



## The Stock Market Game – Rules and Code of Participation

### Rules of The Stock Market Game Program

1. Each team begins the simulation with \$100,000 in cash and may borrow additional funds. Cash balances will accrue interest; any negative cash balances will be charged interest.
2. You may trade only stocks and mutual funds listed on the NASDAQ Stock Market and the New York Stock Exchange. Many stocks are also blocked by the program and you will not be able to buy or sell those. If those stocks are found in portfolios, they will be cancelled. You can find a list of the blocked companies' ticker symbols in your student portal.
3. We are participating in the Real-Time Game – transactions are priced at the market price at the time of entry. If you submit a trade during market hours – 8:30 a.m. – 3:00 p.m., Monday through Friday – you will see that transaction under “Transaction Notes.” If you submit a trade outside of market hours, you will see that transaction under “Pending Orders.”
4. You must buy at least 10 shares at a time of a stock or mutual fund. You can sell back less than 10 shares if you'd like.
5. The minimum market capitalization for stocks in the Stock Market Game is \$25 million. This rule supports the trading of highly liquid and stable stocks with low volatility.
6. A \$5 flat broker's fee is charged for all transactions. On Sell or Short-sell transactions an SEC fee is also charged.
7. Teams may not invest more than 20% of their portfolio in one company to encourage diversification of investments.
8. SMG is run Monday through Friday. Transactions and orders can be made 7 days a week during hours the system is available.
9. Teams do not have to sell their shares in their portfolios at the end of the SMG session. Winners will be based on final portfolio values.
10. A record of a team's portfolio and transactions will be available daily. A team will not receive a portfolio nor be listed in regional rankings until its initial transaction is entered successfully.
11. Any violation of the rules of the SMG may result in the invalidation of a transaction. Repeated violation of the rules may result in the disqualification of a team.

### **Code of Participation**

12. SMG advisors must be responsible adults 18 years of age or older. In no case may they be a matriculated student in grades K-12.
13. SMG advisors will ensure that every participant on their team(s) has read and understands the SMG Rules and the Code of Participation.
14. Teams that do not comply with the SMG Code of Participation will be removed from the portfolio rankings.
15. The authority to remove a team from the rankings lies solely with the team's SMG coordinator organization.
16. Each team is responsible for any opening or closing transactions entered into its portfolio.
17. Teams may not enter transactions into portfolios other than their own. (Please note that when a team asserts that a transaction was entered by a non-member of that team, the team will nevertheless be ranked based on their portfolio's total equity, which will include the challenged transaction.)
18. Only transactions stored on the SMG database will be recognized for purposes of evaluating portfolio total equity. Teams are responsible for maintaining the secrecy of their portfolio password.
19. The SIFMA Foundation will be responsible for the accuracy of the market data. It is the responsibility of teams to report any major price discrepancies found in their portfolios. Failure to do so may result in disqualification from the competition. In extreme cases of continued disregard for this rule, the SIFMA Foundation reserves the right to delete teams from the game. If a team believes a stock price or other information is incorrect, the team advisor shall notify their Coordinator by email.
20. In the event of an error on the part of SIFMA Foundation and/or coordinator organization(s), their liability to a participant shall be limited to the refund of registration fees paid.