Pounce List Criteria

November 17, 2018

In order to be on the pounce list, a company must meet the following criteria:

1. A full presentation, including a thoughtful SSG, has been presented to the partnership at a regularly scheduled monthly meeting.
2. The company is acceptable for purchase except:
   1. The share price is not in the Buy range. (The Buy range should be recorded in the minutes)
   2. Current fundamentals do not produce a Compound Annual Return Using the Average PE acceptable to the partnership
   3. Other factors or issues facing the company causes the partnership to forestall a motion to buy shares in the company. (These factors or issues should be recorded in the minutes)
3. A majority of partners must vote in the affirmative to put a company on the pounce list

A company on the pounce list must have a stock watcher just as an owned company does. The presenter of the company will be the stock watcher unless otherwise determined. The watcher is responsible for updating the membership monthly on:

* Current price vs. initial buy price range (2a)
* Current PE vs. original (2b)
* An earnings report that might change our view of the company’s prospects.
* Factors that correct concerns about the company or would prompt us to remove the company from the list (2c)

If a company has been on the pounce list longer than 6 months, a new presentation must be presented to the partnership prior to considering a purchase of shares in the company.