

1 **Nationwide Investment Club By-Laws**

2 **I. DEFINITIONS**

3 A. NIC means Nationwide Investment Club, formed as a General Partnership on January 1, 2008 and  
4 more fully described in the Partnership Agreement.

5 B. "Partner" or "member of the Nationwide Investment Club" shall mean a General Partner of the  
6 Nationwide Investment Club or NIC Investment Club.

7 **II. OFFICERS**

8 A. The NIC officers shall consist of President, Vice-President, Secretary, Treasurer.

9 B. Duties of the Officers will include, but not be limited to, the following:

10 The PRESIDENT will appoint committees, oversee all NIC activities, and preside over all NIC meetings.  
11 The PRESIDENT will have the power to create and conduct an agenda for all meetings, and may enforce  
12 or waive formalities of such an agenda. The PRESIDENT will have the power to recommend disciplinary  
13 action to any Partner who, in the opinion of a member of the NIC, is considered to have acted contrary to  
14 the provisions of these By Laws or has displayed negligence in the performance of duties or expectations.  
15 The PRESIDENT will also have the power to BUY and SELL securities in absence of the TREASURER.

16 The VICE-PRESIDENT will assume the duties of the PRESIDENT when absent or unable to serve the  
17 office. The VICE-PRESIDENT will be responsible for the activities, progress, and reports of all  
18 committees that are formed. The VICE-PRESIDENT is also in charge of all educational activities.

19 The SECRETARY will keep a record of NIC business and issue a report of all meetings. The  
20 SECRETARY will be responsible for all correspondence pertaining to the NIC Investment Club, including  
21 the distribution of reports from meetings, officers and committees. Upon notification by the PRESIDENT  
22 or the TREASURER; the SECRETARY will issue a notice to any Partner regarding any fines or  
23 disciplinary action, and include the reason and decision for the action. The SECRETARY must keep hard  
24 copies of all NIC correspondence.

25 The TREASURER will keep record of all NIC financial activities; calculate and distribute valuation  
26 statements each month, and any other statistical reports required. The TREASURER will maintain  
27 records accounting for the NIC Investment Club financial operation; assets; individual account value.

28 The TREASURER will serve as agent for the Partnership to place BUY and SELL orders; and will  
29 distribute and collect funds. The TREASURER will be responsible for all cash and broker transactions;  
30 the collection of dues; and notifying the SECRETARY of Partners in default of dues.

31 Officers will be elected by the total Partnership at the first meeting of the NIC Investment Club and to one-  
32 year terms at duly called General Membership Meetings thereafter. Officers may succeed themselves in office upon  
33 re-election.

34 C. Any officer position that becomes vacant during the year shall be filled as soon as possible following  
35 the same nomination and voting procedure described above.

36 D. Each office shall be held by a different person.

37 E. Each officer is encouraged to appoint an assistant.

38 **III. PARTNERS**

39 A. All NIC Partners shall participate in ongoing activities of the NIC Investment Club by:

- 40 • preparing and posting analyses or other assignments to further the investment endeavors of the  
41 NIC Investment Club;  
42 • regularly contributing constructive comments about NIC operations and investment opportunities;  
43 • making regular payments to the NIC Investment Club;  
44 • keeping a current mailing address on file with the Secretary at all times;  
45 • reviewing monthly and year-end NIC reports, including all financial and tax-information reports,  
46 and;  
47 • vote in at least two-thirds (67%) of all NIC elections during any six month period.

48 **IV. PROCEDURES**

49 A. Regular meetings will be held monthly as voted by the NIC Investment Club. Meetings shall be held on  
50 the first and third Wednesday of every month, 6 PM (PST) at a location agreed upon by NIC. E-mailed  
51 notices shall be sent to each member at least one week in advance of the meeting.

52 B. The second meeting in February is designated as the Annual meeting. At the Annual meeting, all  
53 Partners will be issued the Annual Report and NIC. The Audit Committee will also brief the results of the annual  
54 financial audit and it will be included in the Annual Report. This meeting also should be used as an Annual Goals  
55 Review. Secretary will give notice to the Partnership as to the time, date, and location of the Annual Meeting and  
56 issue a proxy for the election of Officers to the entire Partnership.

57 C. The second meeting in November will be designated for Annual Elections. The President will call for an election  
58 committee to be formed at the October meeting and the committee will be responsible for establishing a slate of  
59 Officer Candidates who will stand for election the following month.

