

BYLAWS

Buy-and-Hold Growth Partnership

1. Definitions

- a. "Club" means Buy-and-Hold Growth Partnership, formed as a general Partnership effective December 7, 1999, and more fully described in the Partnership Agreement.
- b. "Partner" or "Member" shall mean a General Partner of Buy-and-Hold Growth Partnership

2. Investment Guidelines

- a. The Club's assets shall be invested solely in stock of individual companies and/or in index mutual funds, and/or depository receipts. While waiting to invest, the Club may keep cash in a money market fund with the Club's broker.
- b. Dividends shall be retained in the Club's cash account. A majority vote (article 9, Partnership Agreement) of the Partners is required to direct automatic reinvestment of dividends.
- c. Once the Club's assets reach \$10,000, no more than 25% shall be invested in any one market sector. Market sectors shall be as defined by Morningstar.
- d. The Club will not invest in amounts of less than \$700 at a time.
- e. The Club shall not invest on margin.
- f. These guidelines may be waived on individual transactions upon a majority vote of the Partners.

3. Officers

- a. The Club's officers shall consist of a President, Vice President, Treasurer and Secretary.
- b. The duties of the officers shall include, but not be limited to the following:
 - i. The President shall appoint committees, oversee all Club activities, and preside over Club meetings. The President shall have the power to create an agenda and conduct the meeting, and may enforce or waive formalities of such an agenda. The President shall have the power to recommend that the Partnership take disciplinary action on any Partner who, in the opinion of a Member of the Club, is considered to have acted contrary to the provisions of these Bylaws or displayed negligence in the performance of duties or expectations.
 - ii. The Vice President shall assume the duties of the President if the President becomes incapacitated or is otherwise unable to fulfill their duties. The Vice President may create an agenda and conduct Club meetings at the request of the President.
 - iii. The Treasurer shall keep record of all Club financial activities. The Treasurer shall calculate and distribute valuation statements each month, and shall be responsible for filing the Club's tax return and for providing each member with their required individual income tax information. The Treasurer shall be responsible for maintaining the Club's brokerage and bank accounts, and shall serve as agent for the Partnership with such entities. The Treasurer shall collect dues, process withdrawals, and notify the Secretary of those Members in arrears on their required contributions.
 - iv. The Secretary shall keep a record of Club business, and shall issue minutes of each meeting. The Secretary shall be responsible for all correspondence pertaining to the Club, including the distribution of reports from meetings, Officers, and committees. Upon notification by the President or Treasurer, the Secretary will issue notice to any Partner regarding any disciplinary action, and will include the reason and authority for such action.
- c. At the meeting preceding the Annual Meeting, the President shall call for nominations from the Club for all Officer positions. The Officers shall assume their responsibilities upon the adjournment of the meeting in

which they are elected.

- d. Officers shall be elected by the Partnership upon approval of the Partnership Agreement, and at each Annual Meeting thereafter. Officers may succeed themselves upon re-election.
- e. Any Officer position that becomes vacant during the year shall be filled as soon as possible upon appointment by the remaining officers. If no Officers remain, the Partners shall by mutual agreement call for a special meeting with the sole purpose to elect new Officers.
- f. Only one Officer can be part of a given entity (article 21, Partnership Agreement).
- g. An Officer will be automatically disqualified and immediately removed from office under any of the following conditions:
 - i. The Officer becomes an Inactive Partner, as defined below.
 - ii. The Officer is removed from the Partnership.
 - iii. The Officer dies or is incapacitated.
 - iv. The Officer is deemed by majority vote of the Members to have committed a Forbidden Act.
 - v. The Officer is deemed by a two-thirds vote of the Members to have failed to discharge the duties of the Office, or to discharge them improperly.

4. **Participation; Inactive Partners**

- a. All Club Members shall participate in ongoing activities of the Club by:
 - i. Attending all meetings, whether on-line or otherwise.
 - ii. Preparing and posting analyses or other assignments to further the investment endeavors of the Club.
 - iii. Regularly contributing constructive comments about Club operations and investment opportunities.
 - iv. Making all required capital contributions to the Club.
 - v. Keeping a current postal address, email address, and phone number on file with the Secretary at all times.
 - vi. Reviewing monthly and year-end Club reports, research and assignments, including financial and tax-information reports.
 - vii. Voting, in person, in at least 50% of all club votes during any 4-month period.
- b. A Partner shall be declared Inactive under any of the following circumstances:
 - i. In the opinion of a two-thirds majority vote of the Members, the Partner has not participated in the activities of the Club, as defined above, for a continuous four-month period.
 - ii. In the opinion of a two-thirds vote of the Members, the Partner has not participated in the activities of the Club, as defined above, on a regular and consistent basis over a period of six months or more.
 - iii. As certified by the Treasurer, and approved by a majority vote of the Members, the Partner has not made any required capital contributions for four continuous months.

