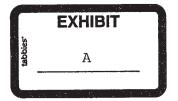
## EXHIBIT 9

# CIRCUIT COURT OF THE SEVENTEENTH JUDICIAL DISTRICT, IN AND FOR BROWARD COUNTY, FLORIDA

Re:	
P&S ASSOCIATES, GENERAL PARTNERSHIP AND S&P ASSOCIATES, GENERAL PARTNERSHIP	CASE NO.; 12-028324(07)
/	

## EXPERT REPORT OF BARRY MUKAMAL, CPA/PFS/ABV/CFE/CFF

November 11, 2013



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### Expert Report of Barry E. Mukamal, CPA/PFS/ABV/CFE/CFF ("Report")

#### I. Introduction

Pursuant to a court order entered on November, 1, 2013, Barry Mukamal and Marcum LLP (collectively "Marcum") have been retained by Messana, P.A., legal counsel for Phillip J. Von Kahle, as Conservator ("the Conservator") for P&S Associates, General Partnership ("P&S") and S&P Associates, General Partnership ("S&P"), to provide an opinion with respect to the following, which collectively are referred to as "the Issues":

- Determine if P&S and S&P (collectively, the "Partnerships") were managed in strict accordance with all of the provisions of the P&S' Amended and Restated Partnership Agreement dated December 21, 1994 (the "P&S Partnership Agreement"), and S&P's Amended and Restated Partnership Agreement as of the same date (the "S&P Partnership Agreement").
- Using sampling methodology, determine whether amounts with respect to new investment and distributions utilized by the Conservator in the calculation of distributions utilizing the Net Investment Method are generally reliable.
- Using sampling methodology, determine whether amounts with respect to S&P general
  partner, Guardian Angels, new investment and distributions utilized by the Conservator
  in the calculation of distributions utilizing the New Investment Method are generally
  reliable (see Attachment 4, Affidavit of Expert Barry Mukamal).

I have not been requested to, nor have I performed analysis beyond that which was required to formulate my opinions related to the Issues and matters incidental to same. The information, analysis, and opinions contained in this Report are based upon the specific facts and circumstances in this proceeding. I reserve the right to supplement this Report as necessary, to the extent any other relevant information becomes available between the date of this Report and the date that I may testify in this matter.

### II. Professional Qualifications of Barry Mukamal, CPA/PFS/ABV/CFE/CFF

I, Barry E. Mukamal, am a Partner in Marcum's Advisory Services Department. I am a Certified Public Accountant ("CPA") licensed in Florida. My Curriculum Vitae is attached hereto as Attachment 1 and includes additional details of my professional qualifications and experience.

<sup>&</sup>lt;sup>1</sup> S&P and P&S were formed as of the same date. It appears, based on our discussions with counsel and a "Memorandum" from Roxanne Beilly regarding "Sullivan and Powell", dated August 10, 1994 that the purpose of having two separate funds was to keep from having more than 150 partners in the Partnership so as to avoid reporting requirements of the Securities and Exchange Commission and the State of Florida.

I possess over 35 years of experience in the public accounting profession and financial services industry. I am accredited in business valuation ("ABV") and hold accreditation as a personal financial specialist ("PFS"), certified fraud examiner ("CFE"), and certified in financial forensics ("CFF"). Areas of expertise include financial accounting, business valuation, forensic (investigative) accounting in litigation proceedings, economic damages, bankruptcy and insolvency matters. I have been appointed and currently serve as a Bankruptcy Panel Trustee in the Southern District of Florida. My prior experience includes consulting and expert testimony in numerous arbitration and litigation matters. A list of cases in which I have previously provided expert testimony is also included in Attachment 2.

Other Marcum professionals have worked on this engagement under my supervision and direction. I have reviewed and am familiar with all such procedures performed and work product prepared. Marcum's fees for professional services provided are based on hours actually expended by each assigned staff member extended by the standard hourly billing rate for that individual. Hourly billing rates for professional staff working on this matter range from \$150 to \$475 Marcum has agreed to limit its fees to 85% of standard rates with a cap on total fees to complete this assignment through reporting, subject to approval of the court. Marcum's fees are not contingent on the outcome of this matter.

#### III. Documents Reviewed and Relied Upon

A listing of the information that I reviewed and relied upon in preparing this Report is attached hereto as Exhibit 1.

#### IV. Background

Both P&S and S&P were formed by Michael Sullivan ("Sullivan") and Greg Powell ("Powell") in 1992, with the stated purpose of investing in securities. In fact, P&S and S&P (collectively, the "Partnerships") invested exclusively in a Ponzi scheme perpetrated by the Bernard L. Madoff Investment Securities, LLC ("Madoff" or "BMIS"). As a consequence, profits as recorded by the Partnerships stemmed solely from investments in Madoff..

While the Partnerships themselves were victims of an investment scheme resulting in a net investment loss, losses sustained by general partners of the Partnerships ("Partners") were not

<sup>&</sup>lt;sup>2</sup> For purposes of this Report, Partners include all general partners of the Partnerships but exclude the Partnerships' managing general partners Sullivan and Powell.

proportionate to their investment. While certain Partners received distributions in excess of their investment, other Partners either received no distributions or distributions that were lower than their investment.

At the commencement of the Partnerships, Sullivan and Powell were appointed as managing general partners of the Partnerships. Powell passed away in August 2003, and Sullivan continued as the sole managing general partner of the Partnerships.

In August of 2012, certain Partners of the Partnerships filed a lawsuit alleging that Sullivan had diverted millions of dollars from the Partnerships to himself and other insiders. In January 2013, the Conservator was appointed as conservator of the Partnerships to, among other things, wind down the affairs of the Partnerships; determine how the assets of the Partnerships are to be distributed, and to effect such distributions.

In his motion for summary judgment filed on May 31, 2013, the Conservator recommended that the Court approve the Net Investment Method for distributions to Partners, which presented proposed distributions to certain Partners and proposed objections to distributions to certain Partners. On October 7, 2013 the court approved the Net Investment Method of distribution and set for trial the other outstanding issues.

#### V. Management of P&S and S&P by Sullivan

### Analysis of Management Fees Paid by P&S to Managing General Partners

Pursuant to the P&S Partnership Agreement, Article Five, Allocations and Distributions, 20% of the capital gains, capital losses, dividends, interest, margin interest expense and all other profits and losses attributable to the partnership are to be allocated to the managing general partners (the "P&S Management Fees"), and 80% to the Partners.<sup>3</sup> The Conservator's financial advisor, Michael Moecker and Associates ("Moecker"), provided us with spreadsheets that they prepared based on the P&S Partner Annual statements prepared by P&S (the "P&S Annual Partner Statements"), which annual statements include a summary of the annual activity for each P&S partner related to their new investments, distributions, gains/losses, management fees and expenses for each year from 1993 through 2008.

<sup>&</sup>lt;sup>3</sup> P&S Associates GP Amended and Restated Partnership Agreement dated December 21, 1994, Article 5.01.

Moecker also provided us with the following: list compiled by Moecker of the checks disbursed by P&S for management fees (the "P&S Management Fee Check List"); list compiled by Moecker of the P&S cash receipts from, and cash disbursements to, Madoff from 1993 through 2008 (the "P&S Madoff Cash Receipts & Disbursements List"); quarterly calculations of management fees prepared by the managing general partner from the P&S books and records (the "P&S Quarterly Management Fee Calculations"); year-end statements from Madoff titled Portfolio Management Report for 1993 through 2007 and for the quarter ending September 30, 2008 (the "Madoff Portfolio Reports"); general ledgers and check registers from the P&S books and records for various periods during 1993 through 2008 and tax returns filed by P&S for the years 1993 through 2008.

Utilizing the documents listed above we performed the following:

- Compared the gains and losses allocated to P&S Partners, in the aggregate, as reported on
  the P&S Annual Partner Statements prepared by the Partnerships' managing general
  Partners, to the Madoff Portfolio Reports and tax returns filed by P&S for years ending
  1993 through 2007.<sup>4</sup>
- Recreated the management fee to the managing general partners reported on the P&S
   Annual Partner Statements and compared management fees reported on the P&S Annual
   Partner Statements to P&S Quarterly Management Fee Calculations for the fourth quarter
   of the following years: 2002, 2004 through 2006 and 2008.
- Compared the cash receipts and cash disbursements from the P&S Madoff Cash Receipts
   Disbursements List to the P&S Madoff Portfolio Reports for years ending 1993
   through 2007 and for the quarter ending September 30, 2008
- Compared, on an annual basis, the total cash receipts from the P&S Madoff Cash Receipts & Disbursement List to the total of new investments reported for all partners in aggregate on the P&S Annual Partner Statements for years ending 1993 through 2008
- Compared, on an annual basis, the total cash disbursements from the P&S Madoff Cash Receipts & Disbursements List to the total of distributions reported for all partners in aggregate on the P&S Annual Partner Statements for years ending 1993 through 2008
- Traced a sample of the checks on the P&S Management Fee Check List to the general ledgers to identify how the checks were recorded by P&S.

<sup>&</sup>lt;sup>4</sup> The gains/losses reported on the Madoff Portfolio Reports matched what was reported on the P&S tax returns. The gains/losses reported on the P&S Annual Partner Statements generally matched what was reported on the Madoff Portfolio Reports and P&S Tax returns, with a few immaterial exceptions.

#### Our observations are as follows:

- We were able to recreate the calculation of the management fees based on 20% of the gains/losses recorded<sup>5</sup> by the managing general partners on the P&S Annual Partner Statements, with the following exceptions: for 2003 Partner (Cong of the Holy Spirit Western Province Inc.) did not have management fees reported in the amount of \$103 and for 2008 partner Moss was charged 10% management fees instead of 20%.
- The total amount actually paid for management fees during the period from 1993 through 2008 ("Review Period") in the amount of \$3,178,451.97 listed on the P&S Management Fees Paid List is \$34,252.61 greater than the amount that should have been paid under the calculation by P&S managing general partners on the P&S Quarterly Management Fee Calculations and on the P&S Annual Partner Statements in the amount of \$3,144,199,36 (see Exhibit 2).6
- P&S paid a portion of the 20% management fee directly to Kelco Foundation (total paid from 1993 -2008 is \$744,799), which fees were reported by P&S on its tax returns as charitable donations. The balance of the management fees were paid to Powell and Sullivan until Powell's death in August, 2003, and to Michael D. Sullivan & Associates from September 2003 forward.
- e Each of the P&S Quarterly Management Fee Calculations (as prepared by the managing general partner(s)) indicate amounts earmarked for/or to be paid to "A&B". Moecker has informed us that based on their review of the P&S books and records and other records related to Powell and/or Sullivan's other entities, A&B refers to Frank J. Avellino ("Avellino") and Michael S. Bienes ("Bienes"), parties prohibited by the SEC to participate in the sale of securities.
- Although Article 2.02 of the P&S Partnership Agreement stated that the general purpose of the partnership was to invest, in each or on margin, in all types of marketplace securities, during the Review Period and especially beginning in 2003, P&S did not remit all capital contributions received from its Partners for new investments. Instead P&S retained significant monies, as tabulated below.

<sup>&</sup>lt;sup>5</sup> Although certain gains were recorded by the Partnership, as previously discussed, as a consequence of exclusively investing in a Ponzi scheme, the Partnership recorded profits stemming solely from investments in Madoff.

<sup>&</sup>lt;sup>6</sup> For purposes of comparing the management fees paid to the management fees calculated, we used the management fees calculated by the managing general partners on the P&S Annual Partner Statements.

<sup>&</sup>lt;sup>7</sup> Although we identified that funds were being earmarked or paid to Avellino and Bienes from the P&S Quarterly Management Fee Calculations, investigation of amounts paid to Avellino and Bienes was beyond the scope of our engagement.

Table 1:

	Capital contributions from Partners into P&S	Monies remitted by P&S to Madoff for new investment	Monies retained by P&S for other purposes	
1993 - 2002	10,278,825	(10,305,465)		
2003 - 2008	17,376,000	(12,469,503)	4,906,497	
	\$ 27,654,825	\$ (22,774,968)		

O Monies retained by P&S per Table 1 above, were utilized to fund cash requirements for payment of P&S Management Fees and for withdrawals by P&S' Partners, as demonstrated in Table 2 below. During the Review Period and particularly beginning in 2003, capital withdrawals (redemptions) received by P&S from Madoff were insufficient to fund disbursements for P&S Management Fees and to some extent, withdrawals by P&S' Partners. The resulting cash deficiency was funded by monies retained by P&S from Partner contributions.

Table 2

	Capital withdrawals received by P&S from Madoff	Partner withdrawals disbursed by P&S	Balance available	Management Fees paid by P&S	Cash Deficiency funded by new capital contributions
1993 - 2002 2003 - 2008	4,090,323 17,120,000	(3,038,258) (18,845,020)	.,,	(950,050)	102,015
	\$ 21,210,323	\$ (21,883,278)		(2,228,402) \$ (3,178,452)	(3,953,422) \$ (3,851,407)

## Analysis of Management Fees Paid by S&P to Managing General Partners

Pursuant to the S&P Partnership Agreement, Article Five, Allocations and Distributions, 20% of the capital gains, capital losses dividends, interest, margin interest expense and all other profits and losses attributable to the partnership are to be allocated to the managing general partners (the "S&P Management Fees") and 80% to the general partners. Moccker provided us with spreadsheets they prepared based on the S&P Partner Annual statements (the "S&P Annual Partner Statements"), which spreadsheets included a summary of the annual activity (investments, distributions, gains/losses, management fees and expenses) for each general Partner from 1993 through 2008.

<sup>8</sup> S&P Partnership Agreement, Article 5.02

Moecker also provided us with the following: list compiled by them of checks disbursed by S&P for management fees (the "S&P Management Fee Check List"); list compiled by Moecker of the S&P cash receipts from and cash disbursements to Madoff from 1993 through 2008 (the "S&P Madoff Cash Receipts & Disbursements List"); quarterly calculations of management fees prepared by the managing general partner from the S&P books and records (the "S&P Quarterly Management Fee Calculations"); year-end statements from Madoff titled Portfolio Management Report for 1993 through 2007 and for the quarter ending September 30, 2008 (the "Madoff Portfolio Report"); general ledgers and check registers from the S&P books and records for various periods during 1993 through 2008, S&P Annual Partner Statements for 2008 prepared by the managing general partner and tax returns filed by S&P for the years 1993 through 2008.

