining the opportunity for pursuing adventure alongside FD family with embracing the challenge of giving back to the FD community through Team FIRST DE-SCENTS fund raising.

ALUMNI ADVISORY BOARD

In 2012, we set a goal to improve alumni communications, opportunities to stay involved, and engagement in both program and organization-wide initiatives. We invited a select group of amazing FD alumni to form our first Alumni Advisory Board. The AAB is led by a Chair, and organized into three subcommittees (Programs, Marketing, Development) that each work closely with a staff liaison to ensure movement, transparency and actionable steps between the AAB, staff and Board of Directors. We're thrilled to have the Alumni Advisory Board representing the voice of our young adult fighters and survivors; helping to guide the FD experience and further our mission

RESEARCH

Thanks to funding from corporate sponsor Genentech, we were thrilled to embark on a quantitative research project aimed at measuring the psychological effects of the FIRST DESCENTS experience. We identified six elements to study: body image, self-compassion, self-esteem, depression, alienation and isolation. Our hope was that the results of the project will give us some quantitative data highlighting what our participants have been telling us for years-that their lives and their survivorship have been significantly improved by experiencing FIRST DESCENTS. An equally important study goal is to gain a better understanding of the psychological characteristics of our participants in order to continue to improve our programs.



TEAM FIRST DESCENTS

In 2012, TEAM FIRST DESCENTS continued to be our largest single source of funding, raising a record \$861,916 through 534 athletes. We had serious and amateur athletes alike, participating in Ironmans, Kayak events, Yoga challenges, and the Leadville 100 Mountain Bike endurance race. We partnered with REVO to host the 3rd annual Climbathon and raised more than \$50,000. We even had 10 exceptional athletes who trained raised more than \$30,000 as they trained for the NYC Marathon-that-wasn't.

\$861,916

RAISED

But maybe the best thing that happened with Team First Descents in 2012 was Camp Call Me Maybe. This group of 14 who attended a surf camp in North Carolina truly embraced the culture of #OutLivingIt when they committed to participating in TFD events across the country to raise enough money to fund a week-long program. We are so proud of each and every one of them for embracing challenge and paying it forward to support other young adult fighters.

534

ATHLETES

WHEN THE ANSWERS DON'T YET EXIST, WE RELY ON FORESIGHT + IMAGINATION TO FIND THEM.

2012 LEADERSHIP



BOARD OF DIRECTORS

Joel Appel, Director Josh Behr, Director Jennifer Feikin, Vice Chair Brent Goldstein, Chairman Eva Ho, Treasurer Debbie King Ford, Secretary David Lee, Director Brad Ludden, CEO/Founder, Director Corey Nielsen, Director Brad Reiss, Assistant Rochelle Shoretz, Alumni Participant Larry Smith, Medical Director Brian Wickman, Alumni Participant

ALUMNI ADVISORY BOARD

Anne Meisner, Chair Rochelle Shoretz, Board of Directors Liaison Christina Dixon Andy Fleming, Development Subcommittee Chair Meghan Kearney, Programs Subcommittee Chair Susan Rafferty Jasan Zimmerman, Marketing Subcommittee Chair Craig Stein Alix Berglund Beth Pointer David Podein

2012 STAFF

Brad Ludden, CEO and Founder Kelly Malin, COO Rebekah Koenigbauer, Director of Marketing Whitney Lange, Director of Programs Nina Sharma, Director of Development Chris Sizemore, Director of Operations Lisa Goldstein, Team FIRST DESCENTS Manager Peta Sheridan, Programs Manager Matt Glowinsky, Programs Coordinator Julie Kinamore, Programs Coordinator Jenna Catalona, Marketing Coordinator Erin Kelly, Team FIRST DESCENTS Coordinator Paul Kelly, Administrative Coordinator Willie Kern, Global Experience Developer Corey Nielsen, Global Experience Developer

