



## *Operating Procedures for the Yankee Chapter Model Club*

(Revised September 12, 2020; Effective January 1, 2021)

1. FEES: No administration or start up fees will be charged.
2. MEMBERSHIP
  - a. Refer to Partnership Agreement for admission requirements.
  - b. Club meetings are open to the public for observation and questions.
3. DUES AND CONTRIBUTIONS
  - a. Founding Members will each contribute \$ 100 in January 2008 to begin the club.
  - b. Partner investment dues of Two Hundred dollars (\$200) will be due at each monthly meeting.
  - c. New partners or existing partners may request a lower monthly contribution to be approved by a 2/3 vote of the remaining partners.
  - d. Partners shall set up automatic bill pay from their personal account to make their monthly contributions directly to the brokerage account.
  - e. Contributions are due prior to each monthly meeting whether or not the partner can attend the meeting.
  - f. Each partner will be assigned a different number of cents to add to the deposit to identify it.
  - g. The member responsible will pay any fees assessed by the broker for deposits that are rejected due to insufficient funds.
  - h. New partners may initially contribute money up to the average of the balances in the existing individual accounts.
  - i. If a member fails to pay dues two months in a row, the member will be subject to withdrawal per the Partnership Agreement.
4. DUTIES OF MEMBERS
  - a. Attend partnership meetings on a regular basis.
  - b. Shall, from time to time, serve on the audit committee.
  - c. Shall participate in the stock selection and portfolio maintenance functions.
  - d. Shall complete training necessary to understand the club investing methodology including use of the Stock Selection Guide for all decision making. New members shall be mentored, as necessary, by a current member.
  - e. Shall have access to a computer and internet for all club meetings on-line.
  - f. Shall have an email address for club communications.
  - g. Shall abide by all items in the Partnership Agreement and Operating Procedures.

- h. The President may call special meetings at any time. In addition, any three partners may request a special meeting through the President, in writing or email. Special meetings shall be limited to the stated purpose and communicated to all partners in advance.

## 5. VOTING

- a. Votes for accepting or expelling members requires a two-thirds (2/3) majority of the partners.
- b. Changes to the Operating Procedures or Partnership Agreement require a two-thirds (2/3) majority of the partners.
- c. Purchasing or selling securities requires a simple majority of the partners.
- d. Each member shall have one vote, regardless of proportional ownership of the securities.

- 6. OFFICERS: The President, Vice-President, Secretary, Treasurer and Assistant Treasurer shall be elected annually in December.

## 7. DUTIES OF OFFICERS:

- a. PRESIDENT: The duties of the President shall be to preside at meetings, prepare the meeting agenda, appoint committees, and see that resolutions passed by the partnership are carried out.

The President shall become an Authorized Agent per the broker agreement with full access to the broker account if either the Treasurer or Assistant Treasurer is absent or unable to carry out their duties.

- b. VICE-PRESIDENT: The Vice-President shall assume the duties of the President when the President is absent or temporarily unable to carry out his/her duties.
- c. SECRETARY: The Secretary shall maintain the partnership records, keep record of the actions authorized by the partners and notify partners of meetings and other activities. The Secretary (or other designated officer) will receive all correspondence for the club and will forward the materials to the proper partner.
- d. TREASURER: The Treasurer's duty is to keep a record of the club's receipts and disbursements and partners' interests in the club. The Treasurer will place the buy, sell orders authorized by the partners with the club's broker, The Treasurer will see that the needed tax information is compiled and file, by March 15<sup>th</sup>, federal and state (if any) tax returns. K-1s will be distributed to all partners in a timely manner after Federal tax filing is completed. The Treasurer may assign any of the above duties to the Assistant Treasurer for execution.

The Treasurer shall be an Authorized Agent per the broker agreement with full access to the broker account.

Disbursements by check shall require signatures by the Treasurer and Assistant Treasurer. If either the Treasurer or Assistant Treasurer is absent or unable to carry out their duties then this two-signature requirement shall be met by the President being the second signatory.

- e. Assistant Treasurer: The Assistant Treasurer shall assume the duties of the Treasurer when the Treasurer is absent or temporarily unable to carry out his/her duties. The Assistant Treasurer shall be an Authorized Agent per the broker agreement with full access to the broker account. The Assistant Treasurer shall carry out duties as assigned by the Treasurer.

8. ANNUAL AUDIT: The President will appoint an audit committee consisting of two (2) or more of the partners on an annual basis. The annual audit shall take place prior to the tax filing deadline of March 15<sup>th</sup>.
9. DESIGNATED MEETING: Meetings will be held as determined by the partners. A simple majority of the partners can change the meeting date and/or time.
10. ATTENDANCE: Attendance is required at a minimum of eight (8) meetings per year, unless otherwise excused by the President. Partners who miss three consecutive meetings that have not been excused by the President will be considered as having withdrawn from the club.
11. ELECTIONS
  - a. Elections for President, Vice President, Secretary, Treasurer and Assistant Treasurer will be held at the December meeting.
  - b. Officers will assume duties at the January meeting. Term of office is one year.
  - c. Officers may succeed themselves in the same office for no more than one additional consecutive term, if they are reelected at the next December election meeting.
12. STOCK SELECTION
  - a. Each member will be responsible for presenting stock studies, on a rotating basis, on at least one stock per year.
  - b. Name of the stock to be presented should be sent to the other members at least one week before the club meeting.
  - c. Stocks in the club's portfolio should be tracked by a member(s) other than the member who presented the stock for purchase.