Utilizing the documents listed above we performed the following:

- Compared the gains and losses reported, in the aggregate, as reported on the S&P Annual Partner Statements prepared by the Partnerships' managing general partners, to the Madoff Portfolio Reports and tax returns filed by S&P for the years 1993 through 2007.
- Recreated the management fee to the managing general partners reported on the S&P Annual Partner Statements and compared management fees reported on the S&P Annual Partner Statements to S&P Quarterly Management Fee Calculations for the fourth quarter of the following years: 2001, 2002, 2005 and 2006.
- Compared the cash receipts and cash disbursements from the S&P Madoff Cash Receipts
   Disbursements List to the S&P Madoff Portfolio Reports for years ending 1993
   through 2007 and for the quarter ending September 30, 2008.
- Compared, on an annual basis, the total cash receipts from the S&P Madoff Cash Receipts & Disbursement List to the total of new investments reported for all partners on the S&P Annual Partner Statements for years 1993 through 2008

<sup>&</sup>lt;sup>9</sup> The gains/losses reported on the Madoff Portfolio Reports matched what was reported on the S&P tax returns. The gains/losses reported on the S&P Annual Partner Statements generally matched what was reported on the Madoff Portfolio Reports and S&P Tax returns, with the exception that in 2002 the amount reported on the S&P Annual Partner Statements was approximately \$44,000 greater than what was reported on the Madoff Portfolio Report and P&S Tax Returns. Additionally, there were a few other immaterial exceptions.

<sup>&</sup>lt;sup>10</sup> For year ending 2002, the S&P Quarterly Management Fee Calculation was \$101,481 greater than what was reported on the S&P Annual Partner Statements. It appears the difference is related to the management fee reported on the S&P Annual Partner Statement for JSP, which reflects management fees at 10% instead of 20% for one of its partners, Stacy Foundation - see footnote number 8 below.

- Compared, on an annual basis, total cash disbursements from the S&P Madoff Cash Receipts & Disbursements List to the total of distributions to reported for all partners on the S&P Annual Investor Statements for years ending 1993 through 2008
- Traced a sample of the checks on the S&P Management Fee Check List to the general ledgers to identify how the checks were recorded by S&P

#### Our observations are as follows:

- O We were able to recreate the calculation of the management fees based on 20% of the gains/losses recorded by the managing general partners on the S&P Annual Partner Statements, with the following exceptions: certain partners' capital accounts reflected management fees at 10% not 20%. Investors that paid a 10% instead of 20% management fee included: Telcom Profit Sharing, Jolene & Philip Hocott and Stacy Foundation.
- The total amount actually paid for management fees during the period of 1993 through 2008 in the amount of \$6,399,102.70 is \$318,687.64 greater than the amount that should have been paid under the calculation on the S&P Quarterly Management Fee Calculations ("the Management Fee Overpayment"), prepared by the managing general partner and the S&P Annual Partner Statements prepared by the managing general partner in the amount of \$6,080,415.06 (see Exhibit 4). 12
- o Based on the S&P Annual Partner Statements for 2008, after the Madoff Ponzi scheme was publicly known, distributions were recorded <sup>13</sup>for Partners Ann or Michael Sullivan on 12/31/08 in the amount of \$300,465.51 and Michael D. & L. Gail Sullivan on 12/31/08 in the amount of \$31,500, (collectively referred to as the "2008 Sullivan Distributions"), which when combined total \$331,966.33. Moecker has advised us that based on its analysis of the S&P books and records, including the bank statements, canceled checks, check registers and general ledgers, the 2008 Sullivan Distributions were recorded simply as a book entry, which reduced the Management Fee Overpayment

<sup>&</sup>lt;sup>11</sup> Although certain gains were recorded by the Partnership, as previously discussed, as a consequence of exclusively investing in a Ponzi scheme, the Partnership recorded profits stemming solely from investments in Madoff.

<sup>&</sup>lt;sup>12</sup> For purposes of comparing the amount paid for management fee during 1993 through 2008, we utilized the management fees reported by S&P on the S&P Annual Partner Statements, which statements include certain partners' capital accounts reflecting management fees at 10% not 20%. Investors that paid a 10% instead of 20% management fee included: Telcom Profit Sharing, Jolene & Philip Hocott and Stacy Foundation.

<sup>&</sup>lt;sup>13</sup>Distributions were recorded within the partner accounts and reflected on the S&P Annual Partner Statements.

and reclassify the amount as distributions. 14/15 Bach of the S&P Quarterly Management Fee Calculations (prepared by the managing general partner) indicates amounts earmarked for/or to be paid to "A&B". Moecker has informed us that based on their review of the P&S books and records and other records related to Powell and/or Sullivan's other entities, A&B refers to Frank J. Avellino ("Avellino") and Michael S. Bienes ("Bienes"), parties prohibited by SEC to participate in the sale of securities. 16

Although Article 2.02 of the S&P Partnership Agreement stated that the general purpose of the partnership was to invest, in cash or on margin, in all types of marketplace securities, during the Review Period and especially beginning in 2002, S&P did not remit all capital contributions received from its Partners for new investments. Instead S&P retained significant monies, as tabulated below in Table 3 and detailed for each year individually at Exhibit 5.

Table 3;

	Capital contributions from Partners into S&P	Monies remitted by S&P to Madoff for new investment	Monies retained by S&P for other purposes	
1993 - 2001	23,349,635	(22,713,255)	636,380	
2002 - 2008	41,130,306	(19,058,371)	22,071,935	
	\$ 64,479,941	\$ (41,771,626)	\$ 22,708,316	

O Monies retained by S&P per Table 3 above, were utilized to fund cash requirements resulting from payment of S&P Management Fees and withdrawals by S&P's Partners, as demonstrated in Table 4 below. During the Review Period and particularly beginning in 2002, capital withdrawals (redemptions) received by S&P from Madoff were insufficient to fund disbursements for S&P Management Fees and to some extent, withdrawals by

 $<sup>^{14}</sup>$  Investigation of how Sullivan reported the \$331,966.33 on his business and/or personal tax returns was not within the scope of our engagement.

<sup>&</sup>lt;sup>15</sup> Based on the S&P general ledger for the period ending 12/31/08, there is a general journal entry dated 12/11/08 in the amount of \$333,445.45, which decreased the management fee expense. It appears, based on our discussions with Moecker, that this book entry is related to the 2008 Sullivan Distributions reported on the S&P Annual Partner Statements.

<sup>&</sup>lt;sup>16</sup> Although we identified the indication that funds were being earmarked or paid to Avellino and Bienes from the S&P Quarterly Management Fee Calculations, we have not investigated if any amounts were in fact actually paid.

S&P's Partners. The resulting cash deficiency was funded by monies retained by S&P from Partner contributions rather than by redemptions and withdrawals.<sup>17</sup>

Table 4

	Capital withdrawals received by S&P from Madoff	Partner withdrawals disbursed by S&P	Balance available	Management Fees paid by S&P	Cash Deficiency funded by new capital contributions
1993 - 2001	10,329,925	(9,264,491)	1,065,434	(1,657,952)	(592,518)
2002 - 2008	21,595,000	(40,893,472)	(19,298,472)		( )
	\$ 31,924,925	\$ (50,157,963)	\$ (18,233,038)	\$ (6,399,103)	

#### Overall Management of the Partnerships

#### Appointment of Managing Partners and death of Powell

Pursuant to Section 8.01 of the P&S Partnership Agreement and S&P Partnership Agreement (collectively, the "Partnership Agreements"), "day-to-day operations shall rest exclusively with the Managing General Partners, Michael D. Sullivan and Greg Powell." According to Section 5.01, the Managing General Partners were entitled to a total of twenty percent of the capital gains, capital losses, dividends, interest, margin interest expense and all other profits and losses attributable to the Partnerships.

Under Section 8.02 of the Partnership Agreements, the Managing General Partners were "authorized and empowered to carry out and implement any and all purposes of the Partnership." While the Partnerships could have, under Section 8.06 of the Partnership Agreements, "as many Managing General Partners as the partners ... shall determine to be in the best interest of the partnership," at the commencement of the Partnerships, two Managing General Partners were appointed suggesting that management by two Managing General Partners was in the best interest of the Partnerships.

Notwithstanding the Partnerships' initial structure noted above and the requirement of Section 8.04 that quarterly meetings be held, upon the death of Greg Powell in August of 2003, we are advised that no successor Managing General Partner was ever elected nor was any Partnership meeting called by

<sup>&</sup>lt;sup>17</sup> As illustrated at Table 3 above, the total cash contributions from partners and monies remitted to S&P by Madoff is \$22M. As illustrated at Table 4 the total cash deficiency is \$24M. It is unclear as to if or how this difference was funded, which difference could be attributable to the differences between actual bank activity and amounts posted to the S&P Annual Partner Statements. For purposes of our analysis at sections vi and vii below, the S&P Annual Partner Statements were not relied upon and therefore reconciliation of same does not affect our analysis of net capital balances.

the Sullivan, the remaining Managing General Partner, to hold such election. While there does not appear to be a requirement for more than one general partner, it is unclear whether the majority of the partners must approve any changes of this nature. <sup>18</sup>

Following the death of Mr. Powell, Sullivan registered Michael D. Sullivan & Associates, Inc. ("Sullivan Inc.") in September of 2003, and, beginning in late 2003, allocated the entirety of the Managing General Partner's twenty percent share of profits to Sullivan Inc. As noted above, it is unclear whether Mr. Sullivan had this authority absent an affirmative vote of the majority of the Partners, or whether such vote was needed pursuant to section 8.06 of the Partnership Agreement(s)

#### Use of New Investments contributed by Partners

Section 5.02 provides that "Distributions of PROFITS shall be made at least once per year...[or] within ten (10) days after the end of each calendar quarter..." Therefore, it raises the issue of whether the Managing General Partners were required to distribute only actual 'profits' to partners, and not fresh capital contributions of other Partners into the Partnerships.

As discussed above and illustrated in Tables 1 through 4, particularly after Powell's death in 2003, it would appear that Sullivan routinely withheld Partners' fresh investments that would have otherwise been invested into Madoff, for the purposes of funding management fees or distributions to other Partners, which may not be in accordance with the Partnership Agreements.

In connection with the funds withheld from Partners' new investments to fund distributions to other Partners, since there was no cash going to or coming from Madoff, Sullivan made accounting entries to record the activity in the Partners' capital accounts and related increase/reduction of investment in Madoff.

#### Payments made by P&S to Kelco and tax issues

P&S made direct payments to Kelco Foundation ("Kelco") during the years 1993 through 2008 totaling \$744,799.08, comprising a portion of the total management fees paid to managing general

<sup>&</sup>lt;sup>18</sup> Article 8.05 of the Partnership Agreements provides that an affirmative vote of 51% of the Partners (in interest, not in number) was required for the appointment of or removal of a managing general partner, and further, that the Partnerships shall have as many managing general partners as the Partners, by an affirmative vote of 51% (in interest, not in number) shall determine to be in the best interest of the Partnership.

<sup>&</sup>lt;sup>19</sup> Although certain gains were recorded by the Partnership, as previously discussed, as a consequence of exclusively investing in a Ponzi Scheme, the Partnership recorded profits solely from its investment in Madoff.

partners. The payments made to Kelco were calculated based on a percentage of the gain related to certain Partners of P&S<sup>20</sup>.

P&S reported the payments to Kelco on its tax returns as "Charitable Contribution" as opposed to their proper classification as a management fee expense. Although we have not analyzed the effect of this treatment to individual Partners, there may have been a negative tax consequence to some (or all) of the Partners for amounts that may not have been deductible due to their characterization as charitable contributions rather than management fees. Additionally, it is likely that Sullivan did not report the amounts paid to Kelco as management fee income and therefore would have received an inappropriate tax benefit in connection with the way P&S reported the payments to Kelco as charitable contributions.

Based on the foregoing analysis and observations, it appears that Sullivan did not manage P&S and S&P in strict accordance with all of Partnership Agreement'(s) provisions.

VI. Using sampling methodology to confirm amounts with respect to investment and distributions utilized in the calculation of the Net Investment Method for distribution of P&S partnership assets

Under the Net Investment Method, distributions are determined based on each Partner's net equity, which is calculated as investment less cash withdrawals or distributions. Moecker provided Marcum with a spreadsheet titled "1993-2008 by Partner Cash-In Cash-Out - Real Balance (Investment less distributions)", hereinafter referred to as the "P&S Spreadsheet". For each investor in P&S, the P&S Spreadsheet identified new investment, distributions, ending balance and cash balance carry forward, reported on an annual basis, as illustrated below:

<sup>&</sup>lt;sup>20</sup> Based on the P&S Quarterly Management Fee Calculations, total management fees were calculated by P&S based on 20% of the total gains. Once the total management fee was calculated, a separate calculation was performed to determine the portion of the total management fee to be paid to Kelco, which calculation included 10% of the gains for the following investors: Bogaert, Bulger, HG Int'l #1, HG Int'l #2, HGF Ireland, Centro de Capacitacao, Costa, Crowley, HG Ire, Inc., Frank, HG Compassion, HG Ireland, HG Mombasa, HG Pastoral Juvenil, HG SW Brazil, Kelly, Kelly Trust, Molchan, Nickens, Paraoquia Santa Luz. See Exhibit 6 for an example of the P&S Quarterly Management Fee Calculations from the P&S books and records.

Carone Marital Trust No. 1	Çasij Br Forwar	and the second second	Nev Inve	ř. 5	Dįs	ributions: 🔽 End	ing Balance <b>v</b>
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2005	\$	510,000,00	<u>- ۲</u> Ś	22,41000,00	, <u>, , , , , , , , , , , , , , , , , , </u>	(24,000.00) \$ (64,000.00) \$	510,000.00
2006	\$	446,000.00	\$	30,000,00	<del></del> \$	(32,000.00) \$	446,000.00 444,000.00
2007	\$	444,000.00	\$		\$	(32,000.00) \$	412,000.00
2008	\$	412,000.00	\$	Apply a Articular substrate of the subst	\$	(24,000.00) \$	388,000,00
Carone Marital Trust No. 1 Tota			\$	564,000.00	\$	(176,000.00) \$	388,000,00

We employed the following methodology to validate the amounts of new investment and distributions as reported on the P&S Spreadsheet:

- Step 1: Selecting an appropriate sample for testing:
  - O We assigned a sequential ID to each transaction within each investor's account history. The total count of such transactions was 630.
  - Utilizing 95% confidence levels and 10% confidence intervals, we calculated the appropriate sample size for this population of 630 transactions to be 79 using a statistical sampling formula.
  - O Based on the above, the sample interval was determined to be 8. (630 / 79, rounded to the nearest integer).
  - O Starting with transaction ID #1, we derived a sample of 79 transactions using an interval of 8. (i.e. ID #1, #9, #17 etc.)
  - Additionally, we extended our sample to include transactions exceeding \$1,000,000. The P&S Spreadsheet included 6 such transactions; therefore our sample size was increased to 85.
  - Our selected sample of 85 transactions represented 40% of all new investments in terms of dollars (based on total new investments of \$27,670,386 in the population) and 46% of all disbursements (based on total disbursements of \$21,898,530 in the population).
- Step 2: For each transaction in our sample, we sought to validate the amount of new investment and/or distributions as follows:
  - O Moecker provided Marcum with multiple boxes containing investor records. Specifically, these boxes were organized by year and contained bank statements, copies of checks from investors for new investment, confirmation letters to individual investors, and copies of cancelled checks with respect to investor distributions.
  - O Moecker advised that since transactions on the P&S Spreadsheet were reported on an annual basis, each transaction recorded may in fact represent multiple transactions during the same year. Therefore, testing a single transaction on the P&S Spreadsheet often involved testing numerous component transactions and was more labor intensive than anticipated, especially since investor records were not organized by investor but only by year.

