



40° NORTH

GOVERNANCE, COMPLIANCE AND OPERATIONS MANUAL

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II. PREAMBLE

This document serves as the official and comprehensive reference guide for the structure, responsibilities, expectations, and operational procedures of the 40° North Fund. It is intended for all current and prospective fund members.

All members of the 40° North Fund are expected to adhere strictly to the policies, procedures, and standards outlined herein. Violations may result in disciplinary action, up to and including removal from the fund, as deemed appropriate by the fund's leadership.

While this document aims to be exhaustive, it does not supersede or limit the authority of the fund's executive leadership. The fund's leadership retains full discretion over all operational and administrative decisions and may amend or expand upon this document as necessary to meet the evolving needs of the fund.

This document may be amended at any time at the discretion of the fund's leadership. All members are required to comply with the most current version of this document, as well as with any directives issued by the executive team.

New fund members must sign this document on the final page.

III. EXECUTIVES

OVERVIEW

The executive team of the 40° North Fund is responsible for the overall leadership, administration, and strategic direction of the organization. Each executive officer holds distinct responsibilities essential to the fund's daily operations and long-term success. While each position specializes in a particular domain—ranging from investment oversight to operations, marketing, and communications—all executives are expected to work collaboratively to ensure the fund operates as a unified and high-performing entity. The CEO maintains final authority in all matters, and all executive decisions are subject to the leadership structure outlined herein. The individuals currently serving in these roles are listed below, followed by a summary of their responsibilities and scope of authority.

PERSONNEL

Chief Executive Officer	Mateo Paula
Chief Investment Officer	Joseph Ponda
Chief Operating Officer	Daniel Mueller
Chief Marketing Officer	Xavier Train-Jimenez

EXECUTIVE ROLES AND RESPONSIBILITIES

Chief Executive Officer (CEO)

The Chief Executive Officer (CEO) holds the highest level of authority within the 40° North Fund. The CEO has ultimate oversight over all fund operations, personnel, and decisions. All executive officers, teams, and members operate under the CEO's leadership and are subject to their direction. In any matter where ambiguity, conflict, or dispute arises, the CEO's decision is final. This authority includes—but is not limited to—personnel decisions, portfolio strategy, disciplinary actions, and structural or procedural changes to the fund.

Chief Investment Officer (CIO)

The Chief Investment Officer is responsible for overseeing all portfolios within the fund and maintaining the overall investment strategy. The CIO ensures that all portfolios align with the fund's long-term financial goals, risk tolerance, and ethical standards. The CIO manages communication between Portfolio Managers and executive leadership, and has the authority to approve or reject trades, rebalance proposals, and investment decisions submitted by Portfolio Managers. The CIO also contributes to the fund's monthly Letter to Investors and strategic investment reports. In investment matters, the CIO serves as the CEO's principal advisor.

Chief Operating Officer (COO)

The Chief Operating Officer is responsible for the day-to-day internal functioning of the fund. The COO ensures that all teams are running efficiently and that expectations, deadlines, and procedures are clearly communicated and enforced. This includes managing team workflows, meeting schedules, internal documentation, and the coordination of cross-portfolio collaboration. The COO also oversees onboarding

processes, analyst progression, and ensures operational alignment with fund goals. All Portfolio Managers and Analysts are expected to follow the COO's structural directives. Specific duties include managing and promoting members, organizing the fund calendar, compiling and publishing the Investor Letters, and more.

Chief Marketing Officer (CMO)

The Chief Marketing Officer leads the fund's external communication, branding, and outreach efforts. The CMO is responsible for managing the fund's digital presence—including social media, the website, and outreach materials. The CMO works with Portfolio Managers to ensure public-facing materials are accurate and professional. The CMO also helps lead recruitment campaigns and public relations efforts, ensuring that the fund maintains a consistent and credible image.

IV. NON-EXECUTIVE POSITIONS

OVERVIEW

The following outlines the expectations, qualifications, and responsibilities for all research-based positions within the 40° North Fund. These positions are earned based on demonstrated contribution and are essential to the fund's ongoing research and portfolio development. All members are expected to uphold the standards of professionalism, accuracy, and accountability that define the 40° North Fund.

NON-EXECUTIVE ROLES AND RESPONSIBILITIES

1. Portfolio Manager (PM)

Portfolio Managers serve as the lead decision-makers and strategists for individual portfolios within the fund. Each Portfolio Manager is entrusted with discretion over trading decisions within their assigned Alpaca paper account and is responsible for ensuring their portfolio operates in alignment with fund policy. Portfolio Managers report directly to the executive leadership.

All decisions made by portfolio managers must be informed by research reports submitted by fund members. If the portfolio manager wishes to make a timely transaction without yet having the formalized research to support it, they may, given that they submit a justification report within three business days of the transaction.

Responsibilities include, but are not limited to:

- a) Executing trades and managing portfolio strategy based on internal research;
- b) Leading a team of analysts and overseeing the research process;
- c) Submitting monthly performance summaries to the fund board, to be included in the Letter to Investors;
- d) Maintaining the accuracy and completeness of the portfolio's public tracking file;
- e) Ensuring portfolio meetings occur on a regular, minimum biweekly basis;
- f) Enforcing analyst report submission standards within their team.

Portfolio Managers may only lead one portfolio at a time and may be subject to reassignment or removal at the discretion of the CEO or CIO.

