

2022 STOCK PITCH COMPETITION RULEBOOK



RATIONAL CAPITAL
INVESTMENT FUND

WHO WE ARE

Established in 2007, RCIF is the student-run value investing club at the University of Toronto. RCIF introduces students to value investing through various educational programs and events while its research team manages a portfolio of private capital for investors. RCIF enables university students interested in value investing to gain experience in security analysis, capital allocation, and portfolio management.

EVENT DESCRIPTION

RCIF's second-annual Small-Cap Stock Pitch Competition gives students the opportunity to test their security analysis skills and receive feedback from industry judges. Teams of undergraduate students will present their investment pitches to a panel of judges to compete for a prize pool of 6,750 CAD.

ELIGIBILITY

The 2022 Small-Cap Stock Pitch Competition is open to teams of up to four undergraduate students. Students may compete as individuals. Competitors must declare their team composition when registering. Team members do not have to be from the same university.

REGISTRATION

Registration

Competitors may register for the stock pitch competition here. Registration ends on March 6 at midnight. Each team only needs to submit one registration form. In the case of multiple registrations from the same team, RCIF will use the most recent submission. Registration is free, however, selected teams must pay a fee of \$60 prior to the first round on March 12.

Preliminary Screening

Competitor's initial one-page investment summary will be evaluated by the panel of industry judges, with the top 24 teams advancing to the first round.

Competitor Selection

The 24 teams selected for the first round will be notified on March 9. Selected teams must pay the fee of \$60 by March 11 at midnight.

INVESTMENT CRITERIA

Your investment pitch must be of a company with the following criteria:

- Listed on a North American stock exchange
- Has a market capitalization of C\$ 2.5 billion or less

EVENT TIMELINE

- February 1, 2022 - Registration
 - Registration for the competition opens. Teams of up to four undergraduate students may register.
- March 6, 2022 - Registration deadline
 - All registrants must submit their one-page investment summary by midnight. No late registrations will be accepted.
- March 9, 2022 - First round announced
 - The top 24 teams selected will be announced.
- March 11, 2022 - Payment deadline
 - Selected teams must submit the entry fee of \$60 via Paypal to be eligible for the first round by midnight.
- March 12, 2022 - First round
 - All 24 teams will present to a panel of industry judges. Finalists will be announced by the end of the day.
- March 19, 2022 - Final round
 - The top 6 teams will present to a panel of industry judges, prizes will be awarded.

JUDGING RUBRIC

All of the stock pitches will be evaluated on the following criteria:

- 1. Understanding of the Business and Industry (20%)
 - Overall depth of research into the company and idea. Does the team understand the business operations, the industry, and the competitive landscape in which the company operates?
- 2. Risks & Catalysts (10%)
 - Does the pitch appropriately address business and investment risks? Does the pitch include a developed catalyst for the thesis?
- 3. Management and Moats (10%)
 - How well does the pitch evaluate the management team's operational and capital allocation capabilities? How well does the pitch evaluate the strength of the company's moat?
- 3. Margin of Safety and Valuation (20%)
 - At its current pricing, does the security offer protection from downfall/unexpected events? Quality and validity of valuation assumptions.
- 4. One-Page Investment Summary (20%)
 - Does the one-page investment summary articulate the thesis and provide an understanding of the key qualitative and quantitative drivers?
- 5. Thesis (20%)
 - Does the team present an analysis and/or level of information that supersedes what the market has achieved? Does the team have unique insight or a unique perspective?

RANKING

Ranking of the stock pitches will be conducted by a panel of industry experts for the preliminary screening, the first round, and the second round. The team with the highest score, as outlined in the judging rubric, will be deemed the winner of the competition.

PRIZE POOL

- RCIF anticipates the final round will be in person with the following prize pool:
 - 1st place - \$3,000
 - 2nd place - \$2,000
 - 3rd place - \$1,250
 - 4th place - \$750
- If the event shifts online due to university Covid-related policies, the entrance fee will increase the prize pool to the following:
 - 1st place - \$3,500
 - 2nd place - \$2,500
 - 3rd place - \$1,500
 - 4th place - \$700

PRIZE DISTRIBUTION

Before prize distribution, the winning team's pitches will be reviewed to ensure all rules were followed. Once the results are certified, winners will be announced at the end of the day on March 19. Winning teams will be contacted via email and prizes will be distributed via e-transfer or PayPal.

EVENT SCHEDULE

March 12, 2022 - First round

All times are in EST.

9:00 AM - 9:30 AM	Introduction
9:30 AM - 10:00 AM	Stock Pitch 1
10:00 AM - 10:30 AM	Stock Pitch 2
10:30 AM - 11:00 AM	Stock Pitch 3
11:00 AM - 11:30 AM	Stock Pitch 4
11:30 AM - 12:00 PM	Stock Pitch 5
12:00 PM - 1:00 PM	Lunch Break
1:00 PM - 1:30 PM	Stock Pitch 6
1:30 PM - 2:00 PM	Stock Pitch 7
2:00 PM - 2:30 PM	Stock Pitch 8
2:45 PM - 3:00 PM	Finalists Announced

March 19, 2022 - Final Round

10:30 AM - 11:00 AM	Introduction
11:00 AM - 11:30 AM	Stock Pitch 1
11:30 AM - 12:00 PM	Stock Pitch 2
12:00 PM - 12:30 PM	Stock Pitch 3
12:30 PM - 1:30 PM	Refreshments and Networking
1:30 PM - 2:00 PM	Stock Pitch 4
2:00 PM - 2:30 PM	Stock Pitch 5
2:30 PM - 3:00 PM	Stock Pitch 6
3:00 PM - 3:30 PM	Winners Announced and Closing Remarks