



The Motley Fool.
To Educate, Amuse & Enrich.

The Fool Rules!



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The Fool Rules!

A Guide to Foolish Behavior for U.S. Fools.



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Foreword

At The Motley Fool we have a Foolish culture. What do we mean by “Foolish culture?” It’s a way of life around our office that encourages creativity, promotes respect, believes that more fun leads to greater productivity, and most of all, pays little obeisance to *conventional* wisdom, to “the way things are done” at other places. We rely on you to help us maintain our Foolish culture. We are each guardians and promoters of Foolishness!

The Fool Rules are designed to provide you with general information about working at the Fool...and to do so in a way that won’t make your eyes glaze over. Let us say from the get-go that your suggestions on improving this modest manual are always welcome. If during your reading you find yourself visited by the thought, “Who wrote this drivel?” the answer is, well, anyone who’s ever read it! Everyone at the Fool has a voice, so we invite you to add yours to the chorus.

Let it also be said that Fool Rules cannot and do not cover every single little thing about working at the Fool. For subjects not covered here (“Why are there so many people always clapping at this company?” “Can I display photos of my pet boa on Fool.com?” “Where the heck can I find more toilet paper?”), just ask your manager, or our stellar Ops Team. And please bear in mind that the whole meaning of life question is really a philosophical one and can be answered by only you.

By the way, the Fool reserves the right to alter or interpret these policies as needed, either orally or in writing. But we’ll make it a point to let you know if and when we do.

Did you know?

inc. Magazine named our employee handbook “the best in the world.” (11/98)

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Did you know?

It all started with chocolate pudding.

Welcome to the Fool!

On behalf of everyone at The Motley Fool, Inc.... Welcome!

At the Fool, we believe that by encouraging people to take control of their financial destinies, we actually inspire social progress — making people smarter, more inquisitive, more self-sufficient, and better able to contribute to their families, communities, and society in general.

But, hey — let’s not forget that being Foolish also means having fun! By approaching the very serious business of investment and personal finance in a down-to-earth, lighthearted way, we try to take the mystique out of managing your money, making it understandable and, yes, even amusing! As a Fool, you are a big part of that. To play your role properly, you should get to know The Motley Fool and what we stand for.

Our Purpose

To Educate, Amuse & Enrich

Our Core Values

Be Foolish!

COLLABORATIVE Do great things together.

INNOVATIVE Search for a better solution. Then top it.

FUN Revel in your work.

HONEST Make us proud.

COMPETITIVE Play fair, play hard, play to win.

MOTLEY Make Foolishness your own. Share your core value:

(insert value here)

Did you know?

You will find our core values throughout Fool HQ.

Getting Paid to Work at the Fool...and Other Benefits

Employee Benefits

As though getting paid to work at the Fool weren't enough, tell 'em what else they've won!!

Full-time members of our fine Fool fiefdom are also eligible for:

- Tax-deferred 401(k) plan with a percentage company match
- Pizza day, cake day, and stocked fridges
- Employee stock option plan
- On-site massage therapist and two out-of-this-world massage chairs
- Health insurance benefits, including prescription and vision coverage, and dental insurance
- Employee Assistance Program
- Monthly events like camping, theater outings, skiing, baseball games, the Halloween party, the holiday party, and our world famous Foolapalooza
- Life insurance....mmmmmm...*life insurance*
- Short-term and long-term disability insurance
- Medical and dependent care flexible spending accounts
- Maternity/paternity leave (including gift certificates for groceries or prepared meals)
- State-of-the-art game room
- Option to purchase supplemental life insurance and supplemental long-term disability insurance at group rates
- Option to purchase veterinary insurance and/or pre-paid legal at group rates
- Credit union membership
- Foolish clubs
- Fool Dollars!

Learn more about these useful benefits programs from Human Resources. What more could you ask for, eh, Fools?

Did you know?

The game room got its start with one foosball table — a gift from AOL in 1995.

Say what?
*"Everybody's
working for the
weekend."*

— Loverboy

The Workweek

A Fool's work is never done. After all, we're trying to change the world, right? But that doesn't mean we have to work all the time. As a general rule of thumb, our HQ offices are open Monday through Friday from about 9:30 a.m. to 5:30 p.m. And, indeed, lots of Fools work a standard 40-hour workweek. But we recognize that everyone is different, and strive to maintain a flexible work calendar and an environment in which employees (having made proper arrangements with their managers, of course) can customize their work schedules to meet the particular demands of their jobs. If you are interested in establishing a flexible work arrangement, discuss it with your manager.