- c. Any Partner may request from the President in writing a temporary hardship waiver of the required minimum capital contributions. Such request must include a description of the hardship and an expected date upon which monthly contributions will resume. A request will not be unreasonably denied. The President must notify the Partners of the waiver and of the reason for such waiver.
- d. No waiver from participation in the Club's activities will be granted.
- e. The Secretary shall give Notice to the Partnership if informed by the President, Vice President or Treasurer that a Partner should be considered Inactive.
- f. The President shall convene a special meeting at the earliest practical time, the sole purpose of which is to discuss the Partner's Inactivity and possible Removal.
 - i. The Partner will be given the opportunity to address the specific causes referenced by the Notice to the Partnership.
 - ii. The Partnership will then vote on whether to declare the Partner Inactive.
 - iii. Upon being declared Inactive, the Partner shall be immediately removed from the Partnership.

5. **Meetings**

- a. Regular meetings shall be held the first Tuesday each month at 7:00 PM, Central Time. The President may change the regular meeting date or time on a meeting-by-meeting basis.
- b. The Annual Meeting shall be held in February. At the Annual Meeting the Partners shall be issued the Annual Report and Club elections shall be held.
- c. Special Meetings may be called by the President or by a majority of the Partners. The Secretary will issue written notice to the Partners of the date, time, and location of the Special Meeting. If called by the Partners, the President shall set the agenda in accordance with the Members' wishes.
- d. The Club may only transact business when a quorum is present. A quorum is defined as a two-thirds majority of the Partners or the presence of a majority of the Partners and a three-fourths majority of the Partners via proxy.

6. **Financial Statements**

- a. The Valuation Date for the Club assets shall be the last business day of each month.
- b. A monthly valuation statement shall list all assets, at cost and market values, and liabilities of the Club as of the Valuation Date. It shall also show the Value of the Partnership.
- c. The Treasurer shall prepare and distribute a summary statement of capital accounts maintained in the name of each partner as of each Valuation Date.
- d. The Treasurer shall prepare the annual Club accounting including the distribution of dividends, interest, short-term and long-term capital gains, and expenses.

7. **Capital Contributions**

- a. Each partner shall make contributions totaling not less than \$30 per Partner on or before the 10th of each month. Maximum contribution shall be limited such that a Partner's capital account does not exceed 30% of the Club's total assets when the Club consists of less than 10 Partners, or 20% when the Club contains 10 or more Partners. A partner's effective voting percentage shall not exceed these capital account limits. A

\$10.00 late fee will be assessed if the contribution is late, non-negotiable, or if mailed, postmarked after the 10th of the month.

- b. If directed by the Partnership, the Treasurer may credit a Partner's capital account with a contribution on the date it is credited to the brokerage account by calculating a partnership valuation on that date instead of waiting until the next Valuation Date as specified in the Partnership Agreement.
- c. If available, the Partners may arrange for automatic payment of their monthly contributions. Any expense of this automatic payment shall be borne by the Partners utilizing this service.
- d. There shall be no prepayment of monthly contributions.
- e. The Treasurer shall notify the Secretary upon non-payment by any Partner for two consecutive months. The Secretary shall inquire by regular mail and by email as to the reason for the non-payment, and shall remind the Partner of the provisions for removal as an Inactive Partner.

8. Operating Funds

- a. Each partner shall pay a \$100 initiation fee into the Operating Fund at his first meeting as partner.
- b. From time to time the Club may request that a Partner purchase goods or services for the benefit of the Club. Upon request by the Partner, such expense shall be reimbursed by the Club.
- c. The President may authorize expenditures of less than \$25. The total of such presidential expenditures shall not exceed \$125 in any calendar year.
- d. Expenditures of \$25 or more shall be authorized only by a club vote (article 9, Partnership Agreement).
- e. The Operating Fund shall be maintained as a separate account from the Capital Contributions account.

9. Amendments - Severability

- a. These Bylaws may be amended from time to time upon majority vote of the Partners. Amendments shall become part of the Bylaws upon the effective date specified therein.
- b. If any part of these Bylaws is ruled ineffective or invalid by a court of law, the other parts will remain in full force and effect.
- c. These Bylaws are effective December 7, 1999.