

# PARTNERSHIP AGREEMENT

## ATLANTA CHAPTER MODEL EDUCATION CLUB (ACME)

This agreement of partnership made on April 28, 2001 and modified on October 29, 2001, August 23, 2003, January 26, 2008, May 14, 2011, and April 9, 2016 by and between the undersigned.

WITNESSETH:

1. **Formation of Partnership:** The undersigned hereby form a General Partnership, in and in accordance with the laws of the State of Georgia.
2. **Name of Partnership:** The name of the partnership shall be **ATLANTA CHAPTER MODEL EDUCATION CLUB.**
3. **Term:** The partnership shall begin on April 28, 2001 and continue until December 31, 2001, and thereafter from year to year unless earlier terminated as hereinafter provided.
4. **Purpose:** The purpose of the partnership is to invest the assets of the partnerships solely in stocks, bonds and securities, for the education and benefit of the partners.
5. **Partnership Categories:** (paragraph 5 deleted 4/9/2016).
6. **Meetings:** Periodic meetings shall be held as determined by the partnership.
7. **Contributions:** The partners shall make contributions to the partnership on the date of each periodic meeting, in such amount as the partnership shall determine, provided, however, which no partners capital account (as hereinafter defined) shall exceed twenty percent (20%) of the capital accounts of all partners.
8. **Valuation:** The current value of the assets and property of the ACME partnership, less the current value of the debts and liabilities of the partnership, (hereinafter referred to as "value of the partnership") shall be determined as of the close of business of the New York Stock Exchange on the last business day before each periodic meeting is held. The aforementioned date of valuation shall hereinafter be referred to as "valuation date."

9. **Capital Accounts:** There shall be maintained in the name of each partner, a capital account. Any increase or decrease in the value of the partnership on any valuation date shall be credited or debited, respectively, to each partner's capital account in proportion to the value of each partner's capital account on said date. Any other method of valuing each partner's capital account may be substituted for this method provided that said substituted method results in exactly the same valuation as provided herein. Each partner's contribution to, or withdrawals from the partnership shall be credited, or debited, respectively, to that partner's capital account.
10. **Management:** Each partner shall participate in the management and conduct of the affairs of the partnership. Except as otherwise provided herein, all decisions shall be made by a quorum of the Partners, at a duly called meeting in accordance with paragraph 6, on a one vote per partner basis. A quorum is defined as 50% or more of the Partners
11. **Sharing of Profits and Losses:** Net profits and losses of the partnership shall be borne by the partners in proportion to the valuation adjusted credit balances in their capital accounts or in proportion to valuation unit balances.
12. **Performance:** All partners acknowledge the risks of investment, and further acknowledge that no discussion or statements made as part of the club's activities should be construed as individual investment advice. No representatives or guarantees have been made regarding investment performance of the partnership, or of any individual stocks or securities that have been or may be studied and/or purchased by the partnership.
13. **Books of Account:** Books of account of the transactions of the partnership shall be kept by the Treasurer and will be available and open to inspection and examination by any partner.
14. **Annual Accounting:** Each calendar year, a full and complete account of the condition of the partnership shall be made to the partners, for each partner to use in determining his tax liability.
15. **Bank Account:** The partnership may select a bank or other financial institution for the purpose of opening a partnership bank account. Funds deposited in said partnership bank account shall be withdrawn by checks signed by any partner designated by the partnership.

16. **Broker Account:** The partnership may select a broker and enter into such agreements with the broker as required, for the purchase or sale of stocks, bonds, and securities. Stocks, bonds and securities owned by the partnership shall be registered in the partnership name unless another name shall be designated by the partnership. Any Corporation or transfer agent called upon to transfer any stock, bonds and securities to or from the name of the partnership shall be entitled to rely on instructions or assignments signed or purporting to be signed by any partner without inquiry as to the authority of the persons signing or purporting to sign such instructions or assignments or as to the validity of any transfer to or from the name of the partnership. At the time of transfer, the Corporation or transfer agent is entitled to assume (1) that the partnership is still in existence and (2) that this agreement is in full force and effect and has not been amended unless the Corporation has received written notice to the contrary.
17. **Compensation:** No partner shall be compensated for services rendered to the partnership, except reimbursement for expenses.
18. **Additional Partners:** Additional partners may be admitted at any time, upon a vote of the partners in writing or at a meeting so long as the number of partners does not exceed thirty(30).
19. **Removal of a Partner:** Any partner may be removed by agreement of the majority of the partners. Written notice of a meeting where removal of a partner is to be considered shall include a specific reference to the matter. The removal shall become effective upon payment of the value of the removed partners capital account, which shall be in accordance with provision in paragraph 23. The vote action shall be treated as receipt of request for withdrawal.
20. **Termination of Partnership:** The partnership may be terminated by agreement of a majority of the partners. Written notice of the meeting where termination of the partnership is to be considered shall include a specific reference to this matter. The partnership shall terminate upon a majority vote of all partners' capital accounts. Written notice of the decision to terminate the partnership shall be given to all the partners. Payment shall then be made of all the liabilities of the partnership and a final distribution of the remaining assets either in cash or in kind, shall promptly be made to the partners or their personal representatives in proportion to each partner's capital account.
21. **Withdrawal of a Partner:** Any partner may withdraw from the partnership at any time. He/She shall give notice in writing to the