MEDICAL ADVISORY BOARD

Holly Adnan, RN Ken Adnan, MD Archie Bleyer, MD Penny Damaskos, PhD, LCSW, OSW-C Robbie Gluckson Kristin McMaster, MSW Daniel H. Silverman, MD, PhD Marc Slatkoff, MD Larry Smith, MD Michelle Snyder, MBA Ruth Tesar Laurence Tokaz, MD Pamela Tokaz, LMFT, LPC, MSN Brad Zebrack, PhD Wendy Nekritz, MD

FINANCIALS

Statement of Financial Position

December 31, 2012

Assets

Cash and cash equivalents	\$	483,326
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Grants receivable		88,000
Contributions receivable		41,190
Prepaid expenses		98,220
Inventory		4,071
Property and equipment, net		91,373
Other assets		5,195
Total Assets		\$811,375

Liabilities and Net Assets

Total Liabilities	\$115,073
Payable to related party	-
Accounts payable and accrued expenses	\$ 115,073

Commitments and contingencies

Net Assets

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Unrestricted Temporarily restricted	\$ 646,302 50,000
Total net assets	\$ 696,302
Total liabilities and net assets	\$811,375

FINANCIALS

Statement of Activities - December 2012

	Unrest	ricted	mporarily estricted	Total		
Support, revenue and gains	Decembe	r 31, 2012				
Support, revenue and gains Team FD Net store (loss) Net event income General contributions Grants Other income Net assets released from restriction Total support, revenue and gains Expenses Program services Administrative General donor development Total expenses Change in net assets before other expenses Other income (expenses) Change in net assets	\$	665,508 3,638 338,573 332,972 515,546 543 150,000	\$ - - 50,000 - (150,000)	\$	665,508 3,638 338,573 332,972 565,546 543	
Total support, revenue and gains		2,006,780	(100,000)		1,906,780	
Expenses						
Administrative		1,587,807 107,829 245,186	-		1,587,807 107,829 245,186	
Total expenses		1,940,822	-		1,940,822	
Change in net assets before other expenses		65,958	(100,000)		(34,042)	
Other income (expenses)		101,363	-		101,363	
Change in net assets		167,321	(100,000)		67,321	
Net assets, beginning of period		478,981	150,000		628,981	
Net assets, end of period	\$	646,302	\$ 50,000	\$	696,302	

FINANCIALS

Supporting Services

Statement of Functional Expenses

Fundraising

December 2012											
Description of Expenses		Programs		Team FD		Development		Administrative		Total	
Salaries and wages	\$	378,175	\$	47,982	\$	144,947	\$	52,489	\$	623,593	
Payroll taxes and benefits	÷	68,553	÷	6,172	÷	18,522	÷	9,825	÷	103,072	
Accounting, legal, and consulting fees				-		-		18,396		18,396	
Alumni outreach		25,297		-		-		-		25,297	
Bank and merchant fees				48,905		4,543		827		54,275	
Conferences and meetings		9,450		-		139		-		9,589	
Contract staff		376,460		-		19,909		5,870		402,239	
Cost of direct benefit to donors		-		-		378,100		-		378,10	
Cost of goods sold		-		-		8,919		-		8,919	
Depreciation		18,158		_		6,504		636		25,298	
Dues and subscriptions		-		_		0,004		1,348		1,348	
Event entries				77,634		_		1,040		77,634	
Events		_				660,835		_		660,83	
Insurance		6,913				000,000		4,306		11,219	
IT/web development		9,317		_		1,084		4,000		10.40	
Marketing		29,662		5,342		4,127		-		39,13	
Participant recruiting		46,858		5,542		4,127		-		46,85	
Payroll processing expenses		1,109		-		- 508		340		40,85	
Postage and shipping		4,649		6,041		886		340		1,95	
5 11 5		,		0,041		000		-		78,28	
Program equipment and vehicle rentals Program facilities rent		78,282		-		-		-			
Program meals		195,514		-		-		-		195,51 92,32	
		92,325		-		-		-			
Program supplies		31,556		-		-		-		31,55	
Public relations		19,088		-		6,666		-		25,75	
Rent, utilities, and supplies		26,231		3,948		18,260		8,318		56,75	
Travel and meals		170,210		384		19,091		5,474		195,159	
Total	ę	\$1,587,807		\$196,408		\$1,293,040		\$107,829		\$3,185,084	
Less expenses netted against revenue:											
Other Team FD costs		-		118,774				-		118,774	
Events		-				660,835		-		660,83	
Cost of direct benefit to donors		-		77,634		378,100		-		455,73	
Direct store expense		-		-		8,919		-		8,919	
Total Expenses		\$1,587,807		-		\$245,186		\$107,829		\$1,940,82	
Functional expenses as a percentage of total expense		81%		0%		13%		6%		1009	