- O The 85 transactions included in our sample represented new investment, distributions or both. With respect to new investment, we confirmed the amount on the P&S Spreadsheet by reviewing copies of investment check(s) from investors and corresponding deposit(s) per bank statements, further corroborated by confirmation letter(s) from P&S to individual investors.
- With respect to distributions, we confirmed the amount on the P&S Spreadsheet by reviewing copies of cancelled checks made payable to investors and corresponding disbursement per banking records.

#### Our observations were as follows:

- > With respect to investor Acker's new investment of \$100,000 in 2008, we were not able to locate a copy of his investment check or the confirmation letter from P&S.
- Certain transactions represented transfers between multiple investment accounts owned by a single investor. These transactions were not supported by any documentation except transfer entries which reduced balances in the originating account and a corresponding increase in the transferee account. No exceptions were noted with respect to such transfer transactions.
- > Subject to the discussion above, no exceptions were noted in our testing of the 85 transactions comprising our sample.
- Based on our sampling methodology, we are 95% certain that the amounts reflecting new investment and distributions in the P&S Spreadsheet are accurate subject to a margin of error of 10%.

## VII. Sampling to confirm investor amounts with respect to investment and distributions utilized in the calculation of the Net Investment Method for distribution of S&P partnership assets

Moecker provided Marcum with a spreadsheet titled "1993-2008 by Partner Cash-In Cash-Out - Real Balance (Investment less distributions)", hereinafter referred to as the "S&P Spreadsheet". For each investor in S&P, the S&P Spreadsheet identified new investment, distributions, ending balance and cash balance carry forward, reported on an annual basis, as illustrated below:

And the continue of the state o		ash Balance	his			Sandige squage interpretation of the sand
Eldridge - Terminated				IIVestilent	SURGERONS	inding Balance
2003	4 184 44.1186 - 1914-1	1) If any part of the control of the	\$	200,000.00 \$	(4,000.00)	\$ 196,000.00
2004	 	196,000.00		\$	(13,000.00)	\$ 183,000.00
2005	100 to 41 (beliander) - 2-2-2-2-2-2-2-2-2-2-2-2-2-2-2-2-2-2-	183,000.00	- Control of the Control	Ś	(209,000,00)	\$ (26,000.00)
2006		(26,000.00)	ar er erene		(5,228,24)	\$ (31,228.24)
2007		(31,228,24)	******	nemitrarenementeria err estre e 1 er pri straffic	or properties and other states of the s	\$ (31,228.24)
2008	( )	(31,228.24)		The second secon		A
Eldridge Terminated	Total		\$	200,000.00 \$	(231,228,24)	\$ (31,228.24) \$ (31,228,24)

We employed the following methodology to confirm the amounts of new investment and distributions as reported on the S&P Spreadsheet;

- Step 1: Selecting an appropriate sample for testing:
  - We assigned a sequential ID to each transaction within each investor's account history. The total count of such transactions was 1.153.
  - O Utilizing 95% confidence levels and 10% confidence intervals, we calculated the appropriate sample size for this population to be 89 using a statistical sampling formula.
  - o Based on the above, the sample interval was determined to be 13. (1,153 / 89, rounded to the nearest integer).
  - O Starting with transaction ID #1, we derived a sample of 89 transactions using an interval of 13. (i.e. ID #1, #14 etc.)
  - Additionally, we extended our sample to include transactions exceeding \$1,000,000. The S&P Spreadsheet included 6 such transactions; therefore our sample size was increased to 95.
  - Our selected sample of 95 transactions represented 38% of all new investments in terms of dollars (based on total new investments of \$61,974,156in the population) and 42% of all disbursements (based on total disbursements of \$45,555,535 in the population).
- Step 2: For each transaction in our sample, we sought to validate the amount of new investment and/or distributions as follows:
  - Our methodology for testing the S&P Spreadsheet mirrored our testing methodology utilized for the P&S Spreadsheet, as discussed above.
  - Our observations were as follows:
    - > Certain transactions represented transfers between multiple investment accounts owned by a single investor. These transactions were not supported by any documentation except transfer entries which reduced balances in the originating account and a corresponding increase in the transferee account. No exceptions were noted with respect to such transfer transactions, Subject to the discussion above, no exceptions were noted in our testing of the 95 transactions comprising our sample.
- o Based on our sampling methodology, we are 95% certain that the amounts reflecting new investment and distributions in the S&P Spreadsheet are accurate subject to a margin of error of 10%.

To the extent that discovery in this matter is ongoing, additional information relative to issues addressed herein may be developed. As such, I expressly reserve the right to update, amend, supplement.

or replace this Report in the future if such additional information is provided and/or additional work is performed.

Respectfully Submitted,

Barry Mukamal, CPA/ABV/PFS/CFE/CFF Partner

Maroum, LLP

#### EXHIBIT 1

### S&P Associates, General Partnership P&S Associates, General Partnership

#### Documents Relied Upon

- 1. S&P Amended and Restated Partnership Agreement, dated December 21, 1994
- 2. P&S Associates GP Amended and Restated Partnership Agreement, dated December 21, 1994
- 3. Conservator's Motion for Summary Judgment To: (i) Approve Determination Of Claims, (ii) Approve Plan of Distribution, And (iii) Establish Objection Procedure
- 4. Complaint filed by Margaret J. Smith, et al v. Michael D. Sullivan et al, on December 10, 2012
- 5. Spreadsheets prepared by Moecker based on analysis of S&P and P&S records:
  - a. List of S&P and P&S checks for the payment of management fees
  - b. List of checks from S&P and P&S to Bernard Madoff Investment Securities, LLC ("BMIS")
  - c. List of deposits to S&P and P&S from BMIS
- 6. Spreadsheets prepared by Moecker that summarize information reported by S&P and P&S on partner annual statements as follows:
  - a. Annual summary by general partner of each general partners capital account beginning balance, new investments, management fees, expenses, gain (loss) and ending capital balance.
  - b. Cash-In Cash-Out annual total by partner and resulting net cash investment
- 7. S&P Tax Returns for the years ending 1993 through 2008
- 8. P&S Tax Returns for the years ending 1993 through 2008
- 9. S&P general ledgers, bank registers, financial statements and trial balances for certain periods during 1997 through 2008.
- 10. P&S general ledgers, bank registers, financial statements and trial balances for certain periods during 1997 through 2008.
- 11. S&P monthly accounting files for the period of 1993 through 2008
- 12. P&S monthly accounting files for the period of 1993 through 2008
- 13. S&P reports from BMIS titled "Portfolio Management Report" for each year end 12/31 from 1993 through 2008
- $14.\ P\&S$  reports from BMIS titled "Portfolio Management Report" for each year end 12/31 from 1993 through 2008
- 15. S&P quarterly management fee calculations prepared by managing general partner
- 16. P&S quarterly management fee calculations prepared by managing general partner
- 17. S&P Annual Partners Statements for 2008
- 18. Conversations with Moecker associates

EXHIBIT 2

P&S Associates, General Partnership

, , , , , ,	Summary of Management Fee Calculation vs. Management Fee Paid										
Notes	1	2	3	3							
Year	Realized Gain/(Loss) - Partner Annual Statements	Management Fee Based on Realized Gain Reported on Partner Annual Statement	Management Fee Paid (Powell & Sullivan)	Management Fee Paid (Kelco)	Total Management Fee Paid to Powell/Sullivan & Kelco	Difference Management Fee Paid v. Management Fees Partner Annual Statements					
1993	167,660.01	33,532,00	11,232,90		11,232,90	(22,299.10					
1994	249,496.26	49,899.24	49,319.09	36,671.31	85,990.40	36,091.16					
1995	297,200.68	59,440.14	26,439.66	27,186.22	53,625.88	(5,814.26					
1996	379,928.01	75,985.61	36,741.56	34,741,56	71,483.12	(4,502.49					
1997	502,880.67	100,576.13	52,066,89	51,644.90	103,711,79	3,135.66					
1998	552,595.40	110,519.06	49,765.80	47.693.05	97,458.85	(13,060.2)					
1999	674,580.88	134,916.21	66,653,12	70,433,85	137,086.97	2,170.76					
2000	497,817.76	99,563.56	58,284.14	53,987,01	112,271.15	12,707.59					
2001	572,736.66	114,547.33	62,000.00	40,580.47	102,580.47	(11,966.86					
2002	1,195,269.17	239,053.84	121,177.06	53,431.40	174,608.46	(64,445.38					
2003	1,312,064.93	262,309.76	217,946.75	46,411.10	264,357,85	2,048,09					
2004	1,546,841.35	309,368,27	268,674.64	51,156.68	319,831,32	10,463.03					
2005	1,587,361.73	317,472.36	237,576.60	47,800.24	285,376.84	(32,095.5					
2006	2,433,184.25	486,636.83	382,024.14	67,098.99	449,123.13	(37,513.7)					
2007	2,060,694.19	412,138.83	470,398.97	60,952.51	531,351.48	119,212.63					
2008	1,769,288.90	338,240.19	323,351.57	55,009.79	378,361.36	40,121.17					
	\$ 15,799,600.85	\$ 3,144,199.36	\$ 2,433,652.89	\$ 744,799.08	\$ 3,178,451.97	\$ 34,252.61					

#### Notes:

<sup>(1)</sup> Realized Gain (Loss) based on annual summary of partner activity prepared by Moecker based on P&S Annual Partner Statements.

<sup>(2)</sup> Management Fee based on annual summary of partner activity prepared by Moecker based on P&S Annual Partner

<sup>(3)</sup> Management Fee paid based on list prepared by Moecker from P&S bank statements, canceled checks, check registers, general ledgers and other books and records of the amounts paid by P&S for management fees.

EXHIBIT 3

#### P&S Associates, General Partnership

		72114		Investment Casl	Activity			***
Notes:	1	2	<del></del>	3	4		5	
Year	Partner New Investments	Cash To BMIS	Difference - Partner New Investment & Cash To BMIS	Pariner Distributions	Management Fees Paid	Total Partner Distributions & Management Fees Paid	Cash From BMIS	Difference - Total Partner Distributions & Management Fees Paid v, Cash From BMIS
1993	\$ 1,391,480,00	\$ (1,341,500.00)	\$ 49,980.00	\$ (83,409.57)	\$ (11,232,90)	6 (D) (40 A9)	b 01.545.4=	*
1994	257,214.77	(257,214.77)		(165,551.28)	(85,990.40)			
1995	295,589,53	(295,589,53)		(227,115,71)	(53,625.88)	(280,741,59)	239,107,82	(12,433.86)
1996	382,987,34	(381,000.00)	1,987,34	(185,632,13)	(71,483.12)	(257,115.25)	282,121.40	1,379.81
1997	139,560.97	(144,560.97)	(5,000.00)	(360,673,38)	(103,711.79)	(464,385,17)	308,488.50 413,054.46	51,373.25
1998	330,698.23	(330,698.23)	`` - '	(160,291.33)	(97,458,85)	(257,750.18)	269,020,21	(51,330.71)
1999	62,069.00	(60,000.00)	2,069.00	(270,146,28)	(137,086.97)	(407,233.25)	399,520,39	11,270,03
2000	312,000.00	(382,000.00)	(70,000.00)	(522,498,67)	(112,271.15)	(634,769,82)	726,367.74	(7,712.86)
2001	829,150,02	(828,826,24)	323.78	(498,306.64)	(102,580,47)	(600,887.11)	623,000,00	91,597.92
2002	6,278,075.25	(6,284,075.25)	(6,000.00)		(174,608,46)	(739,240,99)	735,000,00	22,112.89
2003	4,337,325.89	(3,567,323,46)	770,002.43	(2,297,450,34)	(264,357.85)	(2,561,808,19)	1,875,000,00	(4,240.99) (686,808,19)
2004	4,136,830.46	(3,000,179,19)	1,136,651,27	(3,345,198.24)	(319,831,32)	(3,665,029,56)	2,615,000.00	(1,050,029,56)
2005	3,955,493,32	(3,272,000.00)	683,493.32	(1,884,680,48)	(285,376,84)	(2,170,057.32)	1,565,000.00	(605,057.32)
2006	912,364,29	(480,000.00)	432,364,29	(2,498,903.61)	(449,123.13)	(2,948,026.74)	2,700,000.00	(248,026,74)
2007	2,197,884.70	(1,150,000,00)	1,047,884.70	(7,271,002,12)	(531,351,48)	(7,802,353.60)	6,940,000.00	(862,353,60)
2008	1,836,101.28	(1,000,000.00)	836,101,28	(1,547,785.46)	(378,361.36)	(1,926,146,82)	1,425,000.00	(501,146.82)
Total;	\$ 27,654,825.05	\$ (22,774,967,64)	\$ 4,879,857.41	\$ (21,883,277.77)	\$ (3,178,451.97)		\$ 21,210,322.99	\$ (3,851,406.75)

- Notest
  (1) Partner Contributions based on annual summary of partner activity prepared by Moecker based on P&S Annual Partner Statements.
  (2) Cash to BMIS based on list prepared by Moecker of cash disbursements to BMIS from P&S bank statements, canceled checks, check registers and general ledgers.
  (3) Partner Distributions based on annual summary of partner activity prepared by Moecker based on P&S Annual Partner Statements.
  (4) Management Fees Paid based on list prepared by Moecker of disbursements by P&S for the payment of management fees.
  (5) Cash to BMIS based on list prepared by Moecker of cash disbursements to BMIS from P&S bank statements, canceled checks, check registers and general ledgers.

EXHIBIT 4
S&P Associates, General Partnership

Summary of Management Fee Calculation vs. Management Fee Paid
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Notes	1	2 & 3	4	
Year	Realized Gain/(Loss) - Partner Annual Statements	Management Fee Based on Realized Gain Partner Annual Statement	Management Fee Paid	Difference - Management Fee Partner Statement vs, Total Management Fee Pald
1993	118,118.92	23,491.31	£ 191 71	10.260.60
1994	225,184.89	44,856.00	5,121.71	18,369.60
1995	353,714.30	70,742.83	53,998.85	(9,142.85)
1996	490,306.68	98,061.31	63,267.10 92,754.75	7,475.73
1997	820,204.72	162,557.27	162,471,51	5,306.56
1998	1,183,926.11	227,009.63	218,064.29	85.76
1999	1,672,037.67	324,941.65	290,885.36	8,945,34
2000	1,921,805.68	376,947.98	377,369,81	34,056,29
2001	2,549,797.86	433,730.29	394,018.29	(421.83)
2002	3,380,466.67	565,702,46	495,226.29	39,712.00
2003	3,363,023.66	557,598.76	581,818.33	70,476.17
2004	3,123,507.66	531,845.08	573,598.74	(24,219.57)
2005	3,209,248.03	542,994.93	646,954.54	(41,753.66)
2006	4,533,223.10	770,230.04	662,164.37	(103,959.61)
2007	4,222,857.00	719,229.16	•	108,065.67
2008	3,152,381.78	630,476.36	791,388,76 990,000.00	(72,159.60)
		030,770.30	220,000.00	(359,523,64)
	\$ 34,319,804.73	\$ 6,080,415.06	\$ 6,399,102.70	\$ (318,687,64)

#### Notes:

- (1) Realized Gain (Loss) based on annual summary of partner activity prepared by Moecker based on S&P Annual Partner Statements.
- (2) Management Fee based on annual summary of partner activity prepared by Moecker based on S&P Annual Partner Statements.
- (3) Marcum recreated the management fee by partner reported on the annual gain/losses reported on the summaries prepared by Moecker from the Partner's Annual Statements. Marcum noted that certain investors were allocated management fees in the amount of 10% instead of 20% these investors include the following: Telcom Profit Sharing, Jolene & Philip Hocott, JS&P, Stacy Foundation and SPJ Investment.
- (4) Management Fee paid based on list prepared by Moecker from S&P bank statements, canceled checks, check registers, general ledgers and other books and records of the amounts paid by S&P for management fees.

