

Dollars & Sense Investment Club Prospectus

Club Philosophy: Seek long-term investments that double every 5 years (this requires compounded annual return of 15%).

Investing Method: Fundamental analysis, as detailed by the National Association of Investors Corp.

Club Meetings: The partners meet on the second Tuesday of every month, with one summer meeting being skipped.

Cost: Members must contribute a minimum of \$50 per month.

New Members: Individuals who are interested in learning more about the Dollars & Sense Investment Club are free to contact one of the current partners. Our meetings are open, as long as you are a guest of one of the attending members. If after attending a meeting you decide that you would be interested in becoming an Investment Club Partner, then you would need to follow the procedures outlined in the club By-laws.

Guests and New Partners: Partners may invite guests to any meeting. A current partner shall sponsor the prospective new partner. That partner must vouch for the individual's character and longevity of interest and motivation for the Partnership.

New Partners must accomplish the following

- A. Carefully review the Partnership Agreement of the Dollars & Sense Investment Club and the Operating Procedures of the Dollars & Sense Investment Club.
- B. Sign the Partnership Agreement of the Dollars & Sense Investment Club.
- C. Sign the Brokerage Account Agreement.
- D. Supply the necessary information for partnership records.
- E. Pay the one time membership fee of least \$100 to their account.
- F. Obtain and read the NAIC official guide: *Starting and Running a Profitable Investment Club*.
- G. Learn to complete and present the Stock Selection Guide. Making a presentation of his/her own design should prove the completion of this. Members are encouraged to purchase and use the Toolkit Pro software for this. Members may purchase the Online Premium Service from NAIC once they become members of NAIC.

Education of New Members: New members are not expected to know anything about investing when they join. The club teaches stock analysis to its members. The club always strives to increase its investing knowledge. A portion of each meeting is devoted to learning new techniques or improving old ones.

Time Required of Members: Members analyze a company and present results about twice a year. The analysis requires anywhere from half an hour to an hour. On occasion members are assigned to a committee or are asked to make proposals at the meetings. But these tasks are never too time-consuming.

Using Club Information for Your Own Benefit: Club members may buy and sell stock for their own portfolios based on information gathered by the club. This is perfectly acceptable.

Annual Audit: The club's treasurer undergoes an internal audit every January and a mini-audit as part of accepting each month's financial report.

Withdrawals of Funds: Members have access to their funds throughout the year. To protect the long-term club portfolio, short-notice withdrawals are discouraged by a surcharge that reflects the cost of making funds available. This is merely to cover costs that the Partnership would accrue as a result of the withdrawal.

NAIC Membership: The Dollars & Sense Investment Club is a club member of the National Association of Investors Clubs (NAIC) and each member will be responsible for individual membership either through the Investment Club or through some other avenue.

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