

BLUE MOON INVESTMENTS

MINUTES OF MEETING Monday 01 OCT 2007

- **Attendees:** Ron Jackson, Al Peterson, Doug Norwood, Jim Higgins, Henry Breaux (7:53)

- **Absent:**

- 1) The meeting was called to order by JH at 7:50 pm.
- 2) JH asked if all present had reviewed the minutes of the past meeting sent via email & asked if there were any comments or corrections.
- 3) **Motion by AP to approve the minutes of the 21 SEPT meeting as corrected.** Second by JH. The motion was approved unanimously.
- 4) RJ distributed copies of the NAIC publication "Stock Selection Handbook" to all members present.
- 5) JH called for reports by the members on findings regarding investigations into local banks & financial institutions for consideration as the location for BMI bank account.
 - a) AP report on Gulf Credit Union.
 - b) JH report on Capital One.
 - c) DN report on 5 Point Credit Union.
 - d) RJ report on Mid County Credit Union.
 - e) HB report on Bridge City Bank.
- 6) A discussion ensued about the various banking possibilities and the services and fees each institution offered
- 7) **Motion by RJ to use Capital One as the local bank for BMI.** Second by JH. The motion carried unanimously.
- 8) JH call for reports by the members on findings regarding investigations into brokerages for consideration as the broker for BMI.
 - a) JH report on E-Trade.
 - b) AP report on Charles Schwab, Smith Barney & Fidelity.
 - c) HB report on Trade King.
- 9) **Motion by RJ to defer a brokerage selection until a later date until some additional information could be acquired regarding services and fees.** Second by JP. The motion was approved unanimously. It was decided after discussions to contact the brokers and ask for the following additional information.
 - a) Are Money Market accounts an option?
 - b) Determine "Actual Trade Cost".
 - c) Are there a minimum or maximum number of trades?
 - d) Is there a minimum deposit amount?
 - e) Does the brokerage offer an account for, or have special provisions for investment clubs?
 - f) Is there a trade limit with respect to the value (dollar amount) of the trade?
 - g) Is there a cancelation fee should the club decide to change brokerage firms.
 - h) Determine the total assets and number of accounts managed by each brokerage firm.

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- 10) **Motion by JH for HB to acquire a Post Office Box at the Bridge City Post Office.** Second by DN. The motion was approved unanimously.
- 11) **Members JH, AP, HB & DN submitted personal checks in the amount of \$350 each to the Treasurer in payment of the \$300 Initial Contribution and the first \$50 monthly contribution. Total amount received by RJ was \$1400. RJ will submit a personal check for the same amount upon deposit when opening the bank account for a total initial deposit of \$1750.**
- 12) **Motion by DN for RJ to purchase the NAIC accounting software "Club Accounting V3" for BMI accounting. The cost of the software is approximately \$190. BMI will reimburse RJ for the cost of purchasing the software.** Second by AP. The motion carried by unanimous consent.
- 13) During discussions on agenda items for the next meeting RJ suggested that all members read Chapters 1 thru 5 in the "Stock Selection Handbook" and each member come prepared to discuss one of the chapters in detail. The following chapter assignments were determined.
 - a) Chapter 1: JH
 - b) Chapter 2: AP
 - c) Chapter 3: RJ
 - d) Chapter 4: DN
 - e) Chapter 5: HB
- 14) RJ suggested that all members review both the Crowe River and NAIC sample operating procedures for discussion at the next meeting.
14. Agenda items for the next meeting to held Monday 15 OCT 2007 are:
 - a. Discuss the results further brokerage investigations.
 - b. Discuss and review possible operating procedures.
 - c. Review "Stock Selection Handbook" Chapters 1 thru 5.
15. **Motion by RJ to adjourn.** Second by JH. The meeting was adjourned at 9:14pm.

Doug Norwood Secretary, Blue Moon Investments
Date