MONOPOLY MOAT RESEARCH DESK / 04 / FALSIFICATION

Monopoly Thesis Kill Sheet

A precommitment workbook for specifying what observable evidence would invalidate a monopoly business thesis, a fund's implementation of it, or the ETF vehicle itself.

NO SCORE

Write the threshold before the observation. Missing evidence is untestable, not a pass. Evidence completeness and trigger state are reported separately.

Facts frozen August 26, 2026 · Methodology v1.0 · US-only research · Free field sheet

02 / OPERATING MODEL

Three failure levels. Two independent status axes.

Level	What can fail	Example evidence
Business thesis	Pricing power, switching cost, share, substitutes, regulation, unit economics	Company filings, cohort evidence, final orders, industry data
Fund implementation	Mandate fit, manager/index drift, concentration, private look-through	Prospectus, index rules, holdings, supplements, valuation disclosures
ETF vehicle	Viability, spreads, premiums/discounts, closure, tracking delivery	Issuer trading data, filings, matched-basis performance

Axis	States	Precedence
Evidence	Complete / Incomplete	Missing, stale, ambiguous, or insufficient coverage makes evidence incomplete
Trigger	Precommitted breach / Watch / No breach observed	Breach outranks watch; evidence state remains separate

FORBIDDEN OUTPUT

This worksheet never produces buy, hold, sell, suitability, rating, target price, or a numeric score. It records evidence against a prewritten thesis.

- Hard trigger: a predefined event immediately constitutes breach.
- Soft trigger: a threshold becomes breach only after its predefined persistence period.
- Changing a threshold after observing a result creates a new version; preserve the original.

03 / FOUNDATION

Mechanism and evidence coverage

Complete the criterion before recording the current observation.

01

BUSINESS THESIS / CAUSAL MECHANISM

The thesis depends on ___ because it should produce ___.

Evidence needed: Observable mechanism, horizon, and primary evidence source.

Threshold / persistence / source: ______________________________

Observation / date / explanation: ______________________________

Evidence: ◻ incomplete / untestable ◻ complete

Trigger: ◻ unassessed ◻ no breach ◻ watch ◻ precommitted breach

02

FUND IMPLEMENTATION / EVIDENCE COVERAGE

The evidence must cover at least ___% of NAV across the top ___ holdings.

Evidence needed: Record excluded cash, derivatives, and private assets. Below threshold = untestable.

Threshold / persistence / source: ______________________________

Observation / date / explanation: ______________________________

Evidence: ◻ incomplete / untestable ◻ complete

Trigger: ◻ unassessed ◻ no breach ◻ watch ◻ precommitted breach

04 / CORE ECONOMICS

Mandate, pricing power, and substitution

Complete the criterion before recording the current observation.

03

FUND IMPLEMENTATION / MANDATE FIT

Breach if >=___% of NAV cannot be reconciled for ___ review dates, or if the objective / 80% policy materially changes.

Evidence needed: Current prospectus, index rules, holdings, supplements.

Threshold / persistence / source: ____

Observation / date / explanation: ____

Evidence: □ incomplete / untestable □ complete

Trigger: □ unassessed □ no breach □ watch □ precommitted breach

04

BUSINESS THESIS / PRICING POWER

Watch if margin falls ___ bps while volume/share falls ___; breach after ___ periods across ___% covered NAV.

Evidence needed: Margin, volume, retention, churn, take rate, or ROIC spread.

Threshold / persistence / source: ____

Observation / date / explanation: ____

Evidence: □ incomplete / untestable □ complete

Trigger: □ unassessed □ no breach □ watch □ precommitted breach

05

BUSINESS THESIS / SUBSTITUTES

Breach if share falls ___ pp or churn rises above ___ for ___ periods across ___% NAV.

Evidence needed: Competitor adoption, switching behavior, capacity, customer losses.

Threshold / persistence / source: ____

Observation / date / explanation: ____

Evidence: □ incomplete / untestable □ complete

Trigger: □ unassessed □ no breach □ watch □ precommitted breach

05 / EXTERNAL CONSTRAINTS

Regulation, dependency, and valuation

Complete the criterion before recording the current observation.

06

BUSINESS THESIS / REGULATION

The binding action that removes the rent-producing mechanism is ___.

Evidence needed: Final order, cap, access rule, patent or license change, structural remedy.

Threshold / persistence / source: ____

Observation / date / explanation: ____

Evidence: □ incomplete / untestable □ complete

Trigger: □ unassessed □ no breach □ watch □ precommitted breach

07

BUSINESS THESIS / HIDDEN DEPENDENCY

Breach if common gatekeeper exposure exceeds ___% NAV and ___ external event occurs.