60 D. Special meetings may be called by the President or any two officers of the NIC Investment Club upon  
61 verbal or written notice to the members of the NIC Investment Club.

62 E. The presence or duly executed proxies of sixty percent (60%) of the active members of the NIC  
63 Investment Club including at least one Officer of the NIC Investment Club will constitute a quorum  
64 sufficient to transact business.

65 **V. FINANCIAL STATEMENTS**

66 A. A monthly valuation statement shall list all assets, at cost and market values, and liabilities of NIC as of  
67 the fifth day BEFORE the monthly meeting. It shall also compute the Value of the Partnership, as defined  
68 in Paragraph 7 of the Partnership Agreement.

69 B. The Treasurer shall also prepare a summary statement of capital accounts maintained in the name of  
70 each Partner, as provided in Paragraph 8 of the Partnership Agreement.

71 C. The annual NIC accounting shall show the distribution of dividends, interest, short and long-term  
72 capital gains, and expenses.

73 **VI. VOTING**

74 A. The right to vote is limited to active Partners.

75 B. Approved methods of voting are VERBAL, SIMPLE MAJORITY, TWO-THIRDS MAJORITY, WRITTEN  
76 BALLOT PROXY, and electronic communications. However, in the absence of a formal motion to  
77 conduct a given vote in another manner, all votes shall be carried by a simple majority of the active  
78 Partners.

79 C. The above notwithstanding, any active Partner may request that any given vote be recounted on a  
80 weighted basis so that the value of a respective Partner's vote is in direct proportion to the value of  
81 his/her capital account measured against the aggregate value of all capital accounts comprising the asset  
82 base of the Partnership, as established in the most recent valuation statement duly prepared and  
83 presented by the Treasurer. Approval of such a request may not be unreasonably withheld, however, said  
84 request must be made during the meeting at which the vote in question has taken place.

## 85 **VII. GUESTS AND NEW PARTNERS**

86 A. Partners are permitted to invite guests to attend regularly scheduled meetings with PRIOR majority  
87 approval of the Partners at any regular or specially called meetings.

88 B. Guests are required to actively participate in NIC discussions and activities for two (2) months before  
89 consideration is given to adding the guest to the NIC Investment Club. Guests must complete at least one  
90 stock selection worksheet before membership to the NIC Investment Club is voted upon. Guidance will be  
91 provided to the new individual in creating an SSG. The new individual must be a member of 'Better  
92 Investing' and must have the means to complete an SSG."

93 C. The number of Partners shall be limited to twenty-five (25)

94 D. The acceptance of new Partners will be voted on by the NIC Investment Club as outlined in Section VI above.

95 E. New Partners will be expected to complete BI Core Courses I, II and III in a BI Classroom or by Webinar within a  
96 reasonable amount of time, generally 12 – 18 months. Such classes generally cost from \$25 to \$40.

## 97 **VIII. DIVIDENDS**

98 A. The NIC Investment Club shall participate in dividend reinvestment plans unless NIC votes not to  
99 participate for a particular stock.

100 B. All dividends received from stocks will participate in dividend reinvestment unless otherwise voted by the group.

## 101 **IX. BANK(S) AND BROKER(S)**

102 A. The NIC Investment Club may maintain checking account(s) at the bank(s) that the NIC Investment  
103 Club deems necessary or desirable, or may operate only with the brokers' account or money market fund  
104 linked to the brokerage account.

105 B. The NIC Investment Club may engage one or more broker(s) as it deems necessary or desirable.

106 C. The NIC Investment Club shall request the bank or broker to send statements directly to both the  
107 Treasurer and Secretary, or the Treasurer will send the electronic statement to the Secretary and, if  
108 requested, the President.

109 D. The NIC Investment Club shall unanimously vote on all requests for funds. However, only one (1)  
110 signature shall be required for trading purposes. All written checks shall be noted in the treasurer's report.

111 **X. PAYMENTS**

112 A. Monthly payments in multiples of five dollars (\$5) and not totaling less than twenty dollars (\$20) per  
113 Partner are due and payable at each regularly scheduled meeting. However, in accordance with the  
114 Paragraph 6 of the Partnership Agreement, no capital contribution shall cause an individual Partner's  
115 capital account to exceed twenty-five percent (25) of the aggregate value of the capital accounts of all  
116 Partners. Partners may contribute more than the minimum if they choose so. Partners may agree to  
117 change the minimum amount at any time of operation by a two-thirds majority vote.