2. Senior Analyst (SA)

Senior Analysts are experienced research contributors who have submitted five or more reports in compliance with the fund's guidelines. They are expected to demonstrate a high level of independent thinking, depth of analysis, and consistent reliability. Senior Analysts may be affiliated with multiple portfolios simultaneously.

Duties include:

- a) Producing advanced, high-quality reports with original insight;
- b) Advising Portfolio Managers and collaborating on thematic or strategic analysis;
- c) Assisting Junior Analysts and Analysts in developing research skills and methodologies;
- d) Maintaining regular participation across all assigned portfolios.

Senior Analysts are considered potential candidates for leadership roles and are expected to model exemplary research conduct.

3. Analyst (A)

Analysts are standard research contributors who have submitted three approved reports in accordance with fund requirements. They form the core of the research process across the fund's portfolios and may be active in up to two portfolios concurrently.

Duties include:

- a) Submitting at least one report per month for each portfolio they are part of;
- b) Conducting research that directly informs portfolio strategy and trading decisions;
- c) Remaining committed to a given portfolio for a minimum of three reports prior to requesting reassignment;
- d) Participating in portfolio meetings and contributing to team discussions.

Analysts are expected to produce thoughtful, well-supported research and contribute actively to their portfolio teams.

4. Junior Analyst (JA)

Junior Analysts are new contributors who have completed one full research report meeting the fund's standards. They may be assigned to one portfolio and are expected to build foundational research skills under the guidance of PMs and senior analysts.

Responsibilities include:

- a) Completing regular research reports under the supervision of portfolio leadership;
- b) Demonstrating a commitment to learning the fund's reporting structure and methodology;
- c) Submitting a minimum of three reports for a portfolio before requesting a switch to another;
- d) Attending regular portfolio meetings and responding to feedback.

Junior Analysts may not switch between portfolios without explicit permission from the executive team.

5. Associate

Associates are fund participants who have attended meetings or expressed interest in research but have not yet submitted a qualifying report. They are considered prospective contributors and are encouraged to begin work on their first report in order to attain promotion to Junior Analyst status.

Associates do not have reporting or voting privileges within portfolios. Upon submission and approval of their first research report, they are formally promoted to Junior Analyst.

V. DECISION-MAKING PROCEDURES

OVERVIEW

This section outlines the chain of command and decision-making responsibilities within the 40° North Fund. The Fund operates under a structured leadership model to ensure accountability, strategic clarity, and operational consistency.

Chief Executive Authority

The Chief Executive Officer (CEO) holds final and absolute authority over all matters relating to the administration, operation, strategy, and membership of the Fund. All members—including executives, Portfolio Managers, and analysts—ultimately operate under the direction of the CEO. The CEO has full discretion to intervene, overrule, or delegate decisions as necessary to preserve the Fund’s mission, governance standards, or organizational integrity.

Executive Oversight

Fund executives (CIO, COO, CFO, CTO, CMO, etc.) are empowered to make decisions within their respective domains and have direct authority over Portfolio Managers. Executive decisions may involve policy, operations, research standards, marketing, technology, or finance, and are made at their discretion based on the best interests of the Fund. Executives are encouraged to consult with the CEO or one another, but are not required to do so except where specified by policy.

Portfolio Manager Authority

Portfolio Managers (PMs) are responsible for overseeing the strategy, research workflow, and performance of their assigned portfolios. PMs have decision-making authority over investment actions within their portfolios, including asset selection, allocation, and trade execution. However, PMs must:

- Base investment decisions on original research produced by members of the Fund
- Maintain alignment with the Fund’s risk tolerance policies, compliance rules, and ethical standards
- Consult their executive supervisors—primarily the CIO—before executing high-impact or sensitive decisions, including significant allocation shifts, use of leverage, or deviations from the portfolio’s original thesis

Portfolio Managers are expected to lead their teams responsibly and independently, but remain accountable to the executive team at all times.

Analyst Structure

Junior Analysts, Analysts, and Senior Analysts do not exercise authority over one another, and no tier of analyst has decision-making power over Fund operations, portfolio trades, or policy. Analysts serve in a research and advisory capacity, producing reports and supporting their assigned portfolios.

While Senior Analysts may be given broader responsibilities, all analysts report solely to their Portfolio Manager and executives and may be reassigned by executives as needed.

Consultation Requirements

Although Portfolio Managers may act autonomously within their role, they are required to:

- Solicit input from their analysts, particularly on reports used to justify decisions

- Make decisions grounded in research made by fund members
- Consult the CIO and other relevant executives when making important or high-risk decisions
- Immediately present any conflicts, uncertainties, or compliance concerns to the appropriate executive officer

Executives are encouraged to make decisions efficiently but may consult the CEO or other leaders at their discretion. Executives must consult the CEO for important decisions.

Final Interpretation

All questions of interpretation or ambiguity regarding the Fund's decision-making structure and all other sections of this document are subject to the judgment of the CEO, whose rulings are final and binding.

VI. SUCCESSION AND ROLE TRANSITIONS

OVERVIEW

To ensure the long-term continuity, integrity, and functionality of the 40° North Fund, all key leadership positions are subject to structured succession procedures. Transitions in leadership roles—whether planned or unforeseen—must be handled in a manner that preserves institutional knowledge, protects operational stability, and upholds the standards of the Fund.

