



## About GenX

GenXchange was founded in November 1999. We are a multi-faceted group of individuals based in Houston, Texas.

Meetings are held the second Tuesday of each month at 7 PM. Information covered in our monthly meetings includes stocks, bonds, mutual funds, personal finance, and retirement planning.

GenXchange is a member of Better Investing formerly, the National Association of Investors Corporation (NAIC) and follows Better Investing guidelines for investing.

- Invest regularly, regardless of the market outlook
- Reinvest all earnings
- Invest in growth companies
- Diversity to reduce risk

## Why & How to Join GenX

Investing can be a lonely and daunting task, and an investment club is a lot of work. Don't let hard work and veteran investors scare you away. Let GenXchange provide partnership not only in business and financial gains, but education. We provide access to low cost classes, investment tools, and investment planning. Most importantly, you are not alone. Every member of the club started out with little or no knowledge of investing.

In order to join GenXchange, you must attend and participate in 3 of 4 consecutive meetings. You will be asked to complete an application, present a stock (with help from a mentor) and be interviewed by the club. Current members base decisions regarding whether or not a prospective member is invited to join on a unanimous vote and the submitted forms. Once accepted, a non-refundable joining fee of \$100 will be collected. The first month's investment will also be collected. Currently the minimum investment amount is \$25, and the maximum is 25% of the value of the club.

The club bylaws, mission statement, and partnership agreement are available online at [www.genxchange.com](http://www.genxchange.com). The site also contains information about the club organization, forms, educational links and articles as well as statistics on our current portfolio. Our website is used to track assignments, agendas, and meeting minutes.

## What GenX Expects from Members

The commitment that the club requires from its members is club participation and monthly contributions. It generally takes about 5 hours per month to complete your club duties. Our meetings generally last 2 hours. Making time for contests, and investment classes is up to each individual member. In addition more time may be required from club officers.

## Portfolio Performance

Date:	1/1/01	1/1/02	1/1/03	1/1/04	1/1/05
Value:	13.68	17.18	17.08	23.59	26.11
	2001	2002	2003	2004	2005
GenX	25.6%	-0.6%	38.1%	10.7%	16.9%
S&P 500	-11.7%	-21.7%	27.3%	10%	-4.3%
Delta	37.3%	21.1%	10.8%	0.7%	21.2%

	2001-2004
GenX	17.50%
S&P 500	-3.20%
Delta	20.70%

Securities held 2001 – 2005 include:

Cheesecake Factory (CAKE)  
 O'reilly Automotive (ORLY)  
 CISCO (CSCO)  
 Gilbralter Industries (ROCK)  
 The Gap (GPS)  
 Dell (DELL)  
 Men's Wearhouse (MW)  
 Total System SVCS (TSS)  
 Health Management (HMA)  
 BP Amoco (BP)  
 AAR Corp (AIR)

This is not a list of current holdings; this lists what we have held in the past and currently holdings.

## Fees & Expenses

Individual fees are as follows: \$100 Joining Fee, \$100 Annual Dues (years 3+, prorated 2<sup>nd</sup> year), \$25 Minimum Monthly Contribution, \$5 Late Contribution Fee assed weekly, \$2 Unprepared Fee assessed weekly, \$25 Returned Check Fee. The joining fee and annual dues allow the club to pay for investment classes, books, Better Investing club and individual memberships, Better Investing insurance, tax preparation software, club website, professional journal subscriptions, software, forms, copies, postage, supplies and other club expenses.

## Frequently Asked Questions

**Will being a member of GenXchange make me rich?** If your goal is to have quick returns, then GenXchange is NOT for you. Our goal is to increase our portfolio 15% per year and double our value every 5 years. We CANNOT PROMISE financial wealth. Because we are an investment club run by members who are committed to the process of learning how to best invest our money, not professionals, we recognize that our choices may not always be the wisest that could be made.

### **GenXchange and the SEC.**

The SEC does not regulate GenX, because members invest and do not expect to make a profit from the entrepreneurial and managerial efforts of others. Every member actively participates in deciding what investments to make. We do not offer our shares publicly.