118 B. Any Partner may request from the President a temporary hardship waiver of the minimum monthly  
119 payment. Such request shall not be unreasonably denied.

120 C. If available and desired, Partners may arrange for automatic monthly withdrawal from the Partner's  
121 personal checking or other account to be deposited into the NIC Investment Club account. Any expense  
122 for this shall be borne by the individual Partner.

123 D. Non-payment for two (2) consecutive months shall cause the Partner to be designated inactive. The  
124 Treasurer shall notify the Secretary of any inactive Partners and the Secretary shall inquire by certified-  
125 return receipt mail as to the reason for the non-participation of any inactive Partner.

126 E. Non-payment for three (3) consecutive months shall be deemed written notice of withdrawal in  
127 accordance with Paragraph 18 of the Partnership Agreement unless a waiver is granted by the NIC  
128 Investment Club.

129 F. If the monthly contribution by a partner is not received and deposited in the club's brokerage account  
130 by or before the meeting date, the partner will be assessed a \$10 late fee that will be credited to the  
131 capital accounts of the partnership.

132 G. An annual due for the purpose of paying miscellaneous NIC expenses will be assessed each year on  
133 every member. The amount of annual dues will be determined by a simple majority vote of the  
134 membership "Article VI". These annual dues shall be set aside and called "Petty Cash".

135 **XI. EXPENSE REIMBURSEMENT**

136 A. From time to time, the NIC Investment Club may request a Partner to purchase goods or services for  
137 the benefit of the NIC Investment Club. Upon request of the Partner, the cost of such expenditure shall be  
138 reimbursed by the NIC Investment Club upon furnishing receipts for such purchase.

139 B. The President may authorize expenditures of less than \$25. The total of such Presidential  
140 expenditures shall not exceed \$125 in any calendar year.

141 C. Expenditures of \$25 or more shall be authorized only by a NIC vote.

142 **XII. JOINTLY OWNED CAPITAL ACCOUNTS**

143 A. There shall be no jointly owned capital accounts.

144 **XIII. REMOVAL**

145 A. Failure by a member of the NIC Investment Club to fulfill the duties as previously defined for three (3)  
146 consecutive months shall be deemed cause for consideration for removal in accordance with Paragraph  
147 16B of the Partnership Agreement. A two-thirds majority vote of the remaining members of the NIC  
148 Investment Club shall be necessary for removal of a Partner. Such removal shall be deemed written  
149 notice of withdrawal in accordance with Paragraph 18 of the Partnership Agreement.

150 **XIV. AMENDMENT OF THESE Bylaws**

151 A. Amendments and additions to the Partnership Agreement or the By-laws shall be proposed in writing  
152 at a meeting and published in the minutes or as an appendix to the minutes of the meeting. They shall be  
153 voted on at the next regular scheduled meeting, a 2/3 vote necessary for passage. Amendments and  
154 additions to the By-laws and Partnership Agreement shall become effective immediately upon passage.

155 B. These Bylaws shall be construed in accordance with the Partnership Agreement and, in any conflict,  
156 the Partnership Agreement shall rule.

157 **XV. E-Voting Process**

158 **Regular E-Voting**

159 A. Members to use Bivio, texting or email to vote. Members should submit their votes  
160 within seven (7) days of receiving the poll. (In case the polling feature in not available, the  
161 club will use email as an alternative).

162 B. Voting is completed when all members have submitted their votes or seven days have  
163 elapsed, whichever comes first.

164 C. The vote will be captured in the club minutes.

165 D. This is a public voting process, as such, all votes will be revealed (either through the  
166 polls or announcement via email) and totals disclosed.

167 E. Proxy can be granted to another member sending email sent to Bivio to the group.

168 **Stock Alert Procedures and Voting**

169 A. Members to use BIVIO, texting or e-mail to vote. Members shall submit their  
170 comments on what to do with stock when alert is received, within 48 hours, two (2) days  
171 of notice. If a vote is called and seconded, all members will have 48 hours, two (2) days  
172 to vote.

173 B. Voting is complete when all members have submitted their votes or 48 hours, two (2)  
174 days have elapsed, whichever comes first.

175 C. All other voting procedures are in effect. See XV. E-Voting process: Regular E-mail  
176 Voting C, D, E.

177 D. In the case of Price Alert or Extreme Event- Comments and information about stock  
178 are to be transmitted with recommendations from stock watcher with a Sell, Buy, or Hold  
179 recommendation.