Executive Succession

In the event that an executive position becomes vacant or a leadership transition is planned, the Chief Executive Officer (CEO) shall appoint a replacement or designate an interim officer. If the CEO role becomes vacant, the CIO will serve as interim CEO until a permanent successor is appointed via democratic vote by the remaining executives. All executive appointments are subject to the CEO's discretion and may involve internal review or consultation with senior Fund members.

Portfolio Manager Transitions

If a Portfolio Manager (PM) steps down, is removed, or becomes inactive, the CIO will work with the executive team to appoint a successor. Preference may be given to experienced analysts within the portfolio who have demonstrated leadership, consistency, and a deep understanding of the portfolio's strategy. PM transitions must be formally documented and communicated to the entire Fund.

Analyst Role Advancement

Progression between analyst levels (Junior Analyst, Analyst, Senior Analyst) is governed by merit-based contributions, as defined in the applicable sections of this Manual. Transitions between roles do not require executive approval unless disciplinary or special considerations apply.

Continuity and Handover Obligations

All outgoing leaders are required to participate in a reasonable transition period, during which they must transfer knowledge, tools, files, and access credentials to their successor or a designated executive. Failure to support this process may result in disciplinary review or forfeiture of any future eligibility for leadership roles. Transfers of credentials and passwords will never be of personal accounts, only fund-operated accounts. However, members may be required to transfer ownership of files to their successor(s) if they are stored in personal accounts.

Final Authority

All succession and transition decisions are subject to final approval by the CEO. Any disputes, exceptions, or emergency scenarios will be resolved by executive decision in accordance with this Manual and the best interests of the Fund.

VII. CODE OF CONDUCT

OVERVIEW

The 40° North Fund is a student-operated investment organization committed to professionalism, integrity, and collaboration. All members are expected to uphold the highest standards of ethical behavior, intellectual honesty, and mutual respect. This Code of Conduct outlines the expectations for all participants and governs how individuals are to interact with one another, conduct research, represent the Fund, and use Fund resources.

1. General Expectations

All members, regardless of role or rank, must:

- Act with integrity, transparency, and accountability in all fund-related activities.
- Contribute meaningfully and reliably to assigned responsibilities.
- Maintain a professional and respectful tone in all communications, including Discord, meetings, email, and written materials.
- Adhere to deadlines, procedures, and policies set forth in this Manual and by fund leadership.
- Protect the privacy, security, and intellectual property of the Fund and its members.
- Represent the Fund appropriately in public, on social media, and in all external communications.

2. Respectful Collaboration

The Fund fosters an inclusive, intellectually curious environment. All members must:

- Listen actively and respectfully to others' viewpoints.
- Offer constructive feedback, not personal criticism.
- Avoid disruptive behavior or harassment of any kind, including offensive language, intimidation, or exclusionary practices.
- Treat all members—regardless of position, experience, or age—with equal respect.

3. Academic and Intellectual Honesty

- All research and reports must be the original work of the author(s).
- Plagiarism, data falsification, or uncredited copying of others' analysis is strictly prohibited.
- Sources must be properly cited in every report or presentation.
- All performance claims must be based on accurate and verifiable data.

4. Confidentiality and Internal Security

Members must:

- Keep login credentials, shared accounts, and administrative tools secure and private.
- Not share internal reports, dashboards, or communications outside the Fund without explicit permission.
- Immediately report any misuse of Fund tools, unauthorized access, or breaches of confidentiality to the executive team.

5. Use of Fund Tools and Technology

Members are expected to use all Fund-provided resources, including trading accounts, Google Workspace, Discord, and custom tools, for authorized purposes only. Misuse of systems—such as automation abuse,

trading account tampering, or spamming—will result in disciplinary action, up to and including permanent removal.

6. Representation and Public Image

No member may speak on behalf of the Fund unless explicitly authorized by the CEO, CMO, or other appropriate executive. Personal opinions should be clearly distinguished from official Fund communications.

7. Conflicts of Interest

Members must disclose any material conflicts of interest related to investment research, such as holding a position in a security being analyzed, or affiliations with companies under discussion. Failure to disclose conflicts may result in report rejection or disciplinary review.

8. Compliance and Enforcement

Violation of this Code may result in disciplinary action as outlined in the Disciplinary Actions and Enforcement Procedures section. Consequences may include warnings, report rejection, demotion, suspension, or removal from the Fund. Final authority for interpreting and enforcing this Code rests with the executive leadership, with the CEO holding ultimate decision-making power in all disciplinary matters.

VIII. DISCIPLINARY ACTIONS AND ENFORCEMENT PROCEDURES

OVERVIEW

This section outlines the procedures the 40° North Fund will follow when addressing violations of its policies, conduct standards, or operational expectations. Disciplinary actions are not intended to punish, but to protect the integrity of the Fund, reinforce professionalism, and maintain a productive and respectful environment for all members.