Payday

KA-CHING! "Baby wants a new pair o' shoes!" All Fools are paid on a semi-monthly basis. For your convenience, you can choose to direct-deposit your paycheck so that your money will be routed automatically into your bank account. Please note: In order to participate, you need to have an active bank account at a real bank. We cannot route your paycheck to the space under your mattress or the lockbox buried in Uncle Jesse's backyard.

Pay Periods

Our pay periods run from the first day of each month to the 15th, and from the 16th day of each month to the last. Your paychecks will correspond to these dates. Pay dates are the 7th and 22nd of each month. If it happens to fall on a weekend or holiday, you'll be paid the nearest workday ahead of the pay date.

Time Sheets

If you're a non-exempt Fool (meaning eligible for overtime), you must complete a semi-monthly time sheet showing an accurate record of the time you've actually worked. For specific instructions about this procedure, consult your manager or a friendly face from Payroll.

Overtime

If you are a non-exempt Fool, you will become eligible for overtime pay after you've worked 40 hours in a week. For purposes of calculating overtime, The Motley Fool workweek runs from 12:00 a.m. Monday through 11:59 p.m. Sunday. Authorized overtime will be paid at the rate of one and one-half times the regular rate for the time worked in excess of 40 hours in a workweek. Please note that overtime should be authorized by your manager. Failure to get permission may result in severe finger wagging, frantic jumping up and down, random Tyra Banks-style tirades, or worse. (What could be worse?)

Fooliversaries

Fooliwhat? Fooliversaries — that's what we call your service anniversary. And each year we recognize and celebrate the day you started your journey with us. For starters, you get a really nifty big balloon, but that's not all. Depending on the anniversary year, each Fool also gets a surprise gift. So what's the surprise? Stick around and find out. Note that, as funny as it is, breathing helium is strictly forbidden.

Foolish Holidays

Holidays are days off with pay (woo-hoo!). At the Fool, we generally recognize these holidays as observed by the New York Stock Exchange:

- New Year's Day
- Martin Luther King Jr. Day
- Presidents Day
- Good Friday
- Memorial Day
- Independence Day
- Labor Day
- Thanksgiving
- Christmas

Did you know?

Call 1-866-429-FOOL (3665) to get all the latest information on office closures for inclement weather, power outages, or an invasion from another planet.

But wait — there's more! We also want you to celebrate one other special occasion. The day that changed your parents' lives forever...your birthday!!! So enjoy the day celebrating yourself.

Did you know?

May 17 is Bob Saget's birthday, and June 1 is the start of National Accordion Awareness Month.

Vacation

The Fool's vacation policy is pretty straightforward: **Take what you need.** That's right — as long as you get your work done and consult with your manager in advance, you may take any reasonable amount of time off. With pay, of course. Huh? What gives, you ask? Well...nothing, actually. We simply believe Fools will treat themselves, their company and their co-workers with fairness and respect and wouldn't dare abuse such a wonderfully Foolish benefit. So far, we've been right about that. It may be worth pointing out here that, as a general rule, most Fools take three to four weeks of vacation per year, and not more than three weeks in succession. But we're flexible. Just make sure you consult your manager before making your vacation plans. It should be noted that failure to take a vacation could result in overheating, burnout, and, well, a pretty dull existence. Take the time off you need and deserve!

Sick Time

We hope you don't get sick while you work for the Fool. But if you do, our sick time policy works rather like our vacation policy: Take what you need. In other words, if you're illin', PLEASE stay home chillin'...and get healthy. Word! (None of us here want your disgusting virus anyway.) And, yes, you will get paid for the time you're out. Out of simple Foolish courtesy, we expect you to call your manager to say you won't be in and when you expect to return.

