

amendment of the Partnership Agreement is to be considered, shall include a specific reference to this matter.

7. **Meetings:** The Partnership shall hold regularly scheduled monthly online meetings at a time agreeable to the members.
8. **Membership:** Membership is open to any Texas resident who is a member of BetterInvesting and interested and willing to participate in accordance with the purposes in Paragraph 3. The total number of Partners shall not exceed twenty (20).
9. **Contributions:** The Partnership shall determine a minimum annualized payment. No Partner's capital account (as hereinafter defined) shall exceed twenty percent (20%) of the capital accounts of all Partners.
10. **Capital Accounts:** A capital account shall be maintained in the name of each Partner. Each Partner's capital contribution to the Partnership shall be credited to that Partner's capital account on the date such contribution is deposited in the club's broker account.
11. **Valuation:** The current value of the assets and property of the 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 on the last business day prior to the date of the next regularly scheduled meeting. The aforementioned date of valuation shall hereinafter be referred to as "valuation date."
12. **Tax Status:** The Partnership is a general partnership under federal and state laws.
13. **Management:** Each Partner shall participate in the management and conduct of the affairs of the Partnership. All decisions shall be made with each Partner having one vote.
14. **Sharing of Profits and Losses:** Net profits and losses of the Partnership shall inure to, and be borne by, the Partners in proportion to the value of each of their capital accounts.
15. **Performance:** All Partners acknowledge the risks of investment, and further acknowledge that no discussions or statements made as part of the Partnership's activities should be construed as individual investment advice. No representations or guarantees have been made regarding investment performance of the Partnership, or of any individual stocks that have been or may be studied and/or purchased by the Partnership.
16. **Books of Account:** Books of account of the transactions of the Partnership shall be kept, and at all times, be available and open to inspection and examination by any Partner.
17. **Annual Accounting:** Each calendar year, a full and complete account of the condition of the Partnership shall be made to all Partners to be used in determining his/her tax

liability. An annual audit shall be conducted as soon as all bank and brokerage statements have been received for the December 31 year end and a summary of the results shall be reported at the next regularly scheduled meeting.

18. Broker Account:

- a. The Partnership shall select a broker and enter into such agreements with the broker, as required, for the purchase or sale of securities. Securities owned by the Partnership shall be registered in the Partnership's name. None of the Partners of this Partnership shall serve as a broker or dealer for the Partnership.
- b. Any corporation or Transfer Agent called upon to transfer any securities to or from the name of the Partnership shall be entitled to rely on instructions or assignment 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.
- c. 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.

19. Bank Account: The Partnership may select an institution for the purpose of opening a Partnership bank account. Checks shall be signed by one of the following two (2) officers:

Treasurer
President

20. No Compensation: No Partner shall be compensated for services rendered to the Partnership, except reimbursement for approved and authorized expenses.

21. Withdrawal of Interest of a Partner: Any Partner may withdraw part or all of his/her interest in the Partnership by giving notice in writing to the Secretary. This notice shall be deemed to be officially received at the next regularly scheduled meeting. If notice is received between meetings, it shall be treated as received at the next regularly scheduled meeting. Any Partner withdrawing his/her full interest shall no longer be a member of the Partnership when the withdrawal is approved by the club. In making payment, the valuation statement prepared for the first meeting following the meeting at which notice is received, shall be used to determine the value of the Partner's account. Payment shall proceed in accordance with Paragraph 24.

22. Termination of a Partner: The Partners of this agreement, exclusive of the

Partner being terminated, may terminate any Partner by a two-thirds (2/3) majority vote. Written notice of a meeting, where termination of a Partner is to be considered, shall include a specific reference to the matter. The date of the meeting at which the approved motion for termination occurs shall be treated as the effective termination date. The valuation statement prepared for that meeting shall be used to determine the value of the Partner's account. Payment shall proceed in accordance with Paragraph 24.

23. 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 full withdrawal. In case of death, all withdrawn funds shall be paid in the name of the estate of deceased and paid to the Executor of the estate.

24. Terms of Payment for a Withdrawal, Termination or Death:

- a. In the case of a withdrawal, payment may be made in cash or securities of the partnership or a mix of each at the option of the remaining partners. Where securities are to be distributed, the remaining partners select the securities.
- b. Payments made for termination or death will be in cash.
- c. The partnership shall transfer to the partner (or other appropriate entity) withdrawing his/her interest in the partnership, an amount equal to the lesser of
 - 1) ninety-eight percent (98%) of the value of the capital account in the Partnership being withdrawn if:
 - (a) withdrawn within two (2) years of joining the club, and
 - (b) not transferring membership to another BetterInvesting club
 - Or
 - 2) the value of the capital account being withdrawn less the actual expenses to the Partnership related to the withdrawal.
- d. The amount being withdrawn shall be paid within sixty (60) business days after the valuation date that is used in determining the withdrawal amount.
- e. If securities are transferred as part of the withdrawal, the value of the portion of the withdrawal payment made by the securities transferred shall be determined by the closing price of the securities on the valuation date.

25. Forbidden Acts:

- a. No Partner shall have the right or authority to bind or obligate the Partnership to any extent, whatsoever, with regard to any matter outside the scope of the Partnership business.

- b. No Partner shall, 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 obtain an interest with him/her in the Partnership.
- c. No Partner shall use the Partnership's name, credit or property for other than Partnership purposes.
- d. No Partner shall 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.
- e. No Partner shall purchase an investment for the Partnership where less than the full purchase price is paid for same.
- f. No Partner shall pledge the assets of the Partnership as security or collateral for any loan.

The Partners have the right to terminate any Partner for a violation of these forbidden acts.

26. By-Laws: The Partners shall establish By-Laws to facilitate the operation of the Partnership.

This Partnership Agreement is hereby declared and shall be binding upon the respective heirs, executor, administrators and personal representatives of the parties.

IN WITNESS WHEREOF, the parties have set their hands and seals the year and day first above written.

Partners:

SIGNATURES ARE INTENTIONALLY NOT SHOWN.