Grounds for Disciplinary Action

Disciplinary measures may be considered for any conduct that undermines the mission, operations, or community of the Fund. This includes, but is not limited to:

Violations of the Code of Conduct

Violations include, but are not limited to, the following:

- Repeated failure to fulfill role expectations, including meeting attendance, report deadlines, or contribution requirements
- Academic dishonesty, including plagiarism, data manipulation, or misrepresentation
- Unauthorized access to or misuse of shared accounts, tools, data, or documents
- Inappropriate, disrespectful, or disruptive behavior toward other members
- Unauthorized public communication or misrepresentation of the Fund's name, decisions, or strategies
- Trading abuses, such as excessive or reckless transactions beyond approved limits
- Breaches of confidentiality or improper distribution of internal materials
- Any other behavior deemed irresponsible, unethical, or damaging to the Fund's reputation or operations

Reporting and Investigation

Any member may report suspected misconduct to the executive team. Reports should be directed to the Chief Operating Officer (COO) or Chief Executive Officer (CEO). Reports will be reviewed promptly and, where appropriate, an internal inquiry will be conducted. This may involve reviewing communications, internal documents, and speaking with involved parties.

All inquiries will be conducted professionally and confidentially, with care taken to preserve fairness and impartiality.

Enforcement and Decision-Making

Once a matter has been reviewed, the executive team will determine the appropriate course of action. The decision will consider the nature of the offense, its impact, and the member's prior record, if any. The CEO holds final authority in all disciplinary matters and may consult other executives as needed before rendering a decision.

Types of Disciplinary Action

Possible consequences may include:

- A verbal or written warning

- Rejection of submitted reports or work
- Temporary suspension from meetings, communications, or team functions
- Demotion from a current position (e.g., Analyst to Associate)
- Revocation of leadership or Portfolio Manager status
- Permanent removal from the Fund (termination)
- Other actions deemed appropriate by executive leadership

Appeals

Members who wish to contest a disciplinary decision may submit a written appeal to the CEO within five days of notification. Appeals should explain the reason for the challenge and include any relevant information. The CEO will review the appeal and issue a final decision. All appeal outcomes are final and binding.

Leadership Authority

The executive team, acting under the authority of the CEO, reserves the right to take immediate and appropriate action in the event of serious violations. The CEO has the exclusive and final authority to interpret this policy, determine outcomes, and take necessary steps to preserve the Fund's mission and integrity.

IX. REPORT GUIDELINES & RESEARCH POLICY

OVERVIEW

At the 40° North Fund, members are encouraged to research any financial topic they find compelling — from individual stocks to sectors, macroeconomic trends, ETFs, or alternative assets. However, to ensure consistency, clarity, and quality across reports, all research submissions must adhere to the following requirements in order to be published.

STARTING A REPORT

Analytical reports are the foundation of any good fund. They provide the information necessary to make investment decisions and help other fund members gain a deeper understanding of their selected topic. At the 40° North Fund, we aim to create an environment where people can learn effectively via firsthand experience researching, writing, reading, and acting on reports. Consequently, all reports must be:

- Written on Google Docs
- Shared with 40nf@googlegroups.com so all fund members can access them (comment access)
- Formatted consistently with previous reports

For these reasons, the Fund suggests that all report documents be created by going to

 [40°N | Research Report Template](#), clicking **File > Make a Copy** and checking **Share it with the same people**.

Note that making a copy requires being signed in to your Google account.

MANDATORY REPORT REQUIREMENTS

These basic requirements are non-negotiable for all reports. They are the foundation of financial analysis, and should all be addressed thoroughly.

Reports can range from 1–10 pages, depending on the topic and necessary level of detail. No matter the length, they should be thorough, reliable, and actionable.

1. Clear, Actionable Recommendation

- ▶ Must present a Buy / Hold / Sell (or Long / Watch / Short) recommendation to be considered for the target portfolio.
- ▶ Define the expected timeframe and target return or outcome.
- ▶ Recommendations must be clearly justified with supporting evidence and analysis.

2. Thesis & Rationale

- ▶ Clearly articulate the investment thesis.
- ▶ Highlight key drivers, catalysts, or inflection points.
- ▶ Explain why this opportunity is worth considering now.

3. Financials or Relevant Data

- ▶ Provide concrete financial or economic data, such as:
 - Revenue, valuation, profitability, margins, etc. (for equities)
 - Key metrics, statistics, or indicators (for sectors/macros)
- ▶ Use trusted sources (e.g., company filings, Yahoo Finance, the SEC).

4. Risk Analysis & Contrarian View

- Identify and assess the main risks to the thesis.
- Address potential weaknesses, uncertainties, or counterarguments.

5. Original Insight or Analysis

- Go beyond summaries to offer unique interpretation.
- Include your own reasoning, calculations, or strategic thinking.

Sample Structure

1. Title: Briefly state topic (e.g., "How Microsoft is Uniquely Positioned for Explosive Growth")
2. Executive Summary: 1 paragraph summarizing thesis and recommendation
3. Main Body: Well-organized sections with data, reasoning, and insights
4. Recommendation Recap: Reaffirm your investment view
5. Sources: Cite all key sources and data points

RECOMMENDED DETAILS

While the basic framework for reports creates the foundation of a report, the true quality is in the details. It is recommended that each report incorporates some kind of unique element such as (but not limited to) the following:

- Valuation model (DCF, comparables, or price target rationale)
- Visuals or charts to support your thesis
- Timeline of upcoming catalysts or events
- Technical analysis or price trends
- ESG or regulatory considerations
- External sentiment, news, or expert insights
- Quotes from analysts

REPORT REVIEWING

After completing your report, you must submit it for peer review. To do this, open the Discord workspace and use the command /submitreport. Fill in all the fields and send the command. Your report will be sent to the #report-reviewing channel for review.