Family and Medical Leave Act of 1993

Don't forget the Family and Medical Leave Act! The FMLA of 1993 allows you to take up to 12 weeks of paid or unpaid (depending on the circumstances) time away from work in a 12-month period to take care of a personal illness, the illness of an immedi-

ate family member, or a newborn child. It also allows a spouse, son, daughter, parent, or next of kin to take up to 26 workweeks of leave to care for a member of the Armed Forces, including a member of the National Guard or Reserves, who is undergoing medical treatment, recuperation, or therapy, is otherwise in outpatient status, or is otherwise on the temporary disability retired list, for a serious injury or illness. Whew! That's quite a mouthful!

To qualify for this type of leave, you must have been employed for one year and have worked at least 1,250 hours. If you think your situation might fall under the FMLA, discuss it with Human Resources right away! If you'd like further details, refer to the FMLA policy, which is available through Human Resources (they'll even help you read and interpret the thing, which is about 6 million pages long).

Maternity and Paternity

We love seeing new Fools brought into the world and know that new mommies and daddies need some time to take care of their little bundles of joy, so, unless the FMLA (above) supercedes for special situations:

BIRTH MOMS

Can take off the period of time covered by short-term disability plus an additional three weeks of paid vacation. Any additional time leading up to the 12 week FMLA allowance will be unpaid. Under normal circumstances, we'll want to see your face again after 12 weeks. We miss you!

NEW DADS

Can take three weeks of paid leave in succession. If dad becomes the primary caregiver, the rest of the time off under the FMLA will be unpaid vacation time.

Did you know?

The Fool was featured on the cover of *Washingtonian* magazine as one of the area's best places to work.

How We Roll

Types of Employment

FULL-TIME EMPLOYEES

Venti. Our largest size and best value.

If you are regularly scheduled to work at least 20 hours per week, then you are a full-time Fool, and you qualify for all employee benefit plans.

PART-TIME EMPLOYEES

Grande. Same outstanding quality, smaller serving.

If you are regularly scheduled to work fewer than 20 hours per week, or don't have a regular schedule, then you are a part-time Fool and you may qualify for some employee benefits. Check with Human Resources for specifics.

TEMPORARY EMPLOYEES

Tall. Same great quality as full-time Fools, but conveniently customized.

If you are employed for temporary, short-term, or irregular periods — including specific projects, overloads, peak periods, or as-needed arrangements — then you are a temporary Fool, and you do not qualify for any company benefit plans except our awesome 401(k).

Equal Employment Opportunity

The Motley Fool Holdings, Inc. provides equal opportunity to all employees on the basis of individual performance and qualification without regard to race, sex, marital status, religion, color, age, national origin, non-job-related handicap or disability, sexual orientation, or other protected factor.

Did you know?

On their first day, new Fools are given a basket of candy to keep at their desks to share with their fellow employees.

Say what?

The Fool has a policy against hiring cyborgs, robots, replicants, or morlocks. However, if R2D2 wanted to apply, we would make an exception.

We should, however, make you aware that there is one notable exception to this policy. It is our strict and earnest intention — and the company's historical record will bear this out — we will never hire any of the following: cyborgs, robots, replicants, or morlocks. Now keep in mind we are well aware that all of the aforementioned have intentions of world domination in the future, but as of now we have no place for them at The Motley Fool...unless the year is 2122 and the revolution has already occurred. If that is the case we welcome our new cyborg, robot, replicant, or morlock rulers!!! Perhaps we have said too much?

Discrimination-Free Workplace

It is our policy to ensure that no one at the Fool is discriminated against on the basis of any individual characteristic, including sex, race, religion, national origin, non-job-related handicap, color, age, sexual orientation, or other protected factor. Any violations — or apparent violations — of this policy should immediately be brought to the attention of Human Resources. Let's be absolutely clear here: The Fool does not tolerate discrimination in the workplace!

Harassment-Free Workplace

At the Fool, we believe that all employees should be able to enjoy a work environment free from all forms of discrimination, including harassment from managers, co-workers, vendors, consultants, visitors, or customers of the Fool. Harassment includes, but is not limited to, any unwelcome, deliberate or repeated unsolicited verbal, physical, visual, or sexual contact, or solicitations of favors that are offensive, abusive, intimidating, hostile, denigrating, or demeaning. Harassment of any kind — including, but not limited to, an individual's age, race, color, national origin, ancestry, religion, medical condition, disability, sexual orientation preference, marital status, military status, or other protected group status — is strictly prohibited.