Evidence needed: Supplier, platform, payer, distributor, cloud, data, chip, or reimbursement dependency.

Threshold / persistence / source: ____

Observation / date / explanation: ____

Evidence: □ incomplete / untestable □ complete

Trigger: □ unassessed □ no breach □ watch □ precommitted breach

08

BUSINESS THESIS / VALUATION

Investability breach if every internally consistent scenario falls below the ___ hurdle using the prewritten assumption range.

Evidence needed: Cash flow, growth, margin, dilution, terminal, and valuation range.

Threshold / persistence / source: ____

Observation / date / explanation: ____

Evidence: □ incomplete / untestable □ complete

Trigger: □ unassessed □ no breach □ watch □ precommitted breach

06 / FUND AND VEHICLE

Process drift, concentration, private exposure, and viability

Complete the criterion before recording the current observation.

09

FUND IMPLEMENTATION / PROCESS DRIFT

Breach after the prewritten manager/index change, off-criteria NAV level, or turnover behavior: ___.

Evidence needed: Personnel, supplements, index revisions, holdings, rebalance records.

Threshold / persistence / source: ______________________________

Observation / date / explanation: ______________________________

Evidence: ☐ incomplete / untestable ☐ complete

Trigger: ☐ unassessed ☐ no breach ☐ watch ☐ precommitted breach

10

FUND IMPLEMENTATION / ECONOMIC CONCENTRATION

Breach if top-ten, sector, or common-driver exposure exceeds ___% for ___.

Evidence needed: Repeated holdings and shared platform, regulatory, supply, valuation drivers.

Threshold / persistence / source: ______________________________

Observation / date / explanation: ______________________________

Evidence: ☐ incomplete / untestable ☐ complete

Trigger: ☐ unassessed ☐ no breach ☐ watch ☐ precommitted breach

11

FUND IMPLEMENTATION / PRIVATE EXPOSURE

Untestable if legal instrument or valuation method is missing; watch beyond ___ days; breach above ___% NAV or after ___.

Evidence needed: Vehicle, value/date, rights, fees, restrictions, liquidity, exit.

Threshold / persistence / source: ______________________________

Observation / date / explanation: ______________________________

Evidence: ☐ incomplete / untestable ☐ complete

Trigger: ☐ unassessed ☐ no breach ☐ watch ☐ precommitted breach

12

ETF VEHICLE / VEHICLE VIABILITY

Breach if the prewritten AUM, spread, premium/discount, closure, trading, or matched-basis delivery condition occurs: ___.

Evidence needed: Issuer data, filings, active trading, matched-basis tracking difference.

Threshold / persistence / source: ______________________________

Observation / date / explanation: ______________________________

Evidence: ☐ incomplete / untestable ☐ complete

Trigger: ☐ unassessed ☐ no breach ☐ watch ☐ precommitted breach

07 / QUARTERLY KILL CARD

One-page evidence and trigger record.

Field	Record
Thesis subject / level	____
Mechanism expected to persist	____
Threshold version / date	____
Evidence coverage	________% NAV · minimum required ________%
Evidence state	☐ Complete ☐ Incomplete
Evidence summary	___ complete · ___ incomplete / untestable
Trigger summary	___ breach · ___ watch · ___ not breached · ___ unassessed
Overall trigger state	☐ Precommitted breach ☐ Watch ☐ No breach observed ☐ Unassessed
Primary sources / as-of dates	____
Plausible alternative explanations	____
Next review / owner	____

Per-criterion register

ID	Metric / threshold	Observation	Evidence	Trigger
____	________________	________________	________	________
____	________________	________________	________	________
____	________________	________________	________	________
____	________________	________________	________	________
____	________________	________________	________	________

ANTI-GOALPOST STATEMENT

I recorded the threshold before the observation. Any change after observation will create a new version and preserve this one.

08 / CHANGE LOG AND SOURCES

Revise openly. Never erase the old boundary.

Version	Date	Criterion changed	Old threshold	New threshold / reason
______	________	________________	________________	________________________
______	________	________________	________________	________________________
______	________	________________	________________	________________________
______	________	________________	________________	________________________

Primary source starting points

SEC EDGAR company and fund search — Company filings, prospectuses, supplements, and investment-company reports.

MPLY prospectus — Strategy, discretion, and risks.

MOAT summary prospectus — Index implementation and risks.

Morningstar Wide Moat rulebook — Index methodology.

TOLL summary prospectus — Active mandate and risks.

TOLL current holdings — Portfolio and current private-SPV explanation.

Monopoly MOAT research standards — Source, correction, and review policy.

This worksheet records a user's own precommitments. Monopoly MOAT does not prescribe universal thresholds and does not receive or analyze anything written into the web worksheet. Nothing here is investment advice or a suitability determination.