MORE INFORMATION

Deadlines may be assigned by fund leadership or Portfolio Managers.

Analysts may be asked to present their findings to portfolio teams or the full fund.

FINAL NOTES

This policy serves as a foundation for all research activities within the 40° North Fund. We value intellectual curiosity and encourage members to explore diverse ideas. Submissions should reflect these values. For questions or clarifications, contact the CIO.

X. LAUNCHING & OPERATING A PORTFOLIO

OVERVIEW

The 40° North Fund operates as a collaborative platform composed of multiple, independently managed portfolios. Members of the fund may propose and lead portfolios, provided they meet defined standards for accountability, strategy, and performance. These guidelines outline the structure, requirements, and responsibilities for launching and operating a portfolio.

LAUNCHING A PORTFOLIO

Eligibility

- Any registered member of the fund may submit a portfolio proposal.
- The position level and experience of the applicant as well as the quality and depth of the application will be considered when the executives review a portfolio application.

Application Process

- To create a portfolio, submit an application via this form:
<https://forms.gle/4M9JQOy8HqNXDRKh8>
 - **NOTE: YOU MUST REVIEW THE PORTFOLIO OPERATING REQUIREMENTS BEFORE SUBMITTING AN APPLICATION.**
- Applications will be reviewed by executives and a decision will be sent via email and/or Discord message within 3-5 business days.

PORTFOLIO OPERATION

- Portfolio Managers are provided with a login to an Alpaca paper trading account with \$100,000. The login to this account is not to be shared with anyone except the executive team.
- The portfolio team manages this account, which is mirrored by everyday users.
- For each transaction made in the Alpaca brokerage account, the Portfolio Manager must update the Portfolio Performance files for their portfolio. These files are publicly available for review, and give all fund members the ability to review performance, as most will not have access to the Alpaca dashboard. They must also notify investors on the email list for the fund.
- Portfolio Managers have significant freedom with investment strategy, trades, and transactions as long as the portfolio adheres to the following requirements.
- Analysts who are members of the portfolio will submit reports in accordance with the requirements below, and the Portfolio Manager will make decisions and execute trades based on such reports.
- Investors and associates may mirror the portfolio's trades and transactions through tools provided by the Fund.
- Portfolios and their teams will be monitored and managed by the executive team.

MANDATORY PORTFOLIO OPERATING REQUIREMENTS

These guidelines are non-negotiable for all portfolios. Portfolios are the core of this fund's operation, and are carefully scrutinized at all times.

1. Portfolio Manager Guidelines and Responsibilities

- ▶ Portfolio Managers (with help of other members of the portfolio) must submit a monthly performance summary to the fund board, including:
 - Positions overview
 - Strategy evaluation
 - Commentary on wins/losses
 - Outlook/adjustments
 - Summary of recent transactions
- ▶ This performance summary will be published in the monthly Investor Letters along with notes from fund leadership, other Portfolio Managers, and any selected speakers.
- ▶ Portfolio Managers are the ones who ultimately make decisions and execute transactions.
- ▶ Portfolio Managers can only manage 1 portfolio at a time.
- ▶ The creator of the portfolio automatically becomes the manager of that portfolio and is promoted to the position of Portfolio Manager once approved by fund leadership.

2. Technology Use and Security Protocols

- ▶ The Portfolio Manager is expected to use any shared passwords or logins solely for their intended fund-related purposes. Any misuse or unauthorized access will result in immediate termination.
- ▶ Discord Bots / Scripts: Only run bots or tools for fund-related purposes. Misuse (spam, scraping, unauthorized trades) is prohibited.
- ▶ Device Security: Log out of shared accounts on public or school computers. Encourage use of secured personal devices for leadership roles.

3. Portfolio Operation Policies

- ▶ Most portfolios cannot execute more than 30 trades per month in order to prevent betting and over trading.
- ▶ Portfolios need to specify an investment focus, theme or strategy (e.g. certain sectors, certain types of trading instruments) and adhere to the strategy
- ▶ Each portfolio needs to have at least two open positions over the course of each week (positions can stay open longer than a week) to demonstrate portfolio operation.
- ▶ Portfolios must operate within the approved volatility band (no more than 50% drawdown in a 30-day window).
- ▶ Stop-losses or risk-off contingencies must be pre-defined for high-risk strategies.

4. Analyst Team Guidelines & Requirements

- ▶ Each portfolio must have at least 3 analysts in total.
- ▶ Senior Analysts can be members of multiple portfolios, Analysts can be part of a maximum of 2 portfolios, and Junior Analysts are restricted to a single portfolio.
- ▶ Each Analyst must submit at least one report per portfolio per month
- ▶ An Analyst must submit at least 3 reports for a given portfolio before leaving/switching portfolios – Junior Analysts may not switch between portfolios.

- ▶ All requests to switch portfolios must be formally discussed with an executive.
- ▶ All internal conflicts or issues within the portfolio team must be immediately reported to the fund executives.
- ▶ Portfolio teams are required to meet at least once per week, with continuous communication about operations throughout the week.

5. Accountability

- ▶ Portfolios must uphold the fund's reputation, risk ethics, and compliance standards.
- ▶ Consistent underperformance, lack of reporting, or deviation from thesis can lead to suspension.