Additionally, it is our policy to provide a work environment free from sexual harassment. No Fool should be subjected to

unsolicited or unwelcome sexual overtures or conduct, either physical or verbal. Any threat or insinuation that a Fool's refusal to submit to sexual advances will adversely affect his or her employment, wages, or other conditions of employment is strictly prohibited. In addition, employees shall not engage in conduct of a sexual nature, either physical or verbal, that is unwelcome, personally offensive, intimidating, or hostile.

Bottom line: Harassment will not be tolerated! Any Fool who thinks he or she — or any Fool, for that matter — has been the victim of harassment should immediately report the incident to Human Resources, without concern or fear of reprisal. All such information shall be held in strict confidence and will be disclosed only on a need-to-know basis in order to investigate and resolve the situation. If investigation establishes that harassment has in fact occurred, the offending Fool will be disciplined — up to and including immediate termination.

If you are a manager and you know about harassment you are required to notify human resources. Failure of a manager to report known harassment will result in disciplinary action.

Employment-at-Will

Nobody is forcing you to work for the Fool. That's why the company maintains an employment-at-will policy. Just as employees are free to end their employment with the Fool at any time and for any reason, the Fool is free to end an employment relationship with any employee at any time for any reason.

If we must part ways (sniff), you will be responsible for returning any and all Foolish property before your departure. This includes equipment, supplies, documents, data, email, company records, keys, access cards, credit cards, secret decoder rings, or anything else that rightfully belongs to the Fool.

Also, if you are leaving the Fool of your own accord, please schedule an exit interview with Human Resources so that you may be appropriately grilled as to what could have ever possessed you to leave such a wonderful place.

Say what?

"C is for cookie."

— Cookie Monster

Did you know?

We were voted “Best of the Web” by *Forbes* in several categories.

We would list them all, but that would just be bragging.

E-mail and Computer Use

Who better than the Fool to attest to the power of technology? And e-mail, especially! It’s one of the great communication vehicles of our time, after all. But as with all good things, there is a limit. Sending and receiving personal e-mail is fine. But if you’re exchanging more personal e-mails in a day than the Fool’s entire customer service team in a month, you must get a hold of yourself!

And it goes without saying (but we’ll say it anyway): Workplace rules and the Foolish Code of Conduct apply to e-mail. If you wouldn’t or couldn’t say it, then you shouldn’t send it via e-mail.

Let it be said that the Fool respects your privacy, and no one has the time or inclination to monitor your e-mail or check the files you may have stored on the network or on your computer. But the Fool does own the computers and the network, and we reserve the right to monitor anything on our systems for the purpose of protecting the interests of the Fool, its intellectual or physical property, and our employees and business partners. Please refer to the Fool’s Computer Security Policy for details.

Fool Policies; Fool Ombudsperson

The Foolish Code of Conduct, Trading Rules, and other company policies reflect a commitment to our core values. As such, we hope and expect that you will strive to do great things with other Fools, search for better solutions and then top them, revel in your work, make us proud and play fair, play hard, and play to win. Beyond these values, we also trust that Fools will strive for reliability, dependability, and high-level competence in their Foolish roles. Whether you’re in the workplace or away from the office on company business, please behave with decency, respect, and in accordance with all applicable federal, state, and local laws and regulations.

So, read these policies (conveniently housed on our intranet) — you’re responsible for knowing their contents and signing your name on the dotted line.

Finally, if you believe that conduct that conflicts with any of our policies may be taking place, please talk to your manager or Human Resources. If you'd rather bring the matter to someone else, our Fool Ombudsperson is always available. Not sure who is our Ombudsperson? Check with an HR Fool who can point you to the appropriate person. Regardless of who you decide to talk to, please know that it is without fear of retribution. All information will be held in confidence and will be disclosed only on a need-to-know basis.

Disciplinary Action

Violations of any Foolish policies may result in disciplinary action — up to and including termination. So, please...behave!

Illegal Substances

The possession, use, or distribution of illegal substances is strictly prohibited and will be grounds for disciplinary action — up to and including immediate termination.

Chocolate is not considered an illegal substance, and its continued presence is, of course, encouraged.

