

University of Wisconsin – Madison
Capital Management Club

Bylaws and Operating Procedures

As of October, 2021

Club Purpose and Goals

- The primary purpose and goals of the Capital Management Club are to:
 - Help club members learn more about the challenges of investing in stocks by actively researching potential investment ideas and presenting their conclusions to the club. Successful pitches will be purchased in a “real money” portfolio provided to the club by the Hawk Center.
 - Facilitate networking opportunities with investment industry professionals through guest speakers and other professional interactions.
 - Help prepare members interested in obtaining internships and full-time jobs in the investment industry to interview more successfully for those opportunities through skill building and the promotion of the CMC to potential recruiters.
- The secondary purpose and goals of the Capital Management Club are to:
 - Provide training in investment industry research services like Factset and Bloomberg.
 - Serve as a connection point for students to industry job opportunities.
 - Provide social opportunities for members to get to know each other.

Membership Policies

- At least 75% of active members must be UW-Madison students.
- **Dues:** All club members will be required to pay \$25 per/semester to maintain membership in the club by the second week of the new semester or within two weeks of joining the club. Club dues will be primarily collected using the club’s Venmo account, @CMCBoard.
- **Categories of Membership:** The club has two primary categories of membership:
 - **Associate Member**
 - May attend all club meetings once dues are paid
 - Will receive access to Factset ID
 - May attend training sessions, speaker events, and career development meetings
 - Can sign up to pitch a stock at any point after attending the training session series
 - Will receive notice of relevant job opportunities
 - **Portfolio Analyst**
 - To receive designation members must:
 - Complete training program or demonstrate equivalent competence (discretion on equivalent competence is up to the President and can be determined by means of an interview process or similar)
 - Pitch a stock at a general meeting
 - Interview successfully with club leaders

- Portfolio Analysts receive all benefits of Associate Members, but in addition:
 - May attend all social events
 - Priority to attend guest speaker and networking events
 - Can vote on investment pitches and in club elections
 - Can hold leadership positions within the club
 - Can use “Portfolio Analyst” designation on resume
 - Receive elevated recruitment support
 - Receive notification of internship and full-time job opportunities
- **Attendance Expectations for Portfolio Analysts** – Portfolio Analysts are expected to attend regular club meetings or let the executive board know why they cannot attend at least 24 hours prior to the meeting. Club membership may be revoked for the remainder of the school year if the member has 2 unexcused absences in a single semester.

Executive Board

- The CMC will have **3 elected officers** selected by the Portfolio Analysts (through an anonymous vote) at the end of each Spring semester. Their terms are officially May 1st – April 30th of the following year. These elected officers must be UW-Madison students and will make decisions on behalf of the club.
 - President: Overall vision, faculty adviser liaison, appoints chairs
 - Vice President: Supports the President, head of recruiting new members
 - Treasurer: Dues collection, bill payment, budgeting
- The remainder of the Executive Board will be appointed by the new President within two weeks of the general election (no later than May 15th)

Club Operations

- **General Meetings:** CMC club meetings are held every two weeks, typically on Tuesday nights from 5:30 – 7:00 pm starting the second week of each semester. Club meetings are open to all members.
- **Training Meetings:** On alternating Tuesdays at the beginning of each semester, the CMC will provide training for new members. These meetings are required for Associate Members to become Portfolio Analysts
- **Optional Club Events:** Members are also invited to attend optional events like info sessions, and the Career Development Program meetings. Portfolio Analysts have priority when attendance is limited.
- **Marketing to New Members:** The CMC promotes membership through:
 - The Club Website
 - School sponsored Org Fairs
 - Promotion in Finance Classes
 - Promotion at Hawk Center events/info sessions
 - Instagram
 - Special Events designed to raise awareness of the Club

Stock Pitching & Position Guidelines

- In order to pitch a stock, members must follow the process outlined below:

- Prepare a stock pitch using the template provided by the club (must be a “buy”)
- Adhere to the pitch timeline:
 - Sign up to pitch on the pitch calendar located on the CMC website and in emails
 - 3 weeks prior to their scheduled pitch date, a member MUST send the Pitch Logistics Chair the ticker symbol of the stock they intend to pitch.
 - 2 weeks prior to the scheduled pitch date, a member MUST send the Pitch Logistics Chair a short summary of their investment thesis points.
 - 1 week prior to the scheduled pitch date, a member MUST send the Pitch Logistics Chair their draft PowerPoint presentation (using the CMC pitch template).
 - 3 days prior to the scheduled pitch date, a member MUST send the Pitch Logistics Chair their FINAL PowerPoint presentation.
 - Pitch the stock within 20 minutes at a club meeting (12 minutes prepared comments and 8 min Q&A)
- Buying a Stock in the CMC Portfolio:
 - A pitch must receive at least 60% of the votes from all Portfolio Analysts in attendance at the meeting.
- Selling a Stock from the CMC Portfolio:
 - The analyst that originally pitched the idea can initiate a sell decision at any point by sending an email to the President and faculty adviser. The analyst should then follow up with the rest of the club via an update at the next regular meeting or via email.
 - A sell can also be proposed by any Portfolio Analyst for discussion at any club meeting and will be executed if it receives support from 75% or more of the Portfolio Analysts attending the meeting.
 - Stocks in the portfolio that were pitched by graduating seniors are automatically sold after the last regular club meeting of their senior year

Misconduct

The following procedures shall govern the removal of any club members that engage in misconduct:

- A. Any member may be removed from the club upon a 2/3 majority vote of the elected Executive Board;
- B. Any member being considered for removal shall be allowed a reasonable amount of time to give a presentation in his or her defense before a vote on removal;
- C. Reasons for removal of an officer include, but are not limited to
 - a. Academic integrity violations;
 - b. Any other legitimate reason upon written complaint to the Executive Board of any member, faculty, or alumni.
 - i. The legitimacy of any request for removal shall be determined by the President;
- D. The President shall provide to the member being considered for removal a written notice of the Executive Board’s intent to hold a vote for their removal;

- E. This notice shall be given at least one (1) week prior to any vote for removal;
- F. If a member being considered for removal does not appear at the meeting when a vote for removal is scheduled to take place, that member is considered to have waived his or her right to give a presentation in their defense as outlined above;
- G. If a vote for removal is successful, the member is to be considered immediately removed from the club and is no longer allowed access to club resources;
- H. If a vote for removal is defeated, the member retains his or her status, and no further vote on the same complaint shall be allowed to proceed; and
- I. Should the President be considered for removal, all duties outlined in this Section shall fall to the responsibility of the Vice-President.