2012 DONORS

Thank you to the hundreds of individuals, foundations, and corporations that collectively donated more than \$2 million to make 2012 our most successful year to date. \$100,000+

Genentech Brad & Kammi Reiss

\$50,000+

The Anschutz Foundation Kirk & Kathy Mackenzie

\$25,000

Joel Appel Deckers Outdoor Corporation Grady & Lori Durham Jennifer Feikin Jon & Mindy Gray Family Foundation Nancy Lazkani of Icon Media Direct Oakley, Inc. The Palette Fund

\$10,000+

Eileen & Lowell Aptman Rich & Linda Behr Tre Behr Scott & Ellen Burke John & Cora Davis Custom Rubber Products **Downey-Short Foundation** Empowered Wealth Foundation Epic Foundation, Inc. Debbie & Rob Ford Goldman Sachs Gives **Gross Family Foundation** Jimmie Johnson Foundation Katie Jozwicki Chuck & Jinny Ludden Millennium Pharmaceuticals Allison Molina Gordon & Betty Moore Foundation **Emily Mueller** The Precourt Foundation Renaissance Mountaineering

Michael & Carol Staenberg Jeff & Diana Wiepking Jasan Zimmerman

\$5,000+

Nicole Adams Clifford Atkinson John Baker Elvsa Barron Josh & Jennifer Behr Hans & Alix Berglund Stephen & Nancy Boyd **Buckley Firefighters Association** Nicole Bunting Amy Lee Casev Eugene Eder Charitable Foundation Colin Fryer The James J & Joan A Gardner Family Foundation Peter & Christy Geyer Brent & Lisa Goldstein Great Divide Brewing Company Jerry Haffey Scott Henrikson Kvle Herren Joe & Margie Hubert John Jaran Janice Jones KC & Janice Jones Michael & Kori Kleinstuber Gwen Libstag Guv Locascio Marble City Brewing Company Mellam Family Foundation Doug & Katherine Milham Morphotek Gary & Christine Muskett Sue Rushmore Eric & Susan Wagenknecht Danny Young

\$2,500+

Ron Amass Bill & Liz Armstrong Marian & Patrick Beirne Doug & Melissa Bonnette Douglas & Chantelle Braham Jennifer & Billy Burns Leslie Capin Deknota LLC Margaret Duffv East West Partners Englewood Mortgage Company Susan Ferrari First American Title Insurance Company Fuller | Sotheby's International Realty Gulf Coast Community Foundation Bruce & Marni Gutkin Eva Ho Kristen Jackson Tania Jackson Paul Johnson The Kind Cyclist Steve & Elizabeth Kris Mark & Linda Kogod Land Title Guarantee Company Larry & Deb Linne Location3 Media. Inc. Shauna Maver Johnny & Kasha McDade Chad McWhinney Monticello Associates Larry & Mary Kay Mueller Michael Plotnick Howard & Linda Postal Michael & Gwen Potts **Rocky Mountain Cancer Centers** Rick & Pamela Rolph Dale Sand **Rick & Susan Schmitz** Slifer Smith & Frampton / VARE Steadman Hawkins Clinic, LLC UPS Craig Vaccaro