EXHIBIT 5

S&P Associates, General Partnership

	Investment Cash Activity									
Notes;	11	2	T	4	5		6			
Year	Partaer New Investments	Cash To BMIS	Difference - Partner Contributions & Cash To BMIS	Pariner Withdrawels	Management Fees Paid	Total Partner Withdrawals & Management Fees Paid	Cash From BMIS	Difference - Tota Partner Withdrawals & Management Fee Pold v. Cash Free BMIS		
1993	\$ 1,065,692.83	\$ 1,158,627.83	\$ (92,935.00)	\$ (53,510,85)	\$ (5,121.71)	\$ (58,632,56)	ש בס ביים בב	dr		
1994	775,628,14	755,628.14	20,000.00	(275,747.07)		(329,745,92)				
1995	526,417.94	506,417,94	20,000.00	(181,757.01)		(245,024,11)	341,460.75	11,714,8		
1996	859,576.92	889,399,39	(29,822.47)		(92,754.75)			(9,444.2		
1997	2,171,511.70	2,143,511,70	28,000.00	(388,046.95)	(162,471.51)	(550,518.46)	562,818,46	11,002,2		
1998	3,176,477,86	2,625,702,77	550,775.09	(1,514,683,69)	(218,064,29)	(1,732,747.98)	1,157,692,90	12,300.0		
1999	3,098,367.65	3,249,367.65	(151,000,00)		(290,885,36)	(1,396,991.49)	1,557,281,70	(575,055,0		
2000	8,412,775.60	8,397,503.54	15,272,06	(2,061,274,92)	(377,369,81)	(2,438,644,73)	2,447,453,76	160,290.2 8,809.0		
2001	3,263,186.50	2,987,095.82	276,090,68	(3,325,116.45)	(394,018,29)	(3,719,134,74)	3,507,000,00	(212,134.7		
2002	22,959,950,83	9,713,271,43	13,246,679,40	(17,986,201.79)	(495,226.29)	(18,481,428,08)	3,505,000.00	(14,976,428.0		
2003	3,069,822.91	2,128,765,14	941,057.77	(4,073,745.54)	(581,818.33)	(4,655,563.87)	4,065,000,00	(590,563,8		
2004	4,461,291,73	2,326,334.26	2,134,957.47	(8,785,002.40)	(573,598.74)	(9,358,601.14)	7,100,000.00	(2,258,601,1		
2005	2,966,852,20	1,650,000,00	1,316,852,20	(1,953,138.90)	(646,954,54)	(2,600,093,44)	1,385,000.00	(1,215,093,4		
2006	2,622,286.71	750,000.00	1,872,286,71	(2,517,031,53)	(662,164.37)	(3,179,195,90)	1,175,000.00	(2,004,195,9		
2007	2,981,213.24	1,510,000.00	1,471,213,24	(2,954,982,39)	(791,388,76)	(3,746,371,15)	2,490,000,00	(1,256,371.1		
2008	2,068,888.36	980,000,00	1,088,888,36	(2,623,369.61)	(990,000.00)	(3,613,369.61)	1,875,000.00	(1,738,369,6		
Total:	\$ 64,479,941,12	\$ 41,771,625,61	\$ 22,708,315,51	\$ (50.157.963.04)	\$ (6 399 102 70)	\$ (56 557 065 74)	63100400400			

\$ 41,771,625.61 \$ 22,708,315.51 \$ (50,157,963.04) \$ (6,399,102,70) \$ (56,557,065.74) \$ 31,924,924.80 \$ (24,632,140.94)

#### Notes:

- (1) Partner Contributions based on annual summary of partner activity prepared by Moecker based on S&P Annual Partner Statements.
  (2) Cash to BMIS based on list prepared by Moecker of cash disbursements to BMIS from S&P bank statements, canceled checks, check registers and
- (3) Partner Distributions based on annual summary of partner activity prepared by Moecker based on S&P Annual Partner Statements.

  (4) Management Fees Paid based on list prepared by Moecker of disbursements by S&P for the payment of management fees.
- (5) Cash to BMIS based on list prepared by Moecker of cash disbursements to BMIS from S&P bank statements, canooled checks, check registers and general ledgers.

EXHIBIT 6

2008 S1 Mgt. rees Calculation

4/23/08

film &	when my raiding	i cos carcadanti	4/23/00	
ist OUARTER Realized P/L Unrealized P/L sub-total	2008	587,984.27 123,079,25 711,063,52 x 20%	Fees Due YTD Less Fees pd YTD Sub-Total Less Accrued to A&B TOTAL accrued to MDS	120,413,74 -305,000,00 -184,586,26 -4,324,42 -188,910,68
sub-total less J Hocott IRA 10% less P Hocott IRA 10% less P/J Hocott 10% less Festus 10% less Moss IRA 10% TOTAL DUE YTD	SPJ Ltd SPJ Ltd S&P S&P SPJ	142,212.70 -7.03 -1,209.79 -2.23 -19,903,26 -676.65 120,413.74	A&B fees accorned less payments to Wills net fees owed	<b>4,324.42</b> <u>-3.000.00</u> 1,324.42
Accured fees from 2007 <u>Check #</u>	<u>Date</u>	<u>Amount</u>		
	Balance	0.00		
Management fees 2008 <u>Check #</u> 5789 5792 5795 5796 5810 5812 5819	Date 1/2/0 1/7/08 1/10/08 1/16/07 2/11/08 2/22/08 3/3/08	Amount 20,000.00 40,000.00 15,000.00 100,000.00 50,000.00 25,000.00 10,000.00	thru 1st QTR earnings projected	120,413.74 120,413.74
5821 5830	3/6/08 3/26/08	\$0,000,00 15,000,00	2007 deficit	-26,937.6Q
			Based on 1st Quarter Fees projected thru 1Q Less mang. fees paid YTD Projected fees due	120,413.74 -305,000.00 -211,523,86
			ProjectedAccrued to A&B	-1,324.42
			less commission 1st Qtr	-30,313,32
			net income avail	-239,785.88

TOTAL

305,000.00

S&P\_BANKREG\_GL\_000785

3rd QUARTER 2.007 Realized P/L Unrealized P/L Unrealized P/L sub-total ess J Hocott IRA 10% SPJ Ltd ess P/J Hocott IRA 10% SPJ Ltd ess P/J Hocott 10% S&P ess Festus 10% S&P TOTAL DUE YTD Accured fees from 2006 \$62,516 Check # Date	-5,501,46 -9,78 -87,174,45 538,926,34	Fees Due YTD Less Fees pd YTD Sub-Total Less Accrued to A&B TOTAL accrued to MDS  A&B fees acccrued less payments to Wills net fees owed	-560,872,76 -21,446.4
Realized P/L Unrealized P/L sub-total sub-total ess J Hocott IRA 10% SPJ Ltd ess P Hocott IRA 10% SPJ Ltd ess P/J Hocott 10% S&P ess Festus 10% S&P TOTAL DUE YTD Accured fees from 2006 \$62,516 Check # Date	21,974,25 3,168,748,51 x 20% 633,349,70 -1,737,67 -5,501,46 -9,78 -87,174,45 538,926,34	Less Fees pd YTD Sub-Total Less Accrued to A&B TOTAL accrued to MDS  A&B fees acccrued less payments to Wills	-560,372,76 -21,446,4; -22,114,9; -43,561,3, 39,269,13 -9,000,00
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1034	nagan- ahaw gilawa finawanta taun 271-a ka-a-a az Wagas zwek g		***************************************		lgis then egeneen a serva i ali occidibility qui coqui loque cora faracca bique escal picacca coca.	[ {\psi_{\pii}\psi_{\psi_{\psi_{\psi_{\psi_{\pii}\psi_{\psi_{\psi_{\psi_{\psi_{\psi_{\psi_{\psi_{\psi_{\psii}\psi_{\psi_{\psi_{\psi_{\psii}\psi_{\psi_{\psii}\psi_{\psi_{\psii}\psi_{\psii}\psi_{\psii}\psini_{\pii}\psi_{\psii\psi_{\pii}\psi_{\pii}\psi_{\psii}\psi_{\psii}\psi_{\psii\psi_{\psii}\psi_{\pii}\psi_{\pii}\psi_{\pii}\psii\psii\psiii\psiii\psiii\psiii\psiii\psiii\psiii\psiii\psiii\psiii\
3353						ļ
18161	***************************************	***************************************	erren er		- transcribility and making a property on the world's constraints of the second	
13173	1927: 1129: 1199: 1199:4199:4199:41: 1121:46442: 4129:5	1			edetagede, queperquestande locased de amplès tentos que se se se sena de de de se se de se de de de de de de d	, 
3181	acan e la la la la la factable come a conf	**************************************		diromeniation (siquit.	nedij, e udadostabagam dipuncakon opiscekangb k ajas bestiptistisjediga pa	
8393	Proceedings of the people of t		akeronaron na sekabitah na as sebuah da di B	ر المناه الم المناه المناه المنا	obće op. godinicki, o špisiososta miliono, o osboodeni otoprosestanikos od	234744864 244444477 1424 4 JACGETTERS
4:07	e plyk gallage waa de sewagnee - ebese sjeinkrif. B	1::::::::::::::::::::::::::::::::	ne en seethersteer en renteelekrissekters as ssajan	ner Protestantino	Based on 2nd Quarter	1 = 1 = 1 = 1 = 2 = 2 = 2 = 2 = 2 = 2 =
2431X			enetere with my - 17 - 191 where he to element, f	i		170 000
24721				1	Fees projected thru 4Q	1/0,262,76
TAXEN	**************************************	(3 834 etc. e) (5 15 ter on 10 etc. op 5 15 1 2 1	etterfefelelelelelessaletease attlegatariase		Less mang, fees paid YTD Projected fees due	-160,372,76
14381 14341	1 - 1 - 1 - 1 - 1 - 1 - 1 - 1 - 1 - 1 -			******* ****************************	rivierian lines one	9,890.00
A751	decembrations monocological (* ).			************		*** ** [44- ***********************
1436	****		*******************************	.)	rojectedAccrued to A&B	11 17 11 11 11 11 11 11 11 11 11 11 11 1
200	***************************************		***************************************		iolectedAccrued to A&B	-9,493.29
17478W	. 441 1. 2. 2. 1. 1. 1. 1. 1. 1. 1. 1. 1. 1. 1. 1. 1.		*****************************		ess commission 1st Qtr	A M M A M
74781 74791	4-1-1-1-1-1-1-1-1-1-1-1-1-1-1-1-1-1-1-1		******************************		was continuation [8] Off	-45,697.32
175903		***************************************			net Income avail	totaka manamanan mana
15113		***************************************	-41.51.04.01.04.01.04.01.01.01.01.01.01.01.01.01.01.01.01.01.	***************************************	ner meome sysu	-45,300,81
4572	*** **** **** *** *** ****************			19122: 11kobeta 11a-96.   	meggadi, pdalje izane ne inde atropici, ing langse mer ine gyes adbo. di lanesens	-4-5-3-62 (blassoppession to \$1 (\$1977)
(5)2) (5)(8)	TOTAL		160.372.76			***************************************
1574	and the second s	-unian munii ar \$.				
5.53	20 g g g 1 1 2 3 4 5 5 6 6 6 6 6 6 6 6 6 6 6 6 6 6 6 6 6					deprivation learning and a con-
I hornived low	tot a sum and a freedom and and an experience and the sum of the s		*		e proproproproproproproproproproproproprop	