6. Leadership Authority

- ▶ Fund executives reserve the right to:
 - Decommission portfolios.
 - Revoke certain permissions of fund members and demote or terminate fund members under reckless behavior or violation of company policy and guidelines.
 - Oversee and carefully track portfolios.
 - Request any amount of portfolio information at any time.
 - Take administrative action against fund members if necessary.
- ▶ For all questions or concerns, please visit and ask your question in the help channel on the Discord server.
- ▶ All special cases (e.g., a portfolio needs to execute more than 30 trades) must be presented to the CIO or the CEO for approval.

7. Innovation and Autonomy

- ▶ While guardrails exist, the fund encourages innovation. High-risk/high-reward ideas, thematic bets, and experimental models are welcome — provided they are well-reasoned, well-documented, and responsibly managed.

VIOLATION OF THESE REQUIREMENTS MAY RESULT IN CONSEQUENCES OUTLINED IN OTHER AREAS OF THIS DOCUMENT

FINAL NOTES

The 40° North Fund is built on trust, rigor, and ambition. Every portfolio reflects not just an investment strategy, but the integrity, discipline, and vision of its team. These guidelines are not meant to constrain creativity, but to ensure a fair, transparent, and high-performing environment for all members. We expect every participant—whether analyst or Portfolio Manager—to uphold the standards of professionalism and accountability that define this fund. If you have questions, ideas, or special circumstances, communicate proactively with fund leadership. We are here to support thoughtful risk-taking, not unchecked speculation. Above all, remember: your portfolio is not just your responsibility—it's part of something larger. Operate accordingly.

XI. INVESTING IN THE FUND

OVERVIEW

This section outlines the framework through which individuals may engage with the 40° North Fund's model portfolios by voluntarily mirroring their investment activity. While the Fund does not manage external capital or provide individualized investment advice, it maintains a transparent, research-backed set of portfolios that are publicly available for educational and reference purposes. Individuals may choose to replicate these portfolios within their own brokerage accounts, either manually or through automated tools. All such activity is conducted independently by the user and at their own risk. This section details the methods, legal disclaimers, and responsibilities associated with mirror-based participation, reinforcing the Fund's non-advisory status and educational mission.

HOW TO INVEST

To participate in the Fund's strategy, both members and non-members are encouraged to use the tools available on our website at <https://sites.google.com/view/40northfund/>. The Calculator tool provides personalized guidance for replicating one of the Fund's model portfolios in your own brokerage account. After investing, members should run the /invested command in the Discord to get the Investor role. This will prompt them to complete a form asking about how much was invested, which the Fund uses to calculate important metrics such as assets under management (AUM).

LEGAL DISCLAIMERS

1. DISCLAIMER OF INVESTMENT ADVISORY ACTIVITY

The 40° North Fund is an educational organization operated by student members and is not registered as an investment advisor, broker-dealer, or financial institution under federal or state law. The Fund does not provide personalized investment advice, execute trades on behalf of others, or receive or manage client funds. No information or service provided by the Fund shall be construed as a solicitation to buy or sell securities or as investment advice under the Investment Advisers Act of 1940 or similar regulations.

2. NATURE OF MIRROR-BASED PARTICIPATION

Notwithstanding the Fund's non-advisory status, individuals may, at their own discretion, choose to replicate or "mirror" the investment allocations and trading activity of one or more of the Fund's model portfolios (the "Mirror Strategy") using personal brokerage accounts held in their own name. Any such mirroring is conducted independently and voluntarily by the individual investor and shall not create any advisory, fiduciary, agency, or client relationship with the Fund or its members.

3. METHODS OF MIRRORING

Participation in the Mirror Strategy may occur in one of the following ways:

- a) Manual Mirroring: Individuals may review publicly posted model portfolio holdings, allocation targets, research reports, and transaction summaries and implement similar trades on a self-directed basis using their own judgment.
- b) Automated Mirroring via Third-Party Tools: The Fund may make available or recommend technology platforms (e.g., Alpaca Brokerage API) through which individuals may programmatically mirror the Fund's

trades and allocations. Any such use of technology occurs under the user's brokerage account and at the user's own risk and expense.

4. NO GUARANTEE OR REPRESENTATION

The Fund makes no representation, warranty, or guarantee regarding the performance of its model portfolios or the accuracy, completeness, or timeliness of any data provided. Past performance does not guarantee future results. Users of the Mirror Strategy acknowledge that all investment decisions carry risk, including the risk of total loss, and are encouraged to perform their own due diligence before initiating or continuing any mirror-based activity.

5. USER ASSUMPTION OF RISK

All participants who choose to mirror the Fund's strategy assume full and sole responsibility for all trades, losses, tax liabilities, and consequences arising from their activity. The Fund and its members shall not be liable for any damages, direct or indirect, arising from an individual's participation in the Mirror Strategy.

6. EDUCATIONAL PURPOSE AND TRANSPARENCY

All resources shared by the Fund—including model portfolios, research reports, and performance summaries—are made available for the purpose of financial education, transparency, and professional development. Users are advised that the Fund's activities are conducted in a simulated or paper-trading environment unless otherwise explicitly disclosed.

7. CONSENT AND ACKNOWLEDGEMENT

By electing to mirror the Fund's portfolio—manually or via linked systems—the user acknowledges and agrees to all of the terms set forth herein and further agrees to indemnify and hold harmless the Fund and its members from any and all claims, damages, or liabilities arising from such activity.