recording partner. His/her notice shall be deemed to be received as of the first meeting of the club at which it is presented. If notice is received between meetings, it will be treated as received at the first following meeting. In making payment the valuation statement prepared for the first meeting following the meeting at which notice is received will be used to determine the value of the partner's account. The partnership shall pay the withdrawing partner the value of this interest in the partnership as shown by the valuation statement in accordance with paragraph 23 of this partner agreement.

**22. Death or Incapacity of a Partner:** In the event of the death or incapacity of a partner, receipt of such notice shall be treated as a notice of withdrawal. Liquidation and payment shall proceed in accordance with paragraphs 21 and 23.

**23. Terms of Payment:**

- In the case of withdrawal, payment may be made in cash, securities or a mix of each at the option of the remaining partners.
- Where securities are to be distributed, the remaining partners select the securities.
- Where cash is transferred, the partnership shall transfer to the withdrawing partner a portion or all of his interest in the partnership, an amount equal to the value of the capital account in the partnership being withdrawn, minus a partner withdrawal fee determined as follows:

The partner (partial or full) withdrawal fee shall be calculated as a follows:

- Non-participation, as defined by the Clubs' Operating Procedures, shall be 10% of their Capital Account,
  - 2% charge for membership of 12 months or less.
- The amount being withdrawn shall be paid within fifteen (15) business days after the valuation date used in determining the withdrawal amount or the date cash is received by the Club from the sale of securities, whichever is later.
  - If a partner withdrawing a portion or all of the value of their capital account in the partnership desires an immediate payment in cash, the partnership at its earliest convenience may pay eighty percent (80%)

of the estimated value of the withdrawing partner capital account and settle the balance in accordance with the valuation and payment procedures set forth in paragraphs 19 (Removal) and 21 (Withdrawal).

- When securities are transferred, the partnership shall select securities to transfer equal to the value of the capital account or portion of the capital account being withdrawn, less the actual cost to the partnership to transfer the securities. Securities shall be transferred as of the date of the clubs valuation statement prepared to determine the value of that partner's capital account in the partnership. The club's broker shall be advised that ownership of the securities has been transferred to the partner as of the valuation date used for the withdrawal.

**24. Forbidden Acts:** No partner shall:

- a. Have the right or authority to bind the partnership to any extent whatsoever with regard to any matter outside the scope of the partnership agreement
- b. Without the unanimous consent of all the other partners, assign, transfer, pledge, mortgage or sell all or part of his/her interest in the partnership to any other partner or other person whomsoever, or enter into any agreement as the result of which any person or persons not a partner shall become interested with him/her in the partnership.
- c. Purchase an investment for the partnership where less than the full purchase price is paid for the same.
- d. Use the partnership name, credit or property for other than partnership purposes.
- e. Do any act detrimental to the interests of the partnership or which would make it impossible to carry on the business or affairs of the partnership.

**25. Amendments:** Amendments may be made to this agreement upon approval of two-thirds (2/3) of the total membership of the partnership. Written or electronic notice of the meeting where an amendment of the partnership agreement is to consider shall include a specific reference to this matter.

**26. Additional Provisions:** This partnership agreement incorporates the Atlanta Chapter Model Education Club Operating Procedures, a copy of which is attached hereto, and which the partner acknowledges having received and understood.

This agreement is hereby declared and shall be binding upon the respective heirs, executors, administrators and personal representatives of the parties.

This agreement does not take effect until countersigned by a duly designated officer of the partnership. The partners have caused the Agreement of Partnership to be executed on the dates indicated below, effective as of the date indicated above.

PARTNERSHIP CATEGORY (please initial)

PARTNER \_\_\_\_\_

SIGNATURE \_\_\_\_\_

NAME (please print): \_\_\_\_\_

Social Security # \_\_\_\_\_

DATE \_\_\_\_\_

Accepted for the Atlanta Chapter Model Education Club by:

SIGNATURE: \_\_\_\_\_

DATE: \_\_\_\_\_

NAIC DUES: \_\_\_\_\_ mo. @ \_\_\_\_\_ \$ \_\_\_\_\_

STARTUP FEE \$ \_\_\_\_\_

INITIAL INVESTMENT \$ \_\_\_\_\_

TOTAL PAYMENT \$ \_\_\_\_\_