

# *Four Principles Of Investing*

## **Trust**

At Carter Capital Management, we recognize that placing your life savings with an investment manager is a matter of trust. We work to earn your trust.

## **Investing**

Carter Capital Management invests directly in publicly traded, nationally listed, corporate securities. As an unbiased, independent portfolio manager:

CCM *does not* sell investment products, such as mutual funds, or insurance products.

CCM *does not* represent any particular broker/dealer.

CCM *does not* invest in mutual funds, IPOs, partnerships, commodities, real estate, uncovered derivatives, or emerging markets.

## **Value**

In addition, Carter Capital Management minimizes investment costs to individuals by using: Discount brokers for lower commissions. Common stock rather than fee-based mutual funds.

*Lower costs mean greater returns for the Client!*

## **Quality**

Carter Capital Management portfolio managers use historically successful strategies to provide superior returns. CCM refers to this as "Quality Portfolio Management":

- Value Investing
- Dollar Cost Averaging
- Use of Limit Orders
- Patience and Discipline

Carter Capital Management  
2401-B Patriot Way  
Greensboro, NC 27408

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# Carter Capital Management

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### *Ever heard of Warren Buffett?*

Up until the mid 1950's no one knew who this "kid" was. However, if you had invested \$10,000 with him in 1956 and left it alone; at today's value it would be worth approximately \$140 million.

### *Is Carter Capital Management capable of producing this kind of return?*

Probably not, but the two things that CCM and Warren Buffett have in common are the fascination of the Stock Market and the Rules for Investing.

Rule #1. Never lose money.

Rule #2. Never forget Rule #1.



*Making Your Money Work Hard For You*

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## ***Objectives & Strategies***

### ***What is the Investment Objective of CCM?***

CCM is designed for long-term investors who are aware of greater risks associated with common stock investments.

### ***What are the main Investment Strategies of CCM?***

CCM looks at strong, blue-chip companies to determine if a company will provide an attractive investment opportunity and is consistent with CCM's investment policies. If CCM is unable to find such investments, then a portion of the assets may be in cash.

### ***What are the Investment Risks of investing in CCM?***

The biggest risk is that CCM's returns may vary, and the investor could lose money. The value of CCM's portfolio may decrease if the value of an individual company in the portfolio decreases. The value of CCM's portfolio could also decrease if the stock market goes down. If the value of CCM's portfolio decreases, and you close your account, the value of your return may be less than you invested.



### ***Fees and Expenses***

Annual fund operating expenses are paid out of CCM's assets and include fees for portfolio management, maintenance of shareholder accounts, accounting, capital gains taxes and other services. You do not pay these fees directly; these costs are borne indirectly by all shareholders. The Total Annual Operating Expense for CCM is 2%.

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## ***Did you know?***

In 1986, an investor could have made a one time investment of \$1000 dollars into a small start-up software company called Microsoft. Just 14 years later that \$1000 would be worth more than \$600,000.

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## ***Investing With Carter Capital Management***

### ***Minimum Investments***

CCM believes that everyone has the right to invest. At CCM, we require a minimum investment of \$500. After your initial investment, you may continue to add to your account at any time with a minimum of \$100.

### ***Opening An Account***

To open your account with CCM, complete the application and make your check payable to CCM. To make additional contributions to your account, submit a check with your account number written at the bottom.



### ***Closing An Account***

To close your account, please submit your request with your account number via mail or e-mail. Redemption proceeds will be sent to the shareholder at the address of record within seven days after receipt of a valid redemption request.

### ***Address Changes***

To change your mailing address or e-mail address, send a written request via mail or e-mail with your name, account number, old address and the new address.

### ***Statements And Reports***

CCM will send you an immediate transaction confirmation statement after every non-systematic transaction. CCM will also send you a quarterly report to let you know how the company is doing, and a list of CCM's current holdings.

### ***About The Investment Manager***

With more than 10 years investment experience, Rob Carter brings discipline and the knowledge needed to navigate today's volatile markets. Rob tends to favor a trading investment style, as opposed to the traditional buy and hold method. He trades stocks only when he believes they have reached a peak and has found other investments that appear attractive. Unlike other investment funds, Rob prefers to perform his own research, track his own investment ideas, and select the stocks that he believes will provide maximum return.

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## ***Did you know?***

With a 40 year time horizon then the following is possible:

If you save \$25 a week and earn 5%, over 40 years it grows to \$166,020!

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\* Note: Investment returns may fluctuate and are subject to market volatility. Past performance is no guarantee of future results.