

# Value Investment Partners - Rules & Regulations

10/2/2006

1. GENERAL: In the event these rules and regulations conflict with Sun City Vistoso (SCV) governing documents, the SCV governing documents shall govern. In cases where additional guidance is needed, the Club shall refer to NAIC Model documents. These rules and regulations shall be reviewed for update annually by the Value Investment Partners (VIP) Official Board. All VIP activities and meetings shall be conducted using an approved set of VIP "Operating Procedures" and standard "Rules of Order".

2. OFFICIAL BOARD: The Value Investment Partners Official Board shall be comprised of the President, Vice-President, Secretary, Treasurer and Portfolio Manager. The Board shall meet regularly to plan all Club activities, including but not limited to:

- A. Preparing and revising Rules and Regulations for approval by the membership
- B. Preparing and revising Operating Procedures and Organization Chart
- C. Establishing meeting schedules and agendas
- D. Establishing stock selection and purchasing procedures
- E. Resolving Club problems

3. ORGANIZATION: The Club shall organize to obtain optimum participation from all Club members. Members will be encouraged to volunteer to fill Club positions according to their talents and desires. All Members shall execute a Club Partnership Agreement annually.

4. NEW MEMBERS: Candidates will be given the opportunity to review the NAIC and the VIP manuals and governing documents. Candidates must attend at least two meetings before being invited to join. A Candidate will be accepted into the Club by a majority vote of the members. New member financial assessments will be:

- A. The minimum initial investment, at entry, shall be at least 10% of the average of an existing member's value. Within six months of entry, the new member's total investment must be equal to the average of existing members.
- B. A \$60 entry fee which includes the new member's NAIC membership fee, and NAIC manual

5. EXISTING MEMBERS: Members shall make regular monthly investment payments in an amount as voted on by the membership. (currently \$50/month) Members must maintain their total investment payment status within the equivalent of three month's payments of the average of all other existing members.

6. MEMBER WITHDRAWAL: Members withdrawing from the Club must submit a written letter of resignation to a Club Officer, which shall be read and voted on at the next regular meeting following receipt of the letter. The Valuation Statement prepared for the meeting at which the resignation letter is accepted will be used to calculate the withdrawal payment. A \$50 withdrawal fee shall be assessed. The final withdrawal payment shall be made within a maximum of 45 days from the date of acceptance of the Member's resignation.

7. PAYMENTS & EXPENSES: All regular monthly investment payments will purchase Member shares in the club. A portion of these payments shall be used, as needed, to pay normal Club operating expenses. No separate expense account will be maintained.

8. MEETINGS: The Board will schedule membership meetings as necessary, and meetings will generally be held monthly. Members who anticipate future absences are requested to give a proxy vote in writing to another member, and give their investment payment(s) for the absence period to the Treasurer in advance.

9. ELECTIONS: The Board shall appoint a nominations committee, to be chaired by the immediate Past-President. The committee will present nominations annually in March for elections in April. Nominations will also be accepted from the floor.