



The Adirondack Cup

Sponsored by the Advisor to the Adirondack Small Cap Fund (ADKSX)

2017 – 2018 Contest Guidelines and Procedures

- **Team Guidelines**

1. Each participating institution is allowed to form only one team, managing one portfolio.
2. The number of students on a team is left to the discretion of the institution; however, each team must have between 3 and 10 members.
3. The deadline for submitting team members' names is Friday, September 15. All names (faculty advisor, student leader, team members) and contact information should be submitted to Adirondack Funds by that date.

- **Portfolio Guidelines**

1. Students are expected to research and determine investments and allocation by Sunday, October 15. Each team must submit the completed Excel form provided by Adirondack to Alicia Lasch before the market opens on Monday, October 16. Any questions should be directed to Alicia through the student leader. In the event that the stock picks are not received by the time the market opens on October 16, the team will be subject to a penalty.
2. At the outset, the portfolio must include a hypothetical \$1 million invested in five small cap stocks. Small cap is defined as companies with market caps between \$144 million and \$4.4 billion, as per the Russell 2000's latest reconstitution. The portfolio must be fully vested.
3. The stocks must be traded on one of the major U.S. exchanges: NYSE or NASDAQ. Foreign issuers are permitted provided they issue ADRs that trade on the major exchanges. No ETFs or close-ended funds are allowed.
4. Each of the five stock picks must be from a different sector (technology, health care, consumer goods, conglomerates, industrial goods, basic materials, services, financial, or utilities) as defined by YAHOO! Finance.
5. Each stock must have liquidity. For the purpose of the competition, the number of shares purchased cannot exceed 50% of the 3-month average trading volume.
6. At the time of investment, each holding must be a minimum of 5% of the portfolio and cannot exceed 25% of the portfolio.
7. Based on the honor system, participating team members are expected to avoid stocks in which they have access to insider information (e.g., a parent is a CEO).
8. Dividends are factored into the total portfolio value.
9. Results will be updated on the Adirondack website every other week. **It is the responsibility of the team leader to verify these values.** Any discrepancies should be brought to our attention as soon as possible.
10. Once during the contest period students are allowed to make changes to the portfolio according to these guidelines (see dates below). If submissions are not received by this deadline, it will be assumed that the portfolio will remain the same.

- **Timeline - Summary**

1. **Friday, September 15:** Team members declared. Names and contact information submitted via attached form.
2. **Sunday, October 15:** Submit the 5 investment choices and their dollar allocation. Adirondack will convert dollar investments to shares based on the opening share price on Monday, October 16. Entries received after the market opens on October 16 will be subject to a penalty.
3. **Sunday, January 28:** Submit any changes to the portfolio. If nothing is submitted by the opening of the market on January 29, the portfolio will remain the same.
4. **Friday, April 13:** After the market closes, the competition is complete.
5. **Post Competition:** The winning team will be invited to join one of the portfolio co-managers, Greg Roeder and Matt Reiner, for an exclusive luncheon and will have a chance to present their investment thesis.

- **Other**

1. Any questions, please contact Alicia Lasch at alasch@adirondackfunds.com at 518-690-0470.
2. The stock submission form (in excel) will be sent once the school has committed.
3. Adirondack reserves the right to make any changes in the competition it deems necessary.