8. NON-MEMBER STATUS AND PARTICIPATION

All individuals who choose to engage with the 40° North Fund's investment strategies—whether by mirroring, tracking, or otherwise following the Fund's model portfolios—acknowledge that such participation does not establish membership or any formal relationship with the Fund. Signing or agreeing to the Fund's Governance and Compliance Operations Manual (GCOM) is not a prerequisite for participation.

9. ABSENCE OF INVESTMENT ADVISORY RELATIONSHIP

Participation through mirroring or tracking does not create an investment advisory, fiduciary, agency, or client relationship between the participant and the 40° North Fund or its representatives. The Fund expressly disclaims any role as an investment advisor, broker, or manager of participant assets. All investment decisions and executions are undertaken independently by the participant at their sole discretion.

10. FUND-MANAGED DIGITAL ENVIRONMENT COMPLIANCE

While participation in investment activities is independent, all individuals engaging in Fund-hosted digital platforms, including but not limited to the Fund's Discord workspace, agree to abide by the policies, rules, and regulations set forth in the GCOM and any other applicable Fund governance documents.

11. NO MANAGEMENT OF ASSETS OR LIABILITY ASSUMPTION

The 40° North Fund does not hold, manage, or control any participant funds or assets. The Fund disclaims all liability for any financial outcomes, losses, or damages incurred by participants arising from their

investment activities, including those that align with the Fund's published strategies, model portfolios, or trading activity.

12. INVESTOR RESPONSIBILITY AND RISK ACKNOWLEDGEMENT

By engaging in any form of mirroring or tracking of the Fund's investment strategies, participants fully accept and assume all risks, responsibilities, and consequences associated with their investment choices. Participants acknowledge that the Fund provides no guarantees or assurances regarding investment performance, outcomes, or suitability.

XII. MONTHLY INVESTOR LETTERS

OVERVIEW

Every month, the 40° North Fund publishes an Investor Letter to provide a comprehensive update on the Fund's activities, performance, and strategic direction. These letters serve as the primary communication vehicle for fund members, stakeholders, and interested parties, promoting transparency, accountability, and engagement.

CONTENT STRUCTURE

The Investor Letter is organized into several key sections, each authored by designated members of the Fund's leadership or portfolio teams:

Notes from the Chief Executive Officer (CEO):

The CEO provides a high-level summary of the Fund's overall performance during the past month. This includes commentary on major achievements, challenges faced, strategic priorities, and any important organizational developments.

Investment Overview from the Chief Investment Officer (CIO):

The CIO delivers an analysis of the Fund's investment landscape. This section highlights the best-performing portfolios, notable new portfolio launches, significant market trends, and key investment themes that influenced decision-making during the period.

Portfolio Updates from Portfolio Managers (PMs):

Each Portfolio Manager is responsible for submitting a detailed update on their respective portfolio(s). These updates include financial performance metrics, recent transactions, changes in portfolio allocation, commentary on market conditions affecting the portfolio, and forward-looking strategy or adjustments.

Financial Report from the Chief Financial Officer (CFO):

The CFO compiles a comprehensive financial report aggregating data from all portfolios. This report covers fund-wide financial metrics such as aggregate returns, cash flows, risk metrics, fees (if applicable), and compliance with fund investment guidelines.

Notes from Other Executives (CMO, CTO, COO, etc.):

Other members of the executive team provide updates related to their areas of responsibility. The Chief Marketing Officer (CMO) shares developments in branding, outreach, and recruitment efforts. The Chief Technology Officer (CTO) may report on technology infrastructure, platform updates, or security enhancements. The Chief Operating Officer (COO) offers operational insights, including process improvements and administrative updates.

ROLES AND RESPONSIBILITIES

Portfolio Managers (PMs):

PMs must prepare and submit their portfolio updates by the designated deadline each month. They are responsible for coordinating with their analyst teams to ensure research and data are accurate and complete. PMs should review and approve all material before submission.

Analysts:

Analysts support PMs by providing relevant research, data analysis, and draft content that informs portfolio updates or investment overviews. Timely delivery of high-quality research is essential.

Executive Officers:

The CEO, CIO, CFO, and other executives prepare their respective letter sections based on fund-wide data, strategic insights, and operational matters. They collaborate closely to ensure alignment in messaging and tone.

Chief Operating Officer (COO):

The COO oversees the entire Investor Letter process. Responsibilities include:

- Collecting submissions from PMs and executives by specified deadlines.
- Editing and formatting the letter for clarity, consistency, and professionalism.
- Ensuring all data and statements comply with Fund policies and confidentiality requirements.
- Circulating the draft letter for review and approval by the CEO and CIO.
- Publishing and distributing the final Investor Letter to members and authorized external parties through appropriate channels such as email, the Fund’s website, or Discord.
- Managing timelines and communications to ensure punctual delivery.

PUBLICATION TIMELINE

- ↳ All contributors must submit their draft content to the COO no later than the 5th of each month.
- ↳ The COO compiles the letter and circulates the draft for executive review within 3 business days.
- ↳ Revisions are incorporated, and final approval is obtained by 10th of each month. The completed Investor Letter is then published and distributed.

QUALITY AND COMPLIANCE STANDARDS

- All content must be accurate, clear, and free from misleading statements.
- Confidential or sensitive information must be handled in accordance with Fund policies and clearly marked as such.
- Contributors must disclose any conflicts of interest or material relationships relevant to their submissions.
- The Investor Letter should maintain a professional tone reflecting the Fund’s values of transparency, education, and responsible investing.
- The COO solicits feedback from Fund members following each publication to enhance content quality, readability, and relevance. Periodic reviews of the Investor Letter process are conducted to incorporate best practices and evolving Fund needs.

