

Barry University's Andreas School of Business
Student Managed Investment Fund
Structure

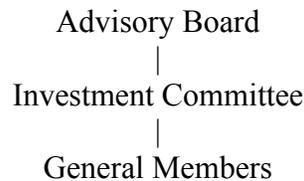
1. Intro

The Andreas School of Business Student Managed Investment Fund will operate using a three level tiered system. The three tiers from greatest authority to least include the Advisory Board, Investment Committee and General Members. Working within these three tiers the Fund will also have a Faculty Advisor.

Membership terms will follow an academic year and the fund will be managed over a Calendar year. Semi-annual reports will be dated June 30, and December 31. Summer semesters will act as transition periods where both incoming and outgoing members will work together on the semi-annual report and transition all other responsibilities.

As described in the official Founding Proposal the emphasis of the fund will be that it is student managed. The inclusion of more experienced and educated Faculty, Staff and business men or women is for the purpose of guiding and advising students. In order for the fund to be considered truly student managed the students must have the ability to make decisions and be responsible for the subsequent outcomes.

2. Visual Aid



3. Advisory Board

The Advisory Board is the first level of the tiered system and holds the greatest authority.

Members:

Advisory Board Members will consist of faculty, staff, Barry Board of Trustees Investment Committee Member(s), financial industry experts and dedicated supporters of the Fund. There will be two categories of membership within the Advisory Board. These two categories will consist of Active and In-active members.

Active members will take part in all decision making and will be approachable by student members of the Investment Committee.

Inactive membership is saved for those members who are currently working in the financial industry, experts in the field, or select supporters of the fund who do not have the time to take part in all decision making. They will however be kept up to date on all decisions and may take part in the decision making process when they feel necessary.

Structure:

Initial Advisory Board member selection will be made by the Faculty Advisor, Dean of the Andreas School of Business and Founding Members.

Following the initial set-up any member of the Advisory Board has the ability to seek out qualified new members and suggest to the current Advisory Board the addition of these new members. The Advisory Board must vote to elect any new members or to increase the current number of members. Those seeking to join the board can do so by contacting the current Chair or Faculty Advisor. The current Chair or Faculty Advisor can screen candidates and bring to vote only those applicants who are truly worthy of a position.

The Advisory Board members will elect among themselves a Chair for each academic year. The Chair will lead the Advisory Board for that academic year. The Advisory Board may create additional positions and elect members to these positions if they feel they would be of benefit to the fund.

Responsibilities:

The main responsibilities of the Advisory Board are to advise and monitor the Investment Committee's actions. Though the Investment Committee is charged with managing the fund the Advisory Board can take this authority away if they feel the Investment Committee is not following investment policy or meeting their responsibilities. The Advisory Board has the authority to put single members or the entire Investment Committee on review. They also have the authority to replace the Investment Committee and its members.

Each academic year an appointed group of up to four Advisory Board Members will serve on the Investment Committee. The Advisory Board will appoint these four members among themselves.

The number of Advisory Board members that will sit on the Investment Committee following the application process will depend on the number of students selected. Advisory Board Member to student ratio must consist of one of the following: 1/2, 2/3, 2/4, 2/5, 3/6, 4/7, 4/8. The emphasis will always be to include as many students on the Investment Committee as possible. It must however be kept in mind that the fund manages real money and can only select as many candidates as deemed capable for the responsibilities of an Investment Committee member position.

The Faculty Advisor or members of the Investment Committee may bring concerns to the Advisory Board for final decision. This may include concerns about investments not following policy, mistreatment of members, illegal activity or any other concern that cannot be handled within its respective tier.

The Advisory Board will also be responsible for approving proposals from the Investment Committee regarding expenditures outside of investments and for allocation of earnings (re-investment, scholarship, charitable donation or community service and educational activities).

Advisory Board Members must be well versed in the official Investment Policy and structure of the Student Managed Investment Fund in order to be capable of making final rulings on decisions.

Terms:

Advisory Board member terms will generally be for three years. At the end of three years the past member may re-apply for membership or may be asked by the Advisory Board to maintain their membership.

If a member is not meeting the responsibilities of their position they may be put on review by the current Chair or Faculty Advisor. The member may then be removed from the board through an official discussion and vote.

If a member of the Advisory Board joined as a faculty or staff member of Barry University and discontinue their work during their term it will be up to the Advisory Board to decide whether or not they may be removed from the board or finish their term.

Side Notes:

Founding members Sean Cooney and Raul Ballester will be given lifetime positions on the Advisory Board upon creation of the Student Managed Investment Fund and completion of an undergraduate degree. The previously mentioned Founding members will only lose their lifetime Advisory Board positions if each is subjected to a unanimous Advisory Board vote concluding they are not deemed privileged for this right.

This privilege is being given to the Founding members as a show of recognition for their hard work. More importantly, it is being included as a statement of their commitment to see this fund through to a successful future beyond their years as students at Barry University.

