

# Start an Investment Club with BetterInvesting



**An investment club** is a group of investors who come together to learn, share knowledge and help each other make money by becoming more successful investors. Clubs provide education, buying power and the confidence of knowing you don't have to go it alone.

**At group meetings**, usually held monthly, members pool their investment dollars, review studies of stocks presented by club members and select one or more stocks to buy based on BetterInvesting's proven investing approach.

## 10 Steps to Get You Started

### 1 Become Part of BetterInvesting

If you're not already a member, this is the place to start – you will gain access to the tools and resources needed to help you begin and manage your new club as well as support and guidance from the community of BetterInvesting members and volunteers.

### 2 Choose Club Members

A key factor in a club's success is its membership mix. Family, co-workers, neighbors and friends are good places to start. Successful clubs follow a proven, long-term approach to building wealth.

### 3 Hold an Initial Organizational Meeting

Invite those who have expressed an interest in joining your club. Your local BetterInvesting Chapter can help you prepare for, or conduct, your first meeting.

### 4 Elect Officers

As early as possible, choose your President, Vice President, Secretary and Treasurer. It is recommended that the club treasurer have an assistant who can move up later. Officers should serve a one- or two-year term.

### 5 Complete the General Partnership Agreement

Most clubs operate under a General Partnership Agreement to establish the club's purpose, objectives and structure.

Start-up and operation costs are low and the tax advantages are significant. A sample Partnership Agreement can be found in the members section of the BetterInvesting website.

### 6 Prepare Club Operating Procedures

Operating Procedures describe everyday rules and regulations, such as the duties of officers and the time of meetings. Operating Procedures should be customized to meet the needs of your members and can be revised as necessary.

### 7 Register with Federal and State Authorities

As a business entity, your club must submit IRS Form SS-4 to apply for an Employer Identification Number (EIN). You'll also file a "Certificate of Conducting Business as Partners" form, which varies by county or state. Your club will file an annual tax return (IRS Form 1065) and may be required to file a state return as well, depending on the state. In addition, members will include their share on their own tax return using the information from IRS Form 1065 Schedule K-1.

### 8 Open Checking and/or Brokerage Accounts

Most clubs begin with both a checking and a brokerage account. Some brokers offer both types of accounts. Choose

the type of broker (full-service, discount or online) that best matches the goals and needs of your club.

### 9 Begin Monthly Club Meetings and Educational Programs

As soon as possible, members should begin to learn and apply BetterInvesting's principles and proven investing methodology. Use the online Getting Started curriculum at BetterInvesting.org. Or attend seminars, workshops and events sponsored by your local BetterInvesting Chapter – part of a nationwide network of 1,500 trained volunteers committed to supporting investment clubs.

### 10 Use BetterInvesting Online Resources

BetterInvesting offers a wide array of online stock and mutual fund tools and supporting investor education. Additional website learning resources include monthly online stock study webinars, First Cut (completed Stock Selection Guides), discussion forums, article archives, and much more.

**For more information on how you can start your own club:**

Visit [www.betterinvesting.org](http://www.betterinvesting.org) or contact a BetterInvesting member service representative today!  
Toll Free: 877-275-6242 or  
Email: [service@betterinvesting.org](mailto:service@betterinvesting.org)

# The Investment Club Advantage

## Annual Club Dues – \$40/year (required)

- Commission-free, unlimited trades through Folio Investing (\$290 value)
- Introduction to Successful Investing Handbook (\$15 value)
- Investment Club Operations Handbook (\$15 value)
- Support and education from local chapters
- Standard & Poor's quarterly stock reports
- General liability insurance (\$300 value)
- Optional fidelity bond insurance



**I**nvestment clubs can now save money on one of their biggest expenses: brokerage commissions. Eligible clubs\* that open a **Folio Investing Unlimited Plan** account will have the annual account fee waived. That's a \$290 value.

*\* BetterInvesting dues-paying clubs with four or more paid members are eligible for this cost-saving benefit.*

For more information visit:

[www.betterinvesting.org](http://www.betterinvesting.org)

or call **877-275-6242** for details and see how Folio Investing can save your club money!

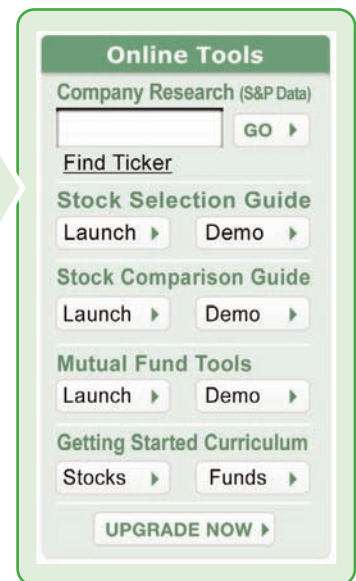
## BetterInvesting Membership (required) – \$79 (Membership Package) or \$29.99 (Basic Club Membership)

### Membership Package \$79/year

#### Your Best Ticket to Prosperity – Strong Clubs Produce Strong Earnings!

**Active, educated members increase a club's earning potential. The Membership Package provides the online tools and resources that enable each member to master the BetterInvesting method of selecting quality stocks. Included are:**

- Online Stock Selection Guide and Stock Comparison Guide
- Online Mutual Fund Check List, Comparison Guide, Trend Report and Screening Tool
- Online Getting Started Curriculum – How to Buy Stocks and Mutual Fund Classes
- Standard & Poor's stock data on over 7,000 stocks
- Lipper mutual fund data on over 20,000 mutual funds and ETFs
- BetterInvesting Magazine (print and online)
- Access to member-only website includes –
  - Online Stock Study Series (live, interactive online webinars)
  - First Cut (completed reports on stock candidates for your consideration)
  - BetterInvesting Magazine archives (a rich library of education articles)
- Access to \$52/year Barron's subscription (\$339 value)
- Access to national, regional and local events
- Discounts on tools and resources
- Preferred rates on money markets, credit cards and certificates of deposit



### Basic Club Membership – \$29.99/year

- BetterInvesting Magazine
- Access to member-only website
- Access to Barron's subscription
- Access to national, regional and local events
- Discounts on tools and resources
- Preferred rates on money markets, credit cards and certificates of deposit