XIII. SECURITY, PRIVACY, AND DATA USAGE POLICY

OVERVIEW

This policy establishes the standards for protecting digital tools, account credentials, member data, and internal information used by the 40° North Fund. All members are expected to uphold these standards to ensure operational security, data integrity, and responsible use of Fund resources.

Scope

This policy applies to all Fund members, including executives, Portfolio Managers, analysts, and associates, and covers all platforms and services used by the Fund, including but not limited to:

- Shared Google Workspace documents and folders
- Portfolio Performance files
- Alpaca paper trading accounts
- Discord server and bots
- Any custom tools hosted on the Fund's website

Account and Credential Security

All accounts, credentials, and logins shared by the Fund are confidential and may only be used for authorized Fund activities. Members must:

- Never share passwords or login credentials outside of the executive team, unless explicitly authorized
- Store credentials securely and never save them on shared or public devices
- Log out of all Fund-related platforms when using public, shared, or school devices
- Report any suspected credential compromise immediately to the COO or CTO
- Never change passwords or login information for Fund accounts without first consulting with the executive team
- Always share Fund-related account credentials with executives

Misuse of login credentials—such as unauthorized access, tampering, or sharing credentials with non-members—will result in immediate disciplinary review.

Data Access and Storage

Members are expected to:

- Access only the documents and tools necessary for their role
- Use only official Fund channels (e.g., designated folders, websites, and Discord bots) for storing and exchanging Fund-related work
- Avoid creating duplicate or unmanaged copies of sensitive documents outside of Google Drive unless directed by leadership
- Ensure any external storage (e.g., backups) complies with Fund data access controls

Portfolio data, analytics, and transaction records are to be stored only in approved formats and locations. All research must be retained in Google Docs and shared with the official group email (40nf@googlegroups.com) for visibility and archival.

Privacy of Member Information

The Fund collects limited member information such as names, school affiliations, and Discord handles for identification and coordination purposes. This data:

- Shall not be shared or distributed without the explicit permission of the member or legal requirement
- Will only be accessible to executives for administrative purposes
- Must not be used for unsolicited messaging, promotion, or personal gain
- Any breaches of privacy, such as doxxing, impersonation, or unauthorized use of member identities, will result in immediate disciplinary action.

Use of Communication Platforms

The Fund relies primarily on Discord, Google Workspace, and official tools hosted on its website. Members must:

- Use these platforms professionally and only for Fund-related activities
- Avoid spamming, scraping, or manipulating tools, bots, or dashboards
- Treat all channels and shared spaces as formal work environments

Members may not develop, deploy, or use custom bots, scripts, or scraping tools without the approval of the CTO and COO.

Monitoring and Auditing

Fund leadership reserves the right to monitor usage of Fund accounts, platforms, and tools to ensure compliance with this policy. This includes:

- Reviewing edit history and access logs for shared files
- Auditing trades or activity in portfolio dashboards
- Inspecting use of bots or automated tools

All such monitoring is done for compliance and integrity purposes only, and will be conducted in a manner that respects member privacy to the extent possible.

Violations and Enforcement

Violations of this policy—including account abuse, data tampering, or improper access—may result in disciplinary action, up to and including suspension or removal from the Fund. Severe violations may be reported to school officials or other authorities where appropriate.

Authority

The Chief Operating Officer (COO) is responsible for overseeing security policy implementation, with support from the Chief Technology Officer (CTO). All final decisions regarding enforcement and interpretation of this policy rest with the Chief Executive Officer (CEO).

XIV. AMENDMENTS AND POLICY UPDATES

OVERVIEW

The policies and provisions contained within this document are subject to change as deemed necessary by the Fund's leadership to ensure continued alignment with the Fund's mission, regulatory environment, and operational needs.

Fund executives hold the authority to propose, approve, and implement amendments to any section of this document at any time. Such amendments become effective immediately upon adoption, unless otherwise specified by the executive team.

The Chief Executive Officer (CEO) retains ultimate and exclusive authority over all amendments and updates. The CEO's decisions regarding changes to the document are final and binding on all Fund members.

All members are required to stay informed of and comply with the most current version of this document. Continued participation in the Fund constitutes acceptance of all amendments as they are made.

Significant or material changes to policies, especially those affecting member responsibilities, conduct, or operational procedures, should be communicated promptly to the Fund membership through official channels such as Discord announcements or email.

This amendment process ensures that the Fund remains agile and responsive, while preserving clear governance and accountability.

HELP

For any questions about this document and Fund operation, email 40northfund@gmail.com or contact fund leadership in the #help channel of the Discord workspace.

XV. SIGNATURES

By signing below, I hereby confirm that I have read and understood the contents of the 40° North Fund's Governance, Compliance and Operations Manual and agree to be bound by its terms and conditions as a condition of my participation in the 40° North Fund.

Signature

Print Full Name

Date

This document has been approved by:



Joseph Ponda
Chief Investment Officer (CIO)
40° North Fund
July 9, 2025



Mateo Paula
Chief Executive Officer (CEO)
40° North Fund
July 9, 2025



40° NORTH