4. Investment Committee

The Investment Committee has the greatest responsibility as it is charged with managing the fund and ensuring its continuity.

Membership:

As explained in section three, subcategory 'Responsibilities', members of the Investment Committee will consist of appointed Advisory Board members, and students selected by prior Student Fund Managers. Advisory Board member to student ratio will consist of one of the following: 1/2, 2/3, 2/4, 2/5, 3/6, 4/7, 4/8.

Student members of the Investment Committee will be receive the title of *Student Fund Manager*.

Requirements for Student Fund Manager Position:

Students wishing to be Student Fund Managers must be in good standing with the University and Andreas School of Business. Undergraduates must also be enrolled in FIN-352 (Fundamentals of Security Analysis). If a Student Fund Manager is currently enrolled in the prerequisite for

application and fails or drops the course they will be replaced by a more qualified alternate. MBA pre-requisites will be considered on a base by case basis.

For Student Fund Manager Position preference will be given to applicants who have completed at least one semester as a General Member.

If membership is opened to the entire university, non-business majors must still complete one of the previously mentioned courses and all required pre-requisites.

Structure:

All members within the Investment Committee have equal authority whether or not they are students or appointed Advisory Board members. When voting to approve or reject an investment proposal each Investment Committee Member's vote will count as equal. A super majority vote of two thirds is required to approve an investment proposal.

Student Fund Manager Responsibilities:

Student Fund Managers are responsible for all research, analysis and work in putting together investment proposals and proposed directions for the fund.

It is the responsibility of the Student Fund Managers to ensure that proposals are completed and presented to the Investment Committee whether on their own, or with the help of General Members. Student Fund Managers must work on their own proposals, and must also be an aid to General Members who are attempting to put together proposals for the Student Fund Manager.

Student Fund Managers are responsible for tracking all fund activities, and reporting these activities through periodic reports to Advisory Board, University, and donors.

It is the Student Fund Manager's responsibility to ensure continuity of the fund. This will be completed by training, educating and fostering involvement from General Members. Training and educating General Members will be for the purpose of General Members taking the role of Student Fund Managers in the future.

Student Fund Managers are responsible for organizing the General Members. If they feel that General Members are not meeting their responsibilities it is the responsibility of the Student Fund Managers to put this member on review and if appropriate take away their membership.

Student Fund Managers should always have two objectives in mind for the success of the fund. These objectives are to effectively and profitably manage the fund, and to ensure continuity of the fund.

Student Fund Managers are also responsible for attending all investment decision meetings, giving input on investment proposals, and voting to approve or reject said proposals.

Appointed Advisory Board Member Responsibilities:

Advisory Board Members are responsible for advising and working closely with Student Fund Managers to ensure they are working effectively and making intelligent decisions.

They are also responsible for attending all investment decision meetings and/or reviewing proposals, giving input on investment proposals, and voting to approve or reject said proposals.

Terms:

Terms for both appointed Advisory Board Members and Student Fund Managers will be for the length of one full academic year (September 1st – August 29th). However, Student Fund Managers will be selected at the end of the Spring Semester and will work alongside current Student Fund Managers to transition responsibility and work on the June 30 semi-annual report.

5. General Members

General members have the least authority and responsibility in the tiered system. They are however the most important level because they ensure the continuity of the fund.

Membership:

Membership is open to all undergraduate Andreas School of Business students that have enrolled in ACC-201 and ECO-201. If membership is opened to the entire University, non-business majors must still enroll in ACC-201 and ECO-201. Having these two classes complete will ensure that students have at least a basic knowledge in economic theory and financial statement structure. MBA pre-requisites will be considered on a case by case basis.

Students, who are only enrolled in the prerequisites, oppose to having completed them, will be accepted on a case by case basis.

A small monetary fee will be required for membership. The size of this fee will be determined by General Members and Fund Managers each semester. Money collected from this fee will be used for small expenses such as organizing events, binding presentation materials, etc.

Responsibilities:

General members are responsible for the work assigned by and agreed upon with the Student Fund Managers. General members will be responsible for showing up to all mandatory meetings (two unexcused absences will result in review and possible loss of membership) and educational events.

General members are not responsible for creating their own proposals, but are allowed to do so.

Leadership Possibilities:

It is possible that Student Fund Managers will elect qualified or hard working General Members to take on leadership responsibilities within the General Member tier.

6. Sub-Committees

Upon proposal of the Investment Committee and approval from the Advisory Board it is possible for additional sub-committees to be created. This may include committees for marketing, event

planning, community relations, community service, etc. General Members or Student Fund Managers may lead or take a role in these sub-committees.

7. Faculty Advisor

The Faculty Advisor will maintain a position on the Advisory Board. He or she will be responsible for monitoring Investment Committee and general members with regards to discharge of duties, reporting and investment fund oversight.

Faculty Advisor will be released of one course per year.