\$1,000+

Bill & Lori Amass Ameritel Corporation Anheuser-Busch David & Terry Appel Max & Elaine Appel Applied Research Associates Aronson Foundation Martin Atkin The Atkins Family Foundation Reagan Barnett Richard Badenhausen RJ & ML Badenhausen Charitable Fund Mark Baisch Charles Baker Michelle Baldasare Bank of America Charitable Foundation Melissa Barrett John Barry Jason & Karson Beaty Laurence & Carolyn Belfer Davis Berg Theresa Berger Eric & Carolyn Berkman The Bibler Foundation. Inc. Jeffrey & Sara Biskup Joanne Blumhardt Raquel Borgenicht Adam Borowski Gus & Eleanor Bramante Bob & Susan Breeden Caroline Bridges Randy & Michelle Brunschwig Russell Bundv Michael Bushnell Chris Carrera ll Chung Citizens Bank Tim Clark The Columbine Foundation The Community Foundation for the National Capital Region Rodney & Caryn Cohen

Ryna and Melvin Cohen Family Foundation David Corkerv Crabtree's Photoworks **Crestone Capital Advisors** Allison DeFrancesco Trace & Betty Devanny Christina Dixon Patricia Eastman Doug Ebner Lillian Edwards Einhorn Charitable Trust Ben & Shirlev Eisler Alyssa Englund Epic Shore to Shore Fidelity Charitable Gift Fund Betsy Fink Flex Watches Julias J Franchini Family Charitable Foundation Graham & Shawnna Frank Bob & Margo Freeman Fric & Jennifer Fretz John Geller Peter Ginsberg Michael Glassman Barbara Goldberg Carol Goldberg David & Iris Gordon Joe & Heidi Groeger Mark Hallenback Stuart Halpert Carolvn Hanson Kate Heckman Timothy & Claudia Helmig Betsy Hendrickson Highland Investments Jeffrev & Lezlev Hoffman Hometown Heros Inc Steve & Molli Hourihan Michael Kantor Hikaru Isihara Dr. Ron Israeli Jewish Communal Fund

Kevin & Jill Kane Danny Kaufman John Kelly Dave & Bridget Kornder Janet Kritzer David Lanoha Melissa Lawrence Jennifer Lewan Linda Lipsius Jamie & Kelly Malin Robert & Judy Mann Gary Mark Gary McAleenan Geoff & Lindsay McFarlane Jeff & Anne Meisner Brad & Holly Mendelson Susan Milhoan Alon & Rikki Mor Barry Nekritz Erin Newman Michael Noble Charles Nulsen III Ryan O'Donoghue Thiry O'Leary Foundation Dave & Teresita Olson The Overbrook Foundation Kirsten Ovind Ed & Maria Peats Justin & Frin Peereboom Darci Pool Alex Porter Merle & Rita Postal **RBC** Capital Markets Peter Rablev Ragnar Relav Gary & Amy Reiss Rise Above It Gary & Beth Rohr Daniel & Sharon Roitman Joshua Sager Jeff Schertz Christina Schleicher Andrew & Lori Schuman Kern & Jan Serota

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WE ARE A TRIBE. A COLLECTIVE. A TEAM. AND A FAMILY BROUGHT TO-GETHER FOR THE MOST DESPICABLE REASON, THE UGLIEST IMPACT: CANCER.

BUT

WE STAND AND PADDLE AND SURF AND CLIMB AND THRIVE TOGETHER NOW NOT BECAUSE OF CANCER, **BUT BECAUSE OF FIRST DESCENTS**.

CANCER CAN COME A-KNOCKIN' ALL IT WANTS. IT CAN YELL AND SCREAM AND THROW FITS AND TAKE LIMBS AND MEMORIES. SHAKE ITS CATHETERS AND CHEMO IN OUR FACES. **BUT IN THIS FAMILY, IT'LL GET NOWHERE.**

BECAUSE THE ROAR OF THE RIVER, THE SILENCE OF THE SUMMIT, THE CLASH OF THE SURF AND THE WAR CRIES OF THIS TRIBE WILL ALWAYS WIN.

WE ARE FIRST DESCENTS.

WE ARE **#OUTLIVINGIT.**

AND THIS IS OUR MANIFESTO.