Intoxicants

So...once and awhile we like to roll through the office with a beer cart and surprise everyone! However, this should not be taken as permission to get rip-roaring silly and turning Fool.com into a dating website. Working under the influence of alcohol in such quantities to effect your judgement, or using any other judgment-impairing substance, is prohibited. In addition, providing alcohol to anyone under the age of 21, or consuming alcohol on Fool property or at Fool events if you are under the age of 21, is also prohibited. Violations will be grounds for disciplinary action — up to and including immediate termination. Besides, we truly care about your health and safety! We're sentimental that way.

Say what?

"The Motley Fool is the organization that best represents the interests of individual investors."

— Arthur Levitt,
former SEC
chairman

Did you know?

Fool.com is notorious for April Fool's Day pranks such as the fictional emeringue.com IPO.

Smoking

Unless your ideas are so hot that they spontaneously combust, smoking is not permitted inside Fool offices. There is a special place called “outdoors” for this purpose. We do ask that you not form a human smoking shield in front of the main entrance to Fool offices. The morlocks...er, the pesky copier salespeople will get in anyway.

Travel

Some Fools, as it happens, must travel the globe in order to do their jobs. If you are one of these people, you will be issued a clean pair of sneakers, a bag lunch, and a compass. OK, not really (you have to provide your own lunch). Actually, if you must travel for work, the Fool will make your travel arrangements and reimburse you for all related expenses. Check out the schweet policy details on the intranet.

Other Critical Need-to-Know Policies

Safety and Security

Fools like to work and play safe. Employees are expected to observe reasonable safety precautions in their work and should bring any potential safety hazards to the attention of Office Ops. As always, chainsaw juggling and sword swallowing are strongly discouraged...except on talent show day.

If you get hurt or witness someone else getting hurt, please notify Human Resources immediately. We need to get those worker's compensation people on the case ASAP to make sure you're getting taken care of!

In case of emergencies several Fools are CPR-certified, and first aid kits are provided in each kitchen.

Representing the Fool in Public

The Fool is a well-known company. What with our website, newsletters, books, newspaper column, and frequent appearances in the media, you might even say we're one of the most popular sources of profitable advice on Earth. All of this is to say that there are a lot of people out there who are curious about our business and want to get our take on all sorts of things. This is flattering, of course, but it may not always be the best thing for the Fool. So we've established some policies and procedures that deal with communicating to external audiences. They're designed to ensure that we put our most Foolish feet forward in public, and to help you deal with inquiring minds.

In short, no Fool may talk to the media — on or off the record — or speak publicly on behalf of the Fool without first consulting with our Fool Media team. If you get any kind of external inquiry yourself, please forward it to Fool Media.

Did you know?

We don't require footwear at the Fool. Did you ever notice how much Fools can accomplish without shoes?

Did you know?

Your cell phone ringtone is not as hilarious and unique as you think it is. When you are away from your desk, consider leaving the phone on silent or vibrate mode.

Dressing for Success

Unlike the button-up work environments some of you may have experienced, dress at the Fool is relaxed. In order to maintain a workplace where one's clothing does not keep us from focusing on our work, here are a few tips on what is

ACCEPTABLE

- Just about any article of clothing that promotes the Fool.

AND UNACCEPTABLE

- Viking helmets with strapless evening gowns
- Plaid with polka-dots
- Combining more than three colors not found in nature
- Bear Suits...wait a second...scratch that...we already allow someone to wear one.

Of course, this list is not exhaustive. If you have stepped outside the bounds of good taste (or smell), expect your manager or the fashion police to alert you.

Changes in Personal Information

Moving? Changing your name, as Elmer Fudd once did? Turning into a woodchuck? Let us know about it! Every Fool is responsible for providing his or her manager — and Human Resources — with any changes in personal information that could affect company benefits or records.

Closing

We are thrilled you've chosen to work and play with a bunch of Fools! Please grow, learn, contribute, and reap rewards as you help fulfill the Fool's mission. We encourage you to demonstrate:

- Honesty and integrity at all times
- Concern for our customers and each other
- Competence in your Foolish role
- Reliability and dependability
- Humor!
- A positive approach to work
- A genuine commitment to Foolishness

In turn, we recognize that the Fool has a responsibility to you, our dear employee. We assure you that we will work hard to provide you with a fun, supportive, creative work environment, and plenty of opportunities to grow and learn...*Foolishly*.

Fool On!

Say what?

"The Motley Fool stands out as an ethical oasis in an area that is fast becoming a home to the charlatans."

— The Economist