



Yankee Chapter Model Club
Investment Policy Statement
Rev. 0 August 9, 2014

Goals:

1. To invest the assets of the partnership in common stocks for the education and benefit of the partners.
2. To provide a learning environment for new and individual investors, give club members a chance to improve their investment skills, and provide an opportunity to illustrate the benefits of using the Stock Selection Guide Format and other BetterInvesting principles.

Allowable Investments:

1. The club will maintain a portfolio of common stocks that trade on United States exchanges.
2. The club will not invest in REITS, Master Limited Partnerships, ETFs, Mutual Funds, Dividend Reinvestment Plans or other investments that would require complicated tax reporting requirements.
3. The club can invest using option strategies.

Portfolio Structure:

The following will be considered when new stocks are evaluated for addition to the portfolio or when the existing portfolio is reviewed.

1. The BetterInvesting suggested target allocation of 25% large cap, 50% medium cap and 25% small cap stocks.
2. The goal of staying as fully invested in common stocks, as feasible, with only a small percentage in cash for future investment.
3. The goal for a holding to be valued at a minimum of 3% of the portfolio holdings.

4. The goal for no holding (stock or option) to exceed 25% of the portfolio total.
5. The goal of avoiding commissions that will exceed 1% of the investment.
6. The goal of having no more than 4 stocks x the number of members in the club.
7. The goal of having quality growth stocks that will allow the portfolio to grow faster than the general economy or a broad index.

Stock Selection:

1. The Stock Selection Guide Format shall always be used by a club member presenting a stock for consideration.
2. Stocks with a five year history as a publically traded company are preferred but not a mandatory requirement.
3. Stocks that are deemed to provide growth at a reasonable price are preferred.

Policy Revisions:

A simple majority of current club members can revise this policy statement.