



# Lake Superior State University

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## Investment Club

School of Business, Entrepreneurship and Legal Studies  
650 W. Easterday Ave. • Sault Ste. Marie, MI 49783

*In association with the*  
School of Business, Entrepreneurship and Legal Studies

This document represents the  
governing principles of the

Lake Superior State University **Investment Club**

# Lake Superior State University

## Investment Club Doctrine

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### PREAMBLE:

We, the members of the Lake Superior State University Investment Club do hereby assemble for the purposes of investing and trading monies granted to the club by Lake Superior State University. We uphold integrity and responsibility in trading on the open market for the purpose of learning through experience. The utmost emphasis being responsible trading through a well-diversified portfolio managed by students committed to this cause.

### Article I. MEMBERSHIP

Section 1.01 All students enrolled at Lake Superior State University are hereby eligible to become members in the Lake Superior State University Investment Club.

Section 1.02 No student shall be denied the privilege of membership based on age, color, sex/gender, religion, sexual orientation, disability, or area of study while attending Lake Superior State University.

- (a) Students of any major may be a member of the Investment Club

### Section 1.03 QUORUM

- (a) Students will sign up to for the club, thereby establishing their membership.
- (b) Once a student has signed up for the Investment Club, they become subject to the Lake Superior State University Investment Club Doctrine and fall under the Attendance Policy.
- (c) Quorum represents 2/3 of members of the club present to vote during meetings on asset transactions.
- (d) Because of the continually changing stock market, trading may be needed in the absence of quorum. In this case, an EMERGENCY OVERRIDE may be granted upon unanimous approval of the Executive Board and Advisor to vote on asset transactions by the present club members.
- (e) The club can still meet with the absence of quorum but lack voting ability unless the emergency override is enacted.

Section 1.04 ATTENDANCE POLICY: Students interested in being a member of the Investment Club must express their interest to the organization and once accepted as a member, attend meetings regularly.

- (a) Regular meeting attendance is defined as attending 70% of all meetings unless otherwise approved absences is granted by club President.
- (b) Failure to attend regularly will result in possible dismissal from the organization.
  - (i) Dismissal will be subject to a decision made by Executive Board and Advisor.
  - (ii) Re-admittance will be based on decision of executive board and advisor approval.
  - (iii) Students dismissed from the club as a result of lacking attendance will not be permitted to rejoin in the semester in which dismissal occurred.

## Article II. EXECUTIVE BOARD

Section 2.01 The Executive Board shall consist of: President, Vice President of Portfolio Management, Vice President of the Treasury, Vice President of Public Relations, and Executive Secretary.

Section 2.02 Executive Board Members, with the exception of the President, are nominated by members of the Investment Club and are to be voted on.

- (a) Any member may nominate any person for any position, besides that of the President, on the Executive Board
- (b) Members may nominate themselves for a position

Section 2.03 Nominees receiving the greatest number of votes are thereby appointed to the nominated position.

Section 2.04 Executive Board Member terms begin at the first meeting of the school year, besides the office of the President, as explained in the following Section and last until the end of the academic year.

Section 2.05 Election of the President

- (a) Election of the President will take place at the meeting prior to the last meeting of the year.
- (b) The candidate who wins the election will be handed power at the last meeting of the year when the outgoing president begins the meeting and officially swears in the new president.
  - (i) The oath will be administered by the outgoing president.
  - (ii) The oath will be kept by the Advisor.
- (c) In order to qualify as a candidate for the Presidency, anyone interested must meet with the Chief Advisor and meet the expectations and qualifications of the advisor.
- (d) Minimum Qualifications will be listed below in the following section.

- (e) Advisor expectations are subjective and at the Chief Advisor's discretion.
- (f) No one may run for the Presidency unless they have obtained approval to do so by the Chief Advisor.

#### Section 2.06 Presidential Qualifications

- (a) Candidate must have completed FN 341, or equivalent, with a satisfactory grade.
- (b) Candidate must have served at least one semester as a club member and had demonstrated attendance in good standing.
- (c) Candidate will be required to meet with advisor and discuss their reasons as to why they are qualified to serve.

#### Section 2.07 Office of the President

- (a) Duties of the President:
  - (i) To uphold the Lake Superior State University Investment Club Doctrine.
  - (ii) Preside over the Investment Club meetings.
  - (iii) Coordinate and oversee all functions of the club.
  - (iv) Responsible for the planning and direction of the meetings.
  - (v) Responsible for the distribution of information and related materials to meeting attendees.
  - (vi) Responsible for the maintenance of club standards and practice.
  - (vii) Prepare agenda for meetings
- (b) The President has the ability to veto items presented by the organization. This also includes line item veto authority.
  - (i) In the event of a veto, the members may overturn the Presidents veto decision with a 2/3 majority vote if/when the item is presented to the board.
  - (ii) The president is encouraged to use the veto power sparingly
  - (iii) Veto power is intended for correcting a decision that my conflict with the Investment Policy Guide.
  - (iv) Veto power is also granted for the purpose that, in the judgment of the President, insufficient or inaccurate information was the basis for an action voted upon by the members.

