

Four Stages to Becoming a Member In Happy Destiny Investment Club (HDIC)

Joining a club can be a big step. You are mixing your money with ours. You are maybe learning a set of investment skills for the first time. And you will be doing with people that you may not have met before.

Well we have all been there. And we have separated the process into four different stages leading up to becoming a full-fledged member of HDIC. We think this will make the process easier and more understandable. We hope you join us “as we trudge the road of happy destiny.”

Stage #2: Guest (interested in becoming a member of HDIC)

If you like what you see and are interested in learning more about HDIC then you are at this stage. This is the “kicking the tires” stage. You can become a guest as early as the end of your second meeting to HDIC. Once you are accepted as an official guest, we will:

- 1) Assign a mentor (Big Brother/ Big Sister) to help guide you through our way of investing. There is a lot to learn. There is no need to go it alone. We are here to help you. None of us knew much before we joined an investment club so we are not expecting you to be an instant expert. The key is your willingness to learn both inside and outside of club meeting time. Also it is important to become acquainted with our long-term approach to investing. We use the NAIC style of investing to guide our decision making process.
- 2) Extend an invitation to you as an official guest on the HDIC web site. Once you sign up you will have to our club documents. You will be able to:
 - a. Read the private portions of the web site;
 - b. See our correspondence to one another; and
 - c. See our financial records.

In return, here are the six things we will ask of you if you are serious about joining HDIC:

- 1) Have an email account, a computer, MS Word (for word processing documents), and Internet access. HDIC conducts business both in person and on-line. You need to have these four things to be able to communicate with everyone between meetings. In short, basic computer knowledge is needed of all members of HDIC;
- 2) Be able to regularly attend our monthly business meetings. HDIC meets on the 3rd Monday of the month at 7:00 PM. We meet in Montgomery County, Maryland in the homes of our members. If you can't make this time or you can't get to Montgomery County every 3rd Monday of the month then we are not the club for you.
 - a. Consider coming 30 minutes early for our social time. Since none of us knew each other before we joined HDIC, we use this time to visit, eat and socialize. We would love to have you come during our social time. We want to know about you and more importantly for you to be comfortable with us. An investment club should be both fun and social (on top of being educational).

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- 3) Can you contribute a minimum of \$20 per month to the club? How much you put into the club is not as important as participating and working. But you should be able to contribute \$20 a month. If you can't afford this minimum then maybe an investment club is not for you.
- 4) If you are not already a member of NAIC, get a free 3-month subscription to NAIC's monthly magazine, Better Investing (BI). We believe in the methods and approach of NAIC. We are long-term investors. We look at the fundamentals of a company to make our buy and sell decisions. If you are not interested in this type of investing no problem. But you will be frustrated in our club and probably not a happy member of HDIC if you don't believe in this investing approach;
- 5) Read and understand this document (HDIC expectations of new members); and most importantly,
- 6) Start studying the NAIC way to investing. Long-term investors, like HDIC, believe you need to first find quality companies. If the stock you are studying is not a quality company then you do not want to purchase it at any price. We have some simple tests of quality that your mentor will share with you.

The next stage is where we get serious about learning and working. But for right now, as a guest of HDIC you are still just looking. You can be a guest of HDIC for up to 4 months.

HDIC: A Successful Club

Remember successful clubs: 1) are willing to learn; 2) complete SSGs prior to a purchase; 3) have a strong education component; 4) share the workload; and 5) get along with each other.

We ask a lot of new members because we ask a lot of ourselves. We want those of you willing to "trudge the road of happy destiny". If you like what you see then we hope you take us up on our offer to become a member of the Happy Destiny Investment Club.