		APPENDENCE		la cevitiva	U/ 1/ C	The season of the state of
	4th QUARTER				Fees Due YTD	770,000
	Realized P/L	dipareres de deserva en andre marere	4,633,223,16		Less Fees pd YTD	
. 173	Unrealized P/L	*****************	0.00		Sub-Total	
44	sub-total		4,533,223,15		Less Accrued to A&B	172,230.11 :43.834.78
W.53	4,44,44	114414444444444444444444444444444444444	x 20%	j. 1	TOTAL accrued to MDS	128,395.33
316	sub-total		906,644,63		(4) (1) (4) (4) (4) (4) (4) (4) (4) (4) (4) (4	A STATE OF S
77	less J Hocott IRA 10% less P Hocott IRA 10%	SPJ Ltd SPJ Ltd S&P	-2,510,43		l die in language de la proposition de la proposition de la die de la proposition de la companya de la company 	ofter these exercises a contract over the service of the service o
1888	less P Hocott IRA 10%	SPJ Ltd		1.	A&B fees accorned	55,834,78
9)	less P/J Hocott 10%	S&P	-14.14 -125.941.93		less payments to Wills	-12,000.00
EIEOE	# 41 45 pm h L 1 44 4 m 1 ye be 6 c f 1 4 f 1 4 f 1 4 f 1 c 4 f 1 f 1 f 1 f 1 f 1 f 1 f 1 f 1 f 1 f	S&P	-125,941,93		net fees owed	43,834,78
MAIN	TOTAL DUE YTD		770,230,11			} ************************************
1172	\$\$ .#\$\$****{\$***********		}&************************************		The state of the s	
WING ?		<u>.</u>	***************************************		i i i i i i i i i i i i i i i i i i i	
<b>31301</b>	Accured fees from 2	005			The state of the s	
\$185	Check #	Date 2/23/06	Amount		Year End Adjustments to cash	**************
116	5390	2/23/06	29,164,37	A&B	loash owed to MDS as of 12/31	62,516.00
11974	#### #################################	!	of time for \$1.57.58.5 1887 FA \$2.511.66   374 FA 1882 FA 8.64 NA 48.5	1 - 1 3 - 1 - 1 - 1 - 1 - 1 - 1 - 1 - 1	I make the state of the state o	-43,834.78
11781	de se c'évament phisolobal de lapid dèles en en ext pa fidèly é la	201 1 11 1000 1 1000 1 1000 1 1000 1 1000 1 1000 1 1000 1 1000 1 1000 1 1000 1 1000 1 1000 1 1000 1 1000 1 1000 1 1	1 49 1 1 4 m p en to 8 a to 1 1 de 1 a 1 de 1 de 1 de 1 de 1 de 1 d		owed 4th Qtr Commisssions	-55,053.98
11191	ga amirgob boarneensgragenaangriathssekatatalaksiyksy		***************************************	****************	net fees owed MDS	-55,053,98 £35,372.76
\$230X	adoretions is described to a tibuti i debas carreticio cur es istance.	************************		** *********	1	partition to the first section and a set of the
22 Ti 22 YE	«Prodon» hadi bakarındı idi yön ed dasidi gariyada danana tanı yarıl	Balance	29,164,37		\$ 14.000 mg 100	
272	* katain do had kuduki 48 do des hos has as as as agus an an an agus paga sp	l	* }/***********************************		\$ 15-14-16-5-19-77552 Febres () + 15-46-19-77-15-78-20-20-20-20-78-18-18-20-78-18-20-78-18-20-78-18-20-78-18-20-78-18-20-78-18-20-78-18-20-78-18-20-78-18-20-78-18-20-78-18-20-78-18-20-78-18-20-78-18-18-20-78-18-20-78-18-20-78-18-20-78-18-20-78-18-20-78-18-20-78-18-20-78-18-20-78-18-20-78-18-20-78-18-20-78-18-	
1921333	Management fees 200	6	ra pa an ruman al bidh dhabanga qifqaqqafab quaban danapan q	,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,		
234 2353	Check #	Date	Amount		Al dathirdaph de l'orrangement de traps de l'appril de l'appril de l'appril de l'appril de l'appril de l'appril	A language of the first of the
25	7 5374	1/9/06	25,000.00			***********************
12161 12178	5375	1/11/06	20,000.00	Lagitand variation to see evenin	**	100000000000000000000000000000000000000
\$2,77	.5385	1/31/06	25,000.00		2005 deficit	-78,815.27 770,230,11
\$238¥	5386		25,000,00	******************************	thru 4th QTR earnings	770,230,11
2.19	5431	4/3/08	30,000.00	S-bris - 1 des Égua pa sa casa,	projected	691,414,84
1870	5436	4/25/06	40,000,00			- Walter
SM	5437	5/3/06	10,000,00	*****	energia sala sala sala sala sala sala sala sa	************
88/12	5442	6/30/06	20,000.00	, 643751 23-4515-4 10 10'10-40-4 1	e Prove be bob ede jejs og søg eg eg er er er en fall dan ber bød de par døb i strøme fra er entrellemmer et no	
88	5446	. 6/8/06	25,000.00	*************	} } } } } }   1   1   1   1   1   1   1	
0741	5477	6/29/06	20,000,00	A 1000000000000000000000000000000000000		
885	5480	7/17/06	10,000,00			1 dd dhr ad la hhar I hhabharan ra
13161	5482	7/25/06	45,000.00	***		(48 0) \$04010) 4] <b>4] 4</b> 0400 40180 521 4545 654 6
337	5485	8/14/06	15,000.00	4>		*************
\$3.88 P	5488	8/24/06	20,000,00	****************		
¥6198 84103	5489	9/12/06	. 25,000,00	dh da ki bazou ƙwee ji irap qo	***************************************	aleter 14"forsa boshtor benesessi
	5493	9/21/06	15,000,00	hq 196 1 464 ms - cos ss cos swl	Based on 2nd Quarter	( 1496   1885 Spr. 4694 (
24.218 27.200	5518	10/2/06	15,000.00	1   4 0 pr 4 4 4 5 6 6 6 7 7 7 7 8 9 4 1 4	Fees projected thru 4Q	691,414.84
7470	5520	10/11/06	15,000.00	9 Jahr   1005\$	Less mang, fees paid YTD	-598,000,00
SALENO.	5521	10/11/08	58,000,00	***;**********	Projected fees due	93,414,84
TATAS	5522	10/18/06	50,000,00	-,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,	enidarezan gizen, bannepi izak jak gannaren en e	
7475 W	5531	11/21/06	20,000.00	***************************************	Photo Toron Jones II	
74767	5587	12/5/06	20,000.00		ProjectedAccrued to A&B	-43,834.78
1427.5	5543	12/20/06	30,000,00			
4181	5567		20,000,00	(***********	less commission 4th Otr	-54,053.98
74291 75203				***************	***************************************	
75702 75702		43-11			net Income avail	-35.372.76
EE VO		,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,		*******************************	***************************************	14 4 9 4
75 Y2 T	1 K 1995 A 1995			**************		MINOR DISEASE AND ADDRESS OF THE PARTY OF TH
TO TO	TOTAL	***************************************	598,000.00	*- !e		
65 743 10 70 70 70	******************************					
35 YB X	The state of the s			 	i i	

200	o oar ivigt, ree	e carcun	auon (corre	ected)		1/31/06
9000	Control of the Contro		PARTIES CONTRACTOR	Telebores		Topografia de la comissión de
24110	4th Quarter	Linguage	Administration of the second		Face Die VTD	EXO OLE
5000	Réalized P/L	e frankleresteresterektrokerdresteretur.	3,209,349,82		Fees Due YTD	
RE-OXIVE	Unrealized P/L		1	e Beggeneral dag gila ikan bansa e	Less Fees pd YTD	
437 437	Omeanzed rit		9,209,349,82	1 \$	Sub-Total	
10000000	sub-total		13,209,349,82	ļanstrustra varstīdzīmas P	Less Accrued to A&B	
<b>75</b>		Contactor describing account		} }*****	TOTAL accrued to MDS	.79,103.77
7.6 % 1276 3	sub-total		641,869,96		and the state of t	1
	less J Hocott IRA 10%	SPJ Ltd	-1,819,22			in contribution of the contribution of the best
138	less P Hocott IRA 10%	SPJ Ltd	-5,759,85		A&B fees accorded	41,164.37
41914	less P/J Hocott 10%	S&P	. 10.24	1-1-1-1-1-1-1-1-1-1-1-1-1-1-1-1-1-1-1-	lèss payments to Wills	-12,000.00
E 120	less Festus 10%	S&P	-91,265,71		net fees owed.	
5191	TOTAL DUE YTD	(1, 10-2,200,000,000,000,000,000,000)	543.015.14	} 1 * 7 * 8 * 4 * 8 4 5 1 # 4   * 8 * * 1 * 6	ther load owed.	29,164.37
1127	to the photosoco of the street of the s		The war of the test of the tes	5-1+5+5+1+1+1+	for a proper section in the contract of the co	4 
STOSALS	engaranjaran arang trop-ropinifoni di santatra ar		; (* ) : ( () + ( ) + ( ) + () + ( ) + () + (	**************	e market mit e stellette en me en til erter betet still afternister.	
117.3	es es a a sa a composition es a sa a constante su es productivos de la constante de la constan	ģ	kartifer resense resense resent prilities spreagen raken.		enternational control territories and the control of the control o	, , ,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,
MAR		 	manadahan mengeberahan menge	} }**********************************	a A Alaka esteman meng titlek adalanjan ola manjaran jaran mendalah basaha	} «
01/15 <sub>k</sub>	Check #	Date	Amount	171 111 11 11 11 11 11 11 11 11 11 11 11		
1.6						************************
15.61 15.74 15.81				fr. 1945 41 <b>45 ( ) 4</b> 44 44 44 44 44 44 44 44 44 44 44 44 4	T	1444-001-101-1010-1011-101-101-10-10-10-1
ME8.	13. 13. 14. 15. 15. 15. 15. 15. 15. 15. 15. 15. 15			}**> **** * * * * * * * * * * * * * * *	the transfer process of and about a special and an annual and an annual branch and or free but he had a second	Apkorafelyssocissikkien utempiyyiyida T
11.9		general al externa 2 africación de d ]	terme there in from court thereware,	per akti be arasa kultura an pangan. I	elkarakerekarakanananananan, orusk bosk akaboaranan, englocksom in	
2001	en better bereicht aus nab eine eine badern Schleibung bereichte der	programme man manyang		***********	Totage in the contract of th	Les (2011)
¥21.11	***************************************	Balance	0,00			
WARREN	the secretarious of the florest content of the second state of the second	Dalance			Pytod fiko ej tika sa tito jo ono kinda toroka elekate katanga je isebenja teraka katan katang asa penj	i Padame 16 mj 16 61 18 os bill 1 yr ys beit p£dgs ed s
1212	**************************************	}i+i++i++			Grani terreperaturus, esperaturus, esperaturus, esperaturus, esperaturus, esperaturus, esperaturus, esperaturus	*
1273V	**************************************		1880 en my honter annihis an all ange papa y pro	48 88 * + {b 4 + 85 6 8 + 1 49 ++ '64 4 8	i } 	
25.5 25.5	Check #	Date	Amount			
255	kalen od redore traden ovrski pije o 4 to 1 derbes radiski pre pri granje.	2/23/05	47,954.54	, , , , , , , , , , , , , , , , , , , ,	the state of the s	***************************************
2.6	. 5188	2/24/05	25,000.00		A Service and a service of the se	(n=11112;=11.411444) pro syrano less y popular. 
2.75	, 5489	. 3/7/05	10,000.00	**********	2004 deficit	A A A
218	5196		20,000.00		thru 4th QTR earnings	0.00 543.015.14
2 8 2 9	5226	4/5/05				543.015.14
13107	5230				Sir a mar mar high cred	
KOMIS	5253	5/11/05	45,000.00			2 4 4: 14: 14: 14: 14: 14: 14: 14: 14: 14: 1
8 2			15,000.00		endacasania spenia dia dia dia managama and sa pada na distana distana di sa la	ا پر اين يې اما اين سايو د ام دود د ا
No Note	5256	5/25/05	20,000,00		g gelan i nason i ngananatahrhan sangunya gawan ing daganta nalisinan panan nasyang maga kal	i Namatarandina (1911) ay kabuluyayi
(3)(3)	5258		20,000.00		ja. Kantanaksa	Artist mounts and assess
50848	5259	6/14/05	20,000.00	anglahandrahadipantanisi	de la company de	1
1815	.5261	6/27/05	25,000.00	17557795 1635 4631-64-654	t.	
13761	5288	7/6/05	15,000,00	***************************************	)	
13974	5292	7/14/051	35,000.00		The state of the s	graph tanden pares - sedinoran park sea na saba-
1388	5295	7/26/05	15,000.00		**************************************	Cibm artestobatesqibjea 15174. (1111).
1379	5296]	8/1/05	15,000.00	Americanist 43-341764 K	No. efect of the control of the artificial section and the artificial subject of the artificial section (1) (1) (1) (1)	\$1 m red   car (+ ar
14707	5303	9/8/05	00,000,00	A Pa	sed on 3rd Quarter @ 80%	. *
(APA)	5304	9/12/05	25,000,00		The property of the state of th	\$20,000 managana managana ang [
9/18/02	59081	9/27/05		letel wielet in a rese	Fees prolected thru 4Q	I shall at all sprays property the transfer of the
2427 <u>2</u> 24131 34143			30,000.00		Less fees paid YTD:	
PARTA LA	53321	10/3/05	10,000,00		Projected fees due	-49,939.40:
	5337	10/18/05	25,000,001	100 TANK 1214 121411414	to the state of th	ter family
<b>1415</b> 1	5338	1,1/2/05	20,000,00			
4.6	5341	11/14/05	20,000.001		ProjectedAcorued to A&B	-29,164,37
14274	5343	11/22/05	20,000.00	.,	The state of the s	
74587	5945	12/8/05	20,000.00	**************************************	less commission 4th Otr	n n n
94193	5346	12/12/05	20,000,00		AND THE PROPERTY OF THE PARTY O	
75701	5373	12/28/05	20,000.00	oren receniorente p	net Income avail	on de grande en de la dela de
<b>85.18</b>	5379	1/25/06			net income avail	-7.9.103.77
15526	· ····································		35,000,00	rejetrebre	et ledetrinermentinermentinermetri ( e etrolopheris) e er jo	
ULWOO!	december of the control of the contr	,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,	Market and a second property of	، و مالاه ۱۵ ماده درش، مدود د مه د ۱		
15880	TOTAL		592,954,54		tion distribution to the production of the control of the time of the control of	
16841			ekusiya yalang sinaggara digarasa ana saha sagatiganga dika		inded dig und die gewonen en general der	
15%51		~	* ************************************	,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,	-	

·Ýeár: 2006 ·Řásis: Adjusted		**************************************	Trial Balance	AKINEKS	.,	47280 Page 1
genetitani promine in leaven mensioni	<del>- 4 Harris (1997)</del> <del>- 1997)</del>	royle yara waxaa qayaa qaabay ka qaabay oo waxaa waxaa waxaa waxaa qaaba qaaba qaaba qaaba qaabaa qaabaa qaabaa	(files has been republic to the state of the state of files and the state of the st	9 <u>95 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0</u>	95751077514555 <del>144</del> 116916416416445444446454444646444	
				1 Year Ended	I Year Ended	
Account	T.	Account Descrip	tion .	Dec 31, 2005	Dec 31, 2005	
101	Α.	Cash-Savings of America		91,619,49	373,468.20	
135	Å.	Iriyesimerits-Madoff		3,474,349,34	34,482,988.00	
220	I.,	Accrued Expenses	•	78,939,40	11:948 90	
221	$\mathbf{L}_{!}$	Unknown difference		31,639,58	31,639,58	Total Tax Dee & MICE
286;	I.,	Partners' Capital		(1,020,713.13)	(32,244,210,00)	1 4 1 11 1. 5. 1000
4010.	R,	Dividend Income		(292,609,97)	(292,609,97)	
4020	R.	Short Term Capital Gain/Loss		(3,534,095,00)	(3,534,095,00)	
4030	R,	OPTIONS GAIN/LOSS		617,355.15	617,355,15	•
5050	E	Management Fees (S&P)		543,015,14	543,015,14	
·5Q70	E	Office Expense		10,500.00	10,500,00	
		Total		0.00	0.00	
		Period Profit/(Loss)		2,655,834,68	2,655,834.68	

**~8&P\_BANKRE®\_©L<u>~</u>00079**†\*\*\*\*\*

S & P			PARTNER'S CAPITAL		
Beginning per tax return/prior year schedule 12/31/04 Capital Additions:				31,223,496 2,973,852	
Capital Wi				(1,953,139) 32,244,210	
Income:	Straddles;	40% shart Dividends	•	3,209,350	
Expense Net Inc		Management fee Acctng Other (adj accr exp)	643,015 10,500	(553,515)	
	ending baland		2,655,835		
myportion w	-	Per Summary Sheet		34,900,044 34,811,931	
		Difference		88,113	