#### Section 2.08 Office of the Vice President of Portfolio Management

- (a) Duties of the Vice President of Portfolio Management
  - (i) Serves as President pro Tem in the absence of President
  - (ii) Assist the President with functions planning.
  - (iii) Implement change in research and reporting relationships.
  - (iv) Monitor Portfolio Performance
    - Measure Risk

- Asset Allocation
- Measure Return
- (v) Complete analysis of portfolio
- (vi) Must complete Portfolio Summary Report at the end of each Semester
- (vii) Report status of portfolio at each meeting

#### Section 2.09 Office of the Vice President of the Treasury

- (a) Duties of the Vice President of the Treasury
  - (i) Manage budgets
  - (ii) Keep track of receipts
  - (iii) Creating documents (budgets, income statements) for Organization Reports
  - (iv) Submit Semester Budget updates to President

#### Section 2.10 Office of the Vice President of Public Relations

- (a) Duties of the Vice President of Public Relations
  - (i) Fundraising – find ideas; inform club, plan, and follow-up.
  - (ii) Community Service – find ideas, inform club, follow-up
  - (iii) Community Relations
    - Speakers
    - Business Interactions
    - High School Interaction
  - (iv) Social Activities within the club
  - (v) Advertising Club Events
  - (vi) Advertising club activities to promote this organization

#### Section 2.11 Executive Secretary

- (b) Duties of Executive Secretary
  - (i) Keep detailed minutes of meetings
  - (ii) Type and distribute minutes from previous meeting to current meeting
  - (iii) Record attendance of members
    - Record approved/non-approved absences
    - Distribute letters to members in violation of attendance rule
    - Inform president of such violations
  - (iv) Record voting during meetings and tally results

### Article III. COMMITTEES

Section 3.01 Each executive office will be made up of committees which will be presided over by the Vice President of that office which will be known as the Committee Chairman.

Section 3.02 Committees will be: Portfolio Management, Public Relations, and Treasury

- (a) Club members will be assigned based on preference to serve on committees.
- (b) The executive board will place members into committees through the members indicated area of interest
- (c) E-Board members will try to grant first choice preference to members for committees
- (d) Committees will meet as often as deemed necessary by Committee Chairman.
  - (i) Committee Chairmen are urged to not exceed more than once a week committee meetings
  - (ii) Committee Chairmen are required to meet at least once a month for any reasonable amount of time
- (e) Attendance policy applies to committee meetings

#### Article IV. MEETING CONDUCT

Section 4.01 Meetings are to be run by the club President as described under duties of the office of President.

Section 4.02 Meetings are intended for the purpose of creating an open environment. Club members should feel free to express their ideas for investment upon acknowledgement of President.

Section 4.03 In the interest of efficiency, meetings are expected to be kept in order but allowed for free discussion at the discretion of the President.

Section 4.04 Club Members are encouraged to bring forward investment ideas and present them to the members with intentions to seek approval to buy or sell an investment.

Section 4.05 Club members will vote, after motion is made, whether or not to buy or sell investment.

Section 4.06 Meetings should be kept to a one hour time limit in the interest of class schedule. A motion may be made to extend the time in the interest that quorum will still be present.

- (a) In an extended meeting time, no vote may be made on asset transactions if quorum is not met; unless EMERGENCY OVERRIDE is enacted.

Section 4.07 The President will come with an agenda, and in conjunction with similar Robert's Rules of Order, the Agenda, Minutes, and Roll Call will start the meeting.

Section 4.08 Members are to adopt/approve the Agenda and approve Minutes at the beginning of each meeting.

- (a) This is the opportunity for members to add items to agenda
- (b) This is the opportunity for members to make corrections to minutes

## Article V. PRESENTING INVESTMENT OPPORTUNITY

Section 5.01 Prior to presenting an investment to be considered by the club, members are required to obtain and fill out the "Investment Standard Guide."

Section 5.02 Presenting member must obtain the information requested on this form so as to encourage the purchase or sale of investment.

Section 5.03 Upon completion of the "Investment Standard Guide," members are required to submit it to the President at anytime before the adoption of the agenda.

Section 5.04 Discussion about the investment, pursuant to Article IV, will follow member presentation of investment opportunity relative to the "Investment Standard Guide."

Section 5.05 Motions will be made or not made as to accepting, rejecting, or tabling investment opportunity at the end of discussion.

- (a) Discussion is ended at the discretion of the President
- (b) There is no time limit between presenting an investment and the purchase or sale of that investment

## Article VI. AMENDMENTS

Section 6.01 This Doctrine is intended to be fluent in respect to the nature of the club therefore amendments to this document are acceptable and welcome to fit the evolving organization.

Section 6.02 Proposed amendments must be submitted in writing to the organization.

Section 6.03 Proposed amendments must be discussed at a minimum of two meetings before being voted upon by the organization.

Section 6.04 A 2/3 majority vote is required to adopt any amendment.

Section 6.05 Amendments must be signed by the President and Advisor for final approval and acceptance of an amendment

## Article VII. INVESTMENT POLICY GUIDE

Section 7.01 In conjunction with this document, the Lake Superior State University Investment Club Investment Policy Guide shall work as an addendum to this document.

Section 7.02 This policy will work as a guide to the management of the portfolio as well as a means to explain the process of diversifying the portfolio

## Article VIII. ADVISOR

Section 8.01 The Lake Superior State University Investment Club Advisor shall be provided by the School of Business, Economics, and Legal Studies.

Section 8.02 While the club has the privilege of approving the advisor, it is required that the advisor have knowledge in the investment world.

- (a) Advisor may have taught classes in investment or asset control
- (b) Advisor may have out of education experience in investing i.e. career experience
- (c) Advisor may have business background either through teaching or real career experience

Section 8.03 The advisor is required to attend all meetings unless excused and is to serve to aid the members with decision making upon member requests.

Section 8.04 The advisor is responsible for conducting the first meetings elections of Executive Board members.

- (a) Advisor shall record nominees and tally the votes for each candidate and declare winners.