

Oak Point Investment Club (OPIC)

Newcomer's Guide

Objective

OPIC invests in high quality growth stocks with an emphasis on short term gain. The goal of the club is to create wealth while having fun and learning about the stock market. Both experienced investors as well as newcomers to the stock market are welcome to join.

Organization

OPIC is organized as a General Partnership in accordance with and subject to the laws of the Commonwealth of Massachusetts and the U.S. government.

Contributions

New members contribute an initial amount of \$125. After that, monthly contributions of \$35 are expected. Members may contribute more if they so desire.

Payments should be made by check and given to the Treasurer at the monthly meeting. Make checks out to "TD Ameritrade FBO OPIC".

Ownership

Much like a mutual fund, member contributions are used to purchase ownership units in the club. The value of an ownership unit is determined by the value of the investments that are made by the club.

Meetings

Regular - The club meets on the first Thursday of the month at 7:00 PM in the Oak Point Library. All members should plan on attending these meetings. If you cannot make a meeting, you should give your proxy for voting to another member of the club. All investment decisions are made at this meeting.

Stock Picking - In addition, all club members are invited to attend the Stock Picking meeting on the last Thursday of the month at 7:30 PM in the Oak Point Library. At this meeting, new stock candidates for investment are reviewed for potential presentation to the membership at the Regular club meeting.

Valuation Date

The valuation of ownership units in the club is determined once a month (last Friday before the Regular meeting). New units purchased by the membership will be valued using the most recent valuation date.

Allocation of Profits and Losses

When gains or losses are realized (sale of stock, dividend received, etc.), all members share in the gains and losses in proportion to their percentage of ownership in the club.

Voting and Decisions

Each member of the club has 1 vote. Investment decisions are determined by a majority vote of all the members. Some special case decisions may require a 2/3 approval of the membership (see Partnership Agreement for details).

History and Results

OPIC was founded in January, 2010. As of mm/dd/yyyy, the club has an average annual return of n.n percent (this includes our cash account). Our investment returns (which exclude cash) have an average annual return of n.n percent.

Accounting

We use Bivio, an online web accounting service (www.bivio.com), for our club accounting. Bivio has an excellent reputation and serves thousands of investment clubs nationwide. All club members have online access to the accounting system.

Reports (Statements)

Each member receives a monthly report from the treasurer that includes current valuation of the club's holdings, member status for each member of the club, and a transaction history of all transactions for the past month.

Taxes

OPIC complies with all federal and state tax laws that are applicable to General Partnerships. A partnership tax return (Form 1065) is filed each year and each member receives a K-1 form showing their share of profits and losses in the club for the tax year. The K-1 form is much like a 1099 form that you might receive from a bank or mutual fund. You should give the K-1 to your tax advisor when preparing your income taxes.

Details

For complete details on club operation, please see the Partnership Agreement and By-Laws. These documents are available from club officers.