3	g p	2005	CAP	GAIN	WORKSHEET
---	-----	------	-----	------	-----------

		SALE	PURCHASE	сомим	TOTAL COST	GAIN/LOSS
TOTAL C	BAIN OPTIONS	342,760	186,750	830	187,580	155,180
• •	•	802,860	474,580	1,934	476,614	326,346
		511,620	192,310	2,224	194,534	316,986
		1,586,530	380,445	5,699	366,144	1,220,386
						=1
		A D & C 445		Allesian bearing and the state of the state	gal NYANNO 100 00 00 00 00 00 00 00 00 00 00 00 00	
	t main Ange	3,243,670	1,214,085	10,687	1,224,772	2,018,898
	LONG - 60%	1,946,202	728,451	6,412	734,863	1,211,339
	<u>SHORT - 40%</u>	1,297,468	485,634	4,275	489,909	807,559
TOTAL L	OSS OPTIONS	213,760	911,010	3,001	914,011	(700,251)
	The state of the s	26,505	159,510	853	160,363	(133,858)
		62,160	727,740	2,754	730,494	(668,334)
		685,450	1,816,215	3,045	1,819,260	(1,133,810)
		• •	, , , , .	* [ * * * *	n n n n n n n n n	(1,100,010)
,		married and the second of the			**	
	I male auto	987,875	3,614,475	9,653	3,624,128	(2,636,253)
	LONG - 60%	692,725	1. 1: 2,168,685	5,792	2,174,477	(1,581,752)
	SHORT - 40%	395,150	1,445,790	3,861	1,449,651	(1,054,501)
	TOTAL LONG	2,538,927	2,897,136	12,204	2,909,340	(370,413)
	TOTAL SHORT	1,692,618	1,931,424	8,136	1,939,560	(246,942)
		.,,,	the seast see .	0,100	1,000,000	(240,042)
TOTAL G	/L FROM OPTIONS	4,231,545	4,828,560	20;340	4,848,900	(617,355)
<u>1099-B</u>	ST CAP GAIN	348,784,174	345,250,079			3,534,095
Total shor	t term		•			3,287,153
Total long	term	٠.				(370,413)
Mar e fran	A P 19					( ( / - / - /
rotal Cap	gain from all sources					2,916,740

s& P Accrued Expenses	Due <u>MDS*</u>	2005
12/31/04 Balances	66,991.50	
1/4/2005 1/25/2005	(25,000,00) (39,000,00)	
Accrued 2005	543,015.14	
Paid 2005	(557,954,54)	
Balance 12/31/05 Overpaid.	(11,947,90)	

(elanarity)Hilm	s sar Nigi. Pee	E B	C	D	The state of the s	Marian Control of the
The Property	2nd Quarter	Commission was not consider an arms	grande arterioristic qui contra mante anno mante de la production de la contra del la contra del la contra del la contra de la contra del la contra de la contra del la contra de	STATES AND ASSESSMENT OF THE PARTY OF THE PA	Foes Due YTD	255,421.08
daliminan	2nd Quarter Realized P/L	\$1	1,541,554,85	erite ar sumper Setty at small at Sec.	Less Fees pd YTD	-240.000.00
indama.	Unrealized P/L	, , , , , , , , , , , , , , , , , , ,	-3.069.75	grin berrett sterre elektik	Sub-Total	15,421.06
4	sub-total		1,538,485.10	stephersot i i sideri est	Less Accrued to A&B	
and and	***************************************		x 20%		TOTAL accrued to S&P	-7,522,18
in Contract	sub-total	die	307,697.02	***************		· · · · · · · · · · · · · · · · · · ·
mangan	less J Hocott RA 10%	SPJ Ltd	735,07		en process recovered en commente en en paper de statement abbitación en el commente en el commente en el comme Commente en	i Hananaran Erretanan ekster a arabitatzak i e
anigatur	less P Hocott IRA 10%	6D ( 144)	30 230 0		ligarrateran semikal samanading magan dan omerdadi medindikatan marentahan terang medi sabahah I	
Waynes		SPJ Ltd	2,355,85	***************************************	en noor (na nyodon kaladost aberradast aan fa andra lomfiel fana aderpae) je ellast nyo terfae tanna	Harris 10 marries ( allem 1 marries)
10	less P/J Hocott 10%		-4,05	halada a karawa		
SOUPPOST CONTRACTORS	less Festus 10%	S&P.	-49,180,96		Section 4,1 15, 16430 contracted of constitution (section 1)	 
12	TOTAL DUE YTD		255,421,09		a. Lee Merchanis (file sussissee (1)) efficiel secretaristic secretaristic (filespectaristic) en castil.	, } }TT (**}*****************************
12				4174-444444		e Amerika erre din desektivas desektori das
13	so kladerod rak diakokokokoki konederii esekik kaki ka eker esp		January Backersson of Art (Establish of the Art of th	11.2007-0111111111111111111	eller en prienze kannar permengenar promises, spike i kriges belongse op spiker i beta bes die bebeker bes	* ************************************
7 4			poor 2-201 escapaince concentation detections of the ex-		Ponentras na espet e e tra e en teleponta de cante e a especial de la glacia de entraga, (e.a.).	Gerrani saannaa (
13 4 6	Check #	Date	Amount		. De grant to trans a la segui de deservat anno 1984 à la departe par par partir par en est a l'establisse a comm	i
16	Accrued	from 2002;	131,818.33		insent which medicals	
77	4559	1/14	~50,000.00			* .
T B	4575		34,005.81			**************************************
T 9	4598	2/25	-30,000,00		; s sport tababar opposite poda by pad al så produk at bårabi å sporter verter i krøvenda kan sæk akstri	1,-1=1141-191-191-141-141-141-141-141-141-141
2 0	4599	2/25 2/26	-17,812,52		. \$\$7\$ = \$5,000 \$ \$5.00 \$5.00 \$7.00 \$ \$6\$ \$6\$ \$6\$ \$6\$ \$6\$ \$6\$ \$6\$ \$6\$ \$6\$	
P C	erinterential error erro	Balance	-0,00		. Bennes til för de med til helle for en en en en klade på park annale fra politike pagne bregnet met en bet og ble ne ne	
2 2 3		20144-12 41442 baatanatanatanatan	**************************************		ar o en sont folio 15 de tro se en en en en en en en el person en	
dexamilian	*********************************			)		
24	the of a contract of the contr	Date	in and the second second second second			
michalifican V. et	Check #	, AMARI	Amount	19 6 6 7 7 9 8 9 64 94 8 95 7 94 8 9 5 5 5 5 6 1		
2 5 2 6	4587	2/10	75,000.00	ranibiclobeh lotes cass se	I 	} 
2.7	4651		30,000,00		e The service of confession of the service is an analysis of the service of the s	, ,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,
Z.	4662	575	10,000,00		in a line taka kanan naman ay kamana kaji propago na bagana kada indah anda da kata kata kada an indah baga ka T	Dås tib de balerige mennne er ner englig til de per
28	4669	5/22	10,000.00		***************************************	
2.9	4671	5/27			Ny indrondra dia mandritra dia kaominina ny amin'ny ananana mandritry ny taona mandritry and any any antanà amb	* ************************************
3 0 3 1	4673	6/.10			ener Irike Brite ten Noege en der de dyk his toe i deel binderdigne en engreng Lebres is in new ens en.	des mareix edecements des le les estates de
3 1	4676	6/19	15,000.00	f. Lek oppå saldy i og end hijf-tre d	#  - 	
3 2	4709		25,000.00	 	i interessed in the forest party and a second	
3 3	. 4712	6/30	.25,000.00	i 		i i i i i i i i i i i i i i i i i i i
3 4	4716	7/14	35,000.00	2.5.1	į , , ,	1
3 4 3 5	4	1	***			
3 6	e Calles abece de saspensión estractif es usus que en en en se s'en estra		a fi dant a ta a a a a a a a a a a a a a a a a		- fiditists to quest delice. I far ea qu'i se se so eq e se que equipul en la cale de fal de de e una anno en 	· †
3 7		} 	ordite groups and propagation in and system to be over the	istinaistinist ja injugus prija p i	e de protes de de de la estada d La estada de la esta	; 
38	*************************************	garanternasiation termite at the part	***************************************	\$162 <b>000</b> \$1000 \$1100 \$1100 \$110	ander treate and a final parties of the tree of the property of the first and the first and the tree of the papers of the first and the first	ng daya dan baban nakand nakan na man ngan ka
ž			41.619.541.661.662.662.662.663.663.663.664.664.664.664.664.664.664		ging controlor on a control conservation in the control of the con	of ere at early a straight or rival to a rain.
¥8		are pariners or allow	y elektrik bi kentik kiteraka eli kenaka ki kina ki ki kenaka biri.		ased on 2nd Quarter @ 90	die rasmindamental aand 197
Ž.	***************************************		magne and announced the contract from	***************************************		(7934) - 204 (4 5 24 - 27) - 2 4 5 5 5 6 6 6 6 6 6 6 6 6 6 6 6
edecessives sales	***********************************	ئې		,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,	Fees projected thru 1Q	040 000 01
42			e a c est not manifestate e minerales su entre faire cada panyl per m	} = 5 = 5 = 1 = 2 = 2 = 1 = 1 = 2 = 2 = 2 = 2 = 2	Less fees paid YTD	
43 Kompu	e\$ # 4 − \$ + \$ − £ + £ 4 £ 4 + \$ £ £ + + \$ \$ \$ \$ \$ £ £ 4 \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$		entern sånen messantromenskarnen endby		Projected fees due	104,818.47
44	€ 4@4229444444444444444444444444444444444			) 		***********************
45	***************************************	i Nakabekokoko eren ili medar 1799	adamakamad mediklah mengan apababangsiddi buma		t. Out a constituent or original management to produce the product of the constituent of	The statement of the health their assessment of the con-
4 6					Accrued to A&B	22,943,24
47	ar shikar bilgi shi sa kabipari si an acast ri 2 yezy' 2 t bek 1 sa 1851	,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,			tight of the first open continues to the continues of the	
4 8						1
49	***************************************		and the second s			***************************************
<b>5</b> 0	. 9 4 5 4 9 4 5 6 9 5 6 9 6 6 9 6 5 9 7 9 7 9 7 9 7 9 9 9 9 9 9 9 9 9 9 9	47.4.14.474 (0.447)   1.4.4.744 (0.4.4.44)		30.00 to 30.00 \$10.00 \$10.00	tirijabadugi itotboada umpregiroojapooperiopropiejasjasjasjasjasjasjasjasjasjasjasjasjasj	
5 1	are remain and and a support to the superior of the superior o		1.5, 121.15.06 P	53 diser al serja de 1944. C	Berlin, Del Belle et generalischen der gegengen gegen dem zu gegen der eine den der gegengen.	
52	t, j. notani, web neader claffe control constitutes bapes existents		509 Je 1 <sub>2</sub> 8 2 - 410 cm - 1 2 041 km 141 je c		efitedities on anistain ner o to designablesses estas apopularia includes, .	
53	I A Property organisms and and	harranannan erregen om 💸 1	240 000 00			
SECRETARION OF THE PERSON OF T	TOTAL	 	240,000.00	,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,	enter ( ) ett sterrjaderet, ett-merspyrsræriger, regtpæstetistæret, anjærige	* * * * * * * * * * * * * * * * * * *
54	*************************			1,2,,,,,,,,,	Triangles and interfact morning to past in the triangularity	·
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S&I	Mgt. Fees Calcu	lation	2002		•	1/22/03
	A	В	C ,	D [	**************************************	
02000000000000000000000000000000000000	4th Quarter	OV. WINNESS STEED SACRESS STEED	AND THE PERSON NAMED IN COLUMN TO SERVICE AND ADDRESS OF THE SERVICE AND ADDRESS OF THE SERVICE AND ADDRESS OF THE SERVICE AND ADDRESS OF	der authar a fiologogy an state of the anti-section of the section	Net fees due YTD	MODERNIC PROPERTY AND
none and a second	Realized P/L		3,335,920.89		Less Comm, pd. 1st gtr.	-18,057.57
10000000000000000000000000000000000000	Unrealized P/L		0.00		2nd qtr.	-54,072.21
ALLEGATION OF THE	ś.u.btotal		3,335,920.89	•	3rd qtr.	
6	sub-total		.x 20% . 667,184.18		4th qtr.	-18,400.21
ATTENDED PROPERTY.	less J Hocott IRA 10%	•	*1,691.46		Net tees due YTD Less Fees pald YTD	459,005.81
Bush	less P Hocott IRA 10%		+5,804.09		JOTAL NET FEES DUE	-425,000,00 34,005.81
9	less P/J Hocott 10%		-9.37	•		
170	less A&B fees (1/2??)		-55,375,75			
The second second	TOTAL DUE YTD		604,303,51			
						· · ·
13						
Languages	Check #	Date	Amount		Based on 3rd Quarter	·
	. 4214	171 178	30,000,00	•	Net fees projected thru 4Q	
1		1/14	8,00,0,00 8,000.00	•	Less fees paid YTD	
TE	4237	1/23	22,000.00		Projected net fees due	95,206,58
199	4261	8/15	20,000.00			•
20	4330	4/16	25,000.00		•	\$ 1 m
21	4334	4/23	15,000.00	•	• • •	• •• •
22	4348	5/16	00,000,00			***
O T WM W	4352	:5.7.3.0	10,000,00			1
2.4	4361	6/17	10,000.00			
25	4365	6/25	16,000.00			
2 6 2 7	4407 4412.	6/27 7/16	10,000.00 24,000.00			
2.8 2.9 3.0 3.1	4417	7/24	10,000,00		1 -	er er er er er er er
2.9	4420	7/29	10,000,00		,	
3 0	4427	8/26	10,000.00		•	
3 1	4438	9719	15,000.00			• ",
3 2 3 3	4476	9/26	12,000.00		•	
3 3	447.8	10/2	10,000.00			
3.4	4483	10/17	40,000.00			•
and and a	4487	10/21	15,000,00			
	4492. 4496	10/30 11/7	15,000.00 10,000.00		* 31 - 4	~~
3 5 6 6 3 7 23 7 23 8	4506	11/20	10,000.00		•	
3 9	4508	12/2	15,000.00			••
4 0	4517	12/23	25,000.00		, , , , , , , , , , , , , , , , , , , ,	•
41	4554	12/30	20,000,00	,	•	,
4.2						ı
43						,
4.4	,			Accrued	to A&B from 2000 & 2001	6,761.35
45						•
4 6	• ,					•
4 7	•					•
4.9	***************************************					
50						
5 1	TOTAL		425,000;00			
5 2						
5 3		. <u>NC</u>			r balance of 2001 fees,	
5 4 5 5			(pald 1/28/0	2 #4241)	}	
1001					, , ,,	en maneramenta y

Mgt. Fees Calcul	B	2003	THE WALL AND THE PROPERTY OF T	1/22/03
ist Quarter	NAMES OF THE OWNER OF THE OWNER.	arimametic management decrease and and a	Description of the second seco	F
Realized P/L			Net fees due YTD	0,00
Unrealized P/L		'n ^^	:Less Comm. pd. 1st gtr.	
sub-total		00,0	2nd gtr.	ı
		0.00	3rd gtr.	•
sub-total		x 20%	4th gtr.	
less J Hocott IRA 10%		0.00	The state of the s	0.00
ess P Hodott IRA 10%			Less Fees paid YTD	<u> -50,000,00</u>
less P/J Hocott 10%			TOTAL NET FEES DUE	-50,000.00
less A&B fees (1/2)			•	
TOTAL DUE YTD				
TOTAL DOE TID		0.00		
••				
Charle #	m	8 t		
Check #	<u>Date</u>	Amount	Based on 4th Quarter	
4559	1/14	50,000.00	Net faes projected thru 1Q	127,501.61
of the fact of the second		•	Less fees paid YTD	-50,000,00
regional desire to the control of			Projected net fees due	77,501.61
•			•	
te the transfer of the second				•
·				
W 26 1 44 1 220 2214 V 1				
			17 441	
•			•	** * * * * * * * * * * * * * * * * * * *
144 A.M			16.3	:
Section of the second			, , , , ,	**** * **
				* 1 * 2
* * * * * * * * * * * * * * * * * * *				* Catherina
•			" i diferent es	
			2002 Fees Due SIT/S&P	•
			Accrued to A&B from 2000 & 2001	6,761.35
	1		Due from 2002	48,614.40
			TOTAL accrued A&B 2000-2002	55,375,75
, ., .,	••		A STATE OF THE STA	" No 78 1 5 1 6
			* * * * * adam op	temperature of
			2002 fees allocated for A&B	EE DWH mm
			2002 Fees due S&P	55,375.75
			TOTAL 2002 Fees Due S&P	34.005.81
•				89,381,56
• •			less ck#4576 dtd 1/22/03 sub-total 2002 fees due S&P	-34,005,81
			(reserved for S&B)	55,375.75
•••		•	freggingd lot. 200)	0.00
• •				
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2 کم امین پیشر ویشد			6.4	
TOTAL.		50,000.00		
			•	

S&P\_BANKREG\_GL\_000797

2002

t to disconnection of the state	ra francostra estador estados socianecima appellação frança acapada a	ating as to protect or action one along the large property as a series of	أنيم لمهة المؤاذا فله الفرائط المتحاط والمسترون المهادر المعامر الم	anturates e cessig decommendentes temperatural accessors
S&P Mgt. Fees	Calculatic	2001		1/22/02
4th Quarter			Gross fees due YTD	439,726.29
Realized P/L		2,549,777,55	Less Comm. pd. Tst qtr.	-32,758.46
Unrealized P/L		0.00		-26,296.93
sub⊮total		2,549,777.55	3rd qtr.	-26,769,92
		x 20%	4th qtr.	-35,729.56
sub-total		509,955,51	Accrued to A&B Grand Total	<u>-4.270.14</u>
less J Hogott IRA 10%		-1,873,71		307,901.28
less P Hocott IRA 10%	<b>}</b>	-5,973,15	Less Net Fees paid YTD	307,901,28
less P/J Hocott 10%		-9.25	TOTAL NET FEES DUE	0.00
less Festus Stacy 10%		-68,573.11		• • •
TOTAL DUE YTO		433,726.29	,	
			Gross Fees paid YTD	433,726,29
Check #	Date	A maxima	less comm. pald YTD & accrued TOTAL	<u>-125.825.01</u>
3843	1/1	<u>Amount</u> 25,000.00	The state of the s	307,901.28
3847	1/10	5,000,00		
3852	1/19	15,000.00		
3864	2/23	15,000.00		
3924	4/1	20,000.00		
3938	4/13	40,000.00		0.12
3945	4/19	5,000.00		
3947	4/20	10,000.00		
3956	5/10	10,000,00		
3965	5/17	8,000,00		2.00
3974	5/30	10,000.00		0.00
3976	6/5	10,000.00		
4033	6/21	7,000.00		
4039	6/28	6,500.00		100 maa
4043	7/13	30,000.00	and the second s	433,726.29
4048	7/23	10,000.00	Gross Fees payable S&P	433.726.29
4.053	8/.6	10,000.00	alogg i ace helenie bet.	0.00
4056	8/20	15,000.00		·
4064	8/27	5,000.00		
4072	9/10	10,000,00		
41:22	9/26	15,000.00		
4126	10/1	5,000.00		
4130	10/10	10,000,00		
4132	10/14	25,000.00		
4134	10/22	6,000.00		
4138	10/30	6,000.00	NOTE: \$24,018.29 pd, 1/19/01 fc	ir anto men
41.39	11/5	6,000.00	All Marie Ma	Ch. 1 4 1 5 14 11 2
41.46	11/9	6,000,00	(Balance of 2000 Mgt. fee	(2
4150	11/16	6,000.00	A	<b>~</b> .
4157	11/27	8,000.00		
4181	12/4	5,000.00		
7777	Jan '02	70,226.29		

sub-total

433,726,29

S&P Associates G/P 2001

Port Royale Financial Center

6550 N. Federal Hwy.

Suite 210 Ft. Lauderdale, FL 33308-1404

### Account Inquiry

1/1/01 To 12/31/01

1/22/02		473701 10	12/31/01	
4:47:39 PM				Page 1
Account ID/	Src Date	Memo	. Debit	Credit J
5-1400 Mgt. Fees (S&	15.	The state of the s	market the state of the first space are now of philosophy may be able to be able to be a supply or compare upon any particular particular to be able to be a supply or compare upon any particular particular to be able to be a supply or compare upon any particular particular to be able to be a supply or compare upon any particular particular to be a supply or compared to	The state of the s
3843 , 3843	r) CD 1/1/01	Cultura à Carrell		
3847	CD 1/10/01	Sullivan & Powell Guilivan & Powell	25,000.00	
3851	CD 1/18/01		5,000.00	
3852	CD 1/19/01	Sullivan & Powell	24,018.29	
3864	CD 2/23/01	Sullivan & Powell	15,000.00	
3924	CD 4/1/01	Sullivan & Fowell Sullivan & Powell	15,000.00	
3938	00 4/13/01	Sullivan & Powell	20,000.00	
3945	CC 4/19/01	Süllivan & Powell	40,000.00	
3947	CD 4/20/01	Sullivan & Powell	5,000.00	
3956	CD 5/10/01	Sullivan & Powell	10,000.00	
3965	CD 5/17/01	Sullivan & Fowell	10,000.00	
3974	CD 5/30/01	Sullivan & Powell	8,000.00	
3976	CD 6/5/01	Sullivan & Powell	10,000.00	
4033	CD 6/21/01	Sullivan & Powell	10,000.00	
4039	00 6/28/01	Sullivan & Powell	7,000.00	
4043	00 7/18/01	Sullivan & Powell	6,500,00	
4048	CD 7/23/01	Sülliván & Powell	30,000,00	
4053	CD. 8/6/01	Sullivan & Powell	10,000,00	
4056	CD 8/20/01	Sullivan & Powell	10,000,00 15,000.00	
4064	CD 8/27/01	Sullivan & Powell	5,000.00	
4072	CD 9/10/01	Sullivan & Powell	1,0,000,00	
4122	CD 9/26/01	Sullivan & Powell	15,000.00	
4125	CD 10/1/01	Sullivan & Powell	5,000.00	
4130	QD 1,0/10/01	Sullivan & Powell	10,000,00	
4132	CO 10/14/01	Sullivan & Powell	25,0 <u>00,00</u>	
. 4134	CD 10/22/01	Sullivan & Powell	6,000.00	,
413,8	QD 10/30/01	Sullivan & Powell	6,000.00	
4139	CD 1.1/5/01	Sullivan & Powell	6,000,00	
4146	QD 11/9/01	Sullivan & Powell	5,000.00	
4150	CD 11/18/01	Sullivan & Powell	6,000.00	
4157	CD 11/27/01	Sullivan & Powell	8,000,00	
4161	CD 12/4/01	Sulliyan & Powell	5,000,00	
			387,5,18,29	0.00
,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,	************	e da o calo o por esta solo para consto	بالمتواجع علاسه والماء وأووه وقاء ووواء ووواوه والاوالا	* * * * * * * * * * * * * * * * * * * *
			(24018.29) =	- year 2000
			to the first of the	
			(/ 1 1/2 1/2 2/3/) "	

				1,
S&P	Mat.	Fees	Calculatio	

2000

1/19/01

AND	annual proposition of the section of	CA CO SA	1/19/
3rd Quarter.	214 - 1962 - 222 (41 - 244 ) - 44 - 44 - 44 - 44 - 44 - 44 -	11-11) 4-15-4-6-1-1-1-1-1-1-1-1-1-1-1-1-1-1-1-1-1-1	15 towerful the control of the contr
Realized P/L	***************************************	1,921,805,7	the state of the s
Unrealized P/L	;	0.0	A Commence of the Commence of
sub-toti	Al.	1,921,805,7	The state of the s
ebenetnesekunt bereichte dereit gescher Sterreicht.	The free manner of the first	injunia 118 6 118 49 11.	3rd atr18,961.
	, , , , , , , , , , , , , , , , , , , ,	Custodian	Ath atr 20 0 4 d
sub-tote	41)	384,361,1	Net fees due YTD 250 565.
ss J Hocott IRA 1		-1,632,6	2 Less Net Fees paid YTD -250,565.
ess P Hopott IRA 10	0%	-5,732,8	Sept of the second seco
ss P/J Hocott 109		-47.6	7 TOTAL NET FEES DUE 0.
ss Festus Stacy 1		07.004.4	
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EXHIBIT 7

#### AMENDED AND RESTATED PARTNERSHIP AGREEMENT

This AMENDED & RESTATED Partnership Agreement (the "Agreement") is MADH AND ENTERED INTO THIS 21ST DAY OF DECEMBER, 1994 by and among the party or parties whose names and signatures appear personally or by power of attorney at the end of this Agreement and whose addresses are listed on Exhibit "A" annexed hereto (information regarding other Partners will be furnished to a Partner upon written request) (COLLECTIVELY, THE "PARTNERS"). THE TERM "PARTNER" SHALL ALSO APPLY TO ANY INDIVIDUAL WHO, SUBSEQUENT TO THE DATE OF THIS AGREEMENT, JOINS IN THIS AGREEMENT OR ANY ADDENDUM TO THIS AGREEMENT.

WHEREAS, THE PARTNERS, ENTERED A PARTNERSHIP AGREEMENT DATED DECEMBER 11, 1992, ("PARTNERSHIP AGREEMENT"); AND

WHEREAS, PURSUANT TO ARTICLE THIRTEEN OF THE PARTNERSHIP AGREEMENT, THE PARTNERS RESERVED THE RIGHT TO AMEND OR MODIFY IN WRITING AT ANY TIME THE PARTNERSHIP AGREEMENT, AND

WHEREAS, THE PARTNERS BELIEVE IT TO BE IN THEIR BEST INTEREST AND ALSO THE BEST INTEREST OF THE PARTNERSHIP TO AMEND, REVISE AND RESTATE THE TERMS AND CONDITIONS OF THE PARTNERSHIP AGREEMENT.

NOW THEREFORE, IN CONSIDERATION OF THE MUTUAL PROMISES MADE HEREIN AND IN CONSIDERATION OF THE BENEFIT TO BE RECEIVED FROM THE MUTUAL OBSERVANCE OF THE COVENANTS MADE HEREIN, AND FOR OTHER GOOD AND VALUABLE CONSIDERATION, THE RECEIPT AND SUFFICIENCY OF WHICH ARE HEREBY ACKNOWLEDGED, THE FARTNERS AGREE AS FOLLOWS:

#### Background

The Pariners desire to form a general partnership for the purpose of engaging in the business of investing. For and in consideration of the mutual covenants contained herein, the Partners hereby form, create and agree to associate themselves in a general parinership in accordance with the Florida Uniform Partnership Law, on the terms and subject to the conditions set forth below:

#### ARTICLE ONE

#### ORGANIZATION

#### Name

1.01 The activities and trusiness of the partnership shall be conducted under the name 5 & P. Associates, General Partnership (the "Partnership") in Florida, and under any variations of this name that may be necessary to comply with the laws of other states within which the Partnership may do business or make investments.

Organization

1.62 The Partnership shall be organized as a general partnership under the Uniform Partnership Law of the state of Florida. Following the execution of this Agreement, the partners shall execute or cause to be executed and filed any documents or instruments with such authorities that may be necessary or appropriate from time to time to comply with all requirements for the qualification of the Partnership as a general partnership in any jurisdiction.

Place of Business and Mailing Address

1.03 The principle place of business and mailing address of the Partnership shall be located at 6550 North Federal Highway, Suite 210, Ft. Lauderdale, FL 33308, or any such place or places of business that may be designated by the Managing General Partners.

S&P Associates, General

Partnership

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#### **ARTICLE TWO**

#### PURPOSE OF THE PARTNERSHIP

#### By Consent of Pariners

2.01 The Farmership shall not engage in any business except as provided in this Agreement without prior written consent of all Partners.

2.02 The general purpose of the Fartnership is to invest, in cash or on margin, in all types of marketplace securities, including, without limitation, the purchase and sale of and dealing in stocks, bonds, notes and evidences in indebtedness of any person, firm, enterprise, corporation or association, whether domestic or foreign; bills of exchange and commercial paper; any and all other securities of any kind, nature of description; and gold, silver, grain, cotton or other commodities and provisions usually dealt in on exchanges, on the over-the-counter market or otherwise. In general, without limitation of the above securities, to conduct any commodities, future contracts, precious mental, options and other investment vehicles of whatever nature. The Partnership shall have the right to allow OR TERMINATE a specific broker, or brokers, as selected by fifty-one (51) Percent in interest, not in numbers, of the Partners, and allow such broker, or brokers, as SELECTED BY PETTY-ONE PERCENT (51%) IN INTEREST, NOT IN NUMBERS, OF THE PARTNERS, to have discretionary investment powers with the investment funds of the Partnership. investment funds of the Partnership.

#### ARTICLE THREE

#### DURATION

#### Date of Organization

3.01 The Partnership shall begin on January 1, 1993 and shall continue until dissolved as specifically provided in this Agreement or by applicable law.

#### ARTICLE FOUR

#### CAPITAL CONTRIBUTIONS

#### Initial Contributions

4.01 The Partners acknowledge that each Partner shall be obligated to contribute and will, on demand, contribute to the Partnership the amount of cash set out opposite the name of each Partner on Exhibit A as an initial capital contribution.

#### Additional Contributions

4.02 No Fartner shall be required to contribute any capital or lend any funds to the Partnership except as provided in Section 4.01 or as may otherwise be agreed on by all of the Partners.

#### Contributions Secured

4.03 Each Partner grants to the Managing General Partners a lien on his or her interest in the Partnership to secure payment of all contributions and the parformance of all obligations required or permitted under this agreement.

#### No Priority

4.04 'No Partner shall have any priority over any other Partner as to allocations of profits, losses, dividends, distributions or returns of capital contributions, and no Partner shall be entitled to withdraw any part of their capital contribution without at least THIRTY (30) DAYS written notice.

S&P Associates, General

#### Capital Accounts

An individual capital account shall be maintained for each Partner. The capital account shall consist of that Pariner's initial capital contribution:

increased by his or her additional contributions to capital and by his or her share of

Partnership profits transferred to capital, and
b. decreased by his or her share of partnership losses and by distributions to him or her in reduction of his or her capital.

#### No Interest on Capital

No Partner shall be entitled to interest on his or her contribution to capital of the Partnership,

#### ARTICLE FIVE

#### ALLOCATIONS AND DISTRIBUTIONS

#### Allocation of Profits and Losses

The capital gains, capital losses, dividends, interest, margin interest expense, and all other profits and losses attributable to the Fartnership shall be allocated among the Fartners in The RATIO EACH PARTNER'S CAPITAL ACCOUNT BRARS TO THE AGGREGATE TOTAL CAPITAL CONTRIBUTION OF ALL THE PARTNERS ON AN ACTUAL DAILY BASIS COMMENCING ON THE DATE OF EACH PARTNER'S ADMISSION INTO THE PARTNERSHIP AS FOLLOWS: TWENTY PERCENT (20%) TO THE MANAGING GENERAL PARTNERS AND EIGHTY PERCENT (80%) TO THE

#### DISTRIBUTIONS

Distributions of PROFITS shall be made at least once per year, and may be made at such other time as the Managing General Partners shall in their sole discretion determine, and upon the Partnership's termination. Partners shall also have the election to receive such distributions within ten (1D) days after the end of each calender quarter, or to have such distributions remain in the Partnership, thus increasing the Partner's capital contribution. CASH FLOW SHALL BE DISTRIBUTED AMONG ALL THE PARTNERS, IN THE RATIO BACH PARTNER'S CAPITAL ACCOUNT BEARS TO THE AGGREGATE TOTAL CAPITAL CONTRIBUTION OF ALL THE PARTNERS ON AN ACTUAL DAILY BASIS COMMENCING ON THE DATE OF EACH PARTNER'S ADMISSION INTO THE PARTNERSHIP, FOR ANY HISCAL YEAR AS FOLLOWS: TWINTY PERCENT (20%) TO THE MANAGING GENERAL PARTNERS AND HIGHTY PERCENT (80%) TO THE PARTNERS.

ARTICLE SIX ARTICLESIX

#### OWNERSHIP OF PARTNERSHIP PROPERTY Title to Partnership Property

6.01 All property acquired by the Fartnership shall be owned by and in the name of the Partnership, that ownership being subject to the other terms and conditions of this Agreement. Each Partner expressly waives the right to require partition of any Fartnership property or any part of it. The Partners shall execute any documents that may be necessary to reflect the Partnership's ownership of its assens and shall record the same in the public offices that may be necessary or desirable in the discretion of the Managing General Partner.

#### ARTICLE SEVEN

#### FISCAL MATTERS

Title to Partnership Property Accounting

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S&P Associates, General

7.01 A complete and accurate inventory OF THE PARTNERSHIP shall be taken BY THE MANAGING GENERAL PARTNERS, and a complete and accurate statement of the condition of the Partnership shall be made and an accounting among the Partners shall be MADE ANNUALLY per fiscal year BY AN INDEPENDENT CERTIFIED PUBLIC ACCOUNTING FIRM. NOT LATER THAN NINETY (90) DAYS AFTER THE RND OF THE PARTNERSHIP'S FISCAL YEAR THE PARTNERSHIP'S INDEPENDENT PUBLIC ACCOUNTING FIRM SHALL TRANSMIT TO THE PARTNERS A COPY OF THE CURRENT PARTNERSHIP TAX RETURN TOGETHER WITH FORM K-1. The profits and losses of the preceding year, to the extent such shall exist and shall not have been divided and paid or distributed previously, shall then be divided and paid or distributed, or otherwise retained by the agreement of the Partners, Distributions SHALL BE made at such time(s) as the General Managing Partners shall in their discretion deem necessary and appropriate. discretion deem necessary and appropriate.

#### Fiscal Year

The fiscal year of the Partnership for both accounting and Pederal income tax purposes shall begin on January 1 of each year.

#### Books and Records

7.03 PROPER AND COMPLETE BOOKS OF ACCOUNT OF THE BUSINESS OF the Partnership shall be KEPT BY THE MANAGING GENERAL PARTNERS AND maintained at the offices of the Partnership. Proper books and records shall be kept with reference to all Partnership transactions. Each Partner or his or her authorized representative shall have access to AND THE RIGHT TO AUDIT AND /OR REVIEW the Partnership books and records at all reasonable times during business hours.

#### Method of Accounting

7.04

The books of account of the Partnership shall be kept on a cash basis.

Expenses

7.05

All rents, payments for office supplies, premiums for insurance, professional fees and disbursements, and other expenses incidental to the Partnership business shall be paid out of the Partnership profits or capital and shall, for the purpose of this Agreement, be considered ordinary and nacessary expenses of the Partnership deductible basors determination of net profits.

## ARTICLE EIGHT MANAGEMENT AND AUTHORITY

#### Management and Control

8.01 Except as expressly provided in the Agreement, the management and control of the day-to-day operations of the Partnership and the maintenance of the Partnership property shall rest exclusively with the Managing General Partners, Michael D. Suffivan and Greg Powell. Except as provided in Article FIVE Section 5.01, the Managing General Partners shall receive no salary or other compensation for their services as such. The Managing General Partners shall devote as much time as they deem necessary or advisable to the conduct and supervision of the Partnership's business. The Managing General Partners may engage in any activity for personal profit or advantage without the consent of the Partners.

#### Powers of Managing General Fartners

8.02 The Managing General Partners are authorized and empowered to carry out and implement any and all purposes of the Fartnership. In that connection, the powers of the General Managing Partners shall include but shall not be limited to the following:

S&P Associates, General

- a. to engage, firs or terminate personnel, attorneys, accountants or other persons that may be deemed necessary or advisable
- to open, maintain and close bank or investment accounts and draw checks, drafts or other orders for the payment of money
- c. to borrow money; to make, issue, accept, endorse and execute promissory notes, drafts, loan agreements and other instruments and evidences of indebtedness on behalf of the Partnership; and to secure the payment of indebtedness by mortgage, hypothecation, pledge or other assignment or arrangement of security interests in all or any part of the property then owned or subsequently acquired by the Partnership.
- d. to take any actions and to incur any expense on behalf of the Partnership that may be necessary or advisable in connection with the conduct of the Partnership's affairs.
- e. to enter into, make and perform any contracts, agreements and other undertakings that may be deemed necessary or advisable for the conducting of the Partnership's affairs
- f. to make such elections under the tax laws of the United Stated and Florida regarding the treatment of items of Partnership income, gain, loss, deduction or credit and all other matters as they deem appropriate or necessary.
- 6. TO ADMIT PARTNERS INTO THE PARTNERSHIP NOT EXCREDING ONE HUNDRED AND FIFTY (150) PARTNERS UNLESS THE PARTNERS HAVE APPROVED PURSUANT TO SECTION 14.04 THE ADMISSION INTO THE PARTNERSHIP OF MORE THAN ON HUNDRED AND HIFTY (150) PARTNERS.

#### Restrictions on Pariners

8.03 Without the prior consent of the Managing General Pariners or all of the other partners, no other Partner may act on behalf of the Partnership to: (i) borrow or lend money; (ii) make, deliver or accept any commercial paper; (iii) execute any mortgage, security agreement, bond or lease; or (iv) purchase or sell any property for or of the Partnership.

#### Meetings of the Partners

8.04 The Partners shall hold regular quarterly meetings on the 3rd Tuesday during the months of January, April, July, and October at 1:00 p.m. at the principle office of the Partnership. In the event such Tuesday falls on a declared Holiday, such meeting will take place the next following business day. In addition fifty-one percent (51%) in interest, not in numbers, of the Partners may call a special meeting to be held at any time after the giving of twenty (20) days' notice to all of the Partners. Any Partner may waive notice of or attendance at any meeting of the Partners, may attend by telephone or any other electronic communication device, or may execute a signed written consent to representation by another Partner or representative. At the meeting, Partners WILL RHVHW THE ENGAGEMENT WITH THE PARTNERSHIP OF ANY BROKER OR BROKERS AND shall transact any business that may properly be brought before the meeting, the Partners shall designate someone to keep regular minutes of all the proceedings, the minutes shall be placed in the minute book of the Partnership.

#### Action without Meeting

8.05 Any action required by statute or by this Agreement to be taken at a meeting of the Partners or any action that may be taken at a meeting of the Partners may be taken without a meeting if a consent in writing, setting forth the action taken or to be taken, shall be signed by all of the Partners entitled to vote with respect to the subject matter of the consent. That consent shall have the same force and effect as a unanimous vote of the Partners. Any signed consent, or a signed copy thereof, shall be placed in the minute book of the Partnership.

Drath, Removal or Appointment of Managing General Partner

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S&P Associates, General

8.05

ANY MANAGING GENERAL PARTNER MAY BE REMOVED WITH OR WITHOUT CAUSE AS DETERMINED BY THE AFFIRMATIVE VOTE OF RIFTY-ONE PERCENT (51%) in interest, not in numbers, of Partners. In the event of any such removal, the removed Managing General Partner shall not be relieved of his obligations OR LLABILITIES to the Partnership and to the other Partners resulting from the events, actions, or transactions occurring during the period in which such remove Managing General Partner served as a Managing General Partner. From and after the effective date of such removal, however, the removed Managing General Partner may be deemed to be a Partner, shall forfeit all rights and obligations of a Managing General Partner and thereafter shall have the same rights and obligations as a Partner. A MANAGING GENERAL PARTNER STALL BE APPOINTED BY THE AFFIRMATIVE VOTE OF FIFTY-ONE PERCENT (51%) IN INTEREST, NOT IN NUMBERS, OF THE PARTNERSHIP SHALL HAVE AS MANY MANAGING GENERAL PARTNERS AS THE PARTNERS BY THE AFFIRMATIVE VOTE OF FIFTY-ONE (51%) IN INTEREST, NOT IN NUMBERS, OF THE PARTNERS SHALL DETERMINE TO BE IN THE BEST INTEREST OF THE PARTNERSHIP, ON THE DEATH OR INCOMPITENCY OF A MANAGING GENERAL PARTNER, ANY CO-MANAGING GENERAL PARTNER, SHALL PARTNER, THEN THE PARTNERS OF, IF THERE SHALL BE NO CO-MANAGING GENERAL PARTNER, THEN THE PARTNERS OF A PARTNER, THEN THE PARTNERS OF THE PARTNER SHALL WITHIN THEN (10) DAYS OF SUCH DEATH OR DECLARATION OF THE PARTNERS PROVIDED IN THE SAGREEMENT.

ARTICLE NINE

#### ARTICLE NINE

#### Transfers and assignments No Transfer of Assignment Without Consent

9.01 No Partner's interest may be transferred or assigned without the express written consent of fifty-one percent (51%) in interest, not in number, of the Partners provided, however, that a Partner's of fifty-one percent (51%) in interest, not in number, of the Pariners provided, however, that a Partner's interest may be transferred or assigned to a party who at the time of the transfer or assignment is a Partner. Any transferred or assignee to whom an interest in the Partnership has been transferred or assigned and who is not at the time of the transfer or assignment to a party to this Agreement shall be entitled to receive, in accordance with the terms of the transfer or assignment, the net profits to which the assigning Partner would otherwise be entitled. Except as provided in the preceding sentence, the transferce or assignee shall not be a Partner and shall not have any of the rights of the Partner, unless and until the transferce or assignee shall have (i) received the approval of the Partners as provided in THIS AGRHEMENT, and (ii) accepted and assumed, in writing, the terms and conditions of this Agreement.

#### Death or Incompetency of Pariner

- 9.02 Neither the death or incompetency of a Partner shall cause the dissolution of the Partnership. On the death or incompetency of any Partner, the Partnership business shall be continued and the surviving Partners shall have the option to allow the assets of the deceased or incompetent Partner to continue in the deceased or incompetent Fartner's HEIR'S OR SUCCESSOR'S place, or to terminate the deceased or incompetent partner's interest and return to the estate his or her interest in the partnership,
- B. If the surviving Partners elect to allow the estate of a deceased Partner to continue in the deceased Partner's place, the estate shall be bound by the terms and provisions of this Agreement. However, in the event that the interest of a deceased Partners does not pass in trust or passes to more than one heir or devices or, on termination of a trust is distributed to more than one beneficiary, then the Partnership shall have the right to terminate inunediately the deceased Partner's Interest in the Partnership. In that event, the Partnership shall return to the deceased Partner's heirs, devises or beneficiaries, in cash, the value of the Partnership interest as calculated in ARTICLE BLEVEN as of the determination. date of termination.

#### Withdrawals of Partners

9.03 Any Partner may withdraw from the Partnership at any given time; provided, however, that the withdrawing Partner shall give at least thirty (30) days written notice. THE FARTNERSHIP SHALL, WITHIN THIRTY (30) DAYS OF RECEIVING NOTICE OF THE PARTNER'S WITHDRAWAL,

S&P Associates, General

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PAY the withdrawing Partner, in cash, the value of his or her Partnership interest as calculated in ARTICLE ELEVEN as of the date of withdrawal. the withdrawing Partner or his or her legal representative shall execute such documents and take further actions as shall reasonable be required to effectuate the termination of the withdrawing Partner's interest in the Partnership.

#### ARTICLE TEN

#### TERMINATION OF PARTNERS

#### Events of Default

10.01

The following events shall be deemed to be defaults by a Partner:

- a. the failure to make when due my contribution or advance required to be made under the terms of this agreement and continuing that failure for a period of ten (10) days after written notice of the failure from the Managing general Pariners.
- b. the violation of any of the other provisions of this Agreement and failure to remedy or cure that violation within (10) days after written notice of the failure from the Managing General Partners.
- c. THE INSTITUTION OF PROCEEDINGS UNDER ANY LAW OF THE UNITED STATES OR OF ANY STATE FOR THE RELIEF OF DEBTORS, FILING A VOLUNTARY PETITION IN BANKRUPTCY OR FOR AN ARRANGEMENT OR REORGANIZATION OF ADJUDICATION TO BE INSOLVENT OR A BANKRUPT, MAKING AN ASSIGNMENT FOR THE BENEFIT OF CREDITORS.
- d. Suffering to be seized by a receiver, truster, or other offer appointed by any court or any sheriff, constable, masshall or other similar government officer, under legal authority, any substantial portion of its assets or all or any part of any interest the partner may have in this partnership and such is held in such officer's possession for a period of thirty (30) days or longer.
- e. the appointment of a receiver for all or substantially all of the Fattner's assets and the fatlure to have the receiver discharged within ninety (90) days after the appointment.
- f. the bringing of any legal action against the Partner by his or her creditor(s), resulting in litigation that, in the opinion if the General Managing Partners or fifty-one (51) percent in interest, not in numbers, of the other Partners, creates a real and substantial risk of involvement of the Partnership property.
- B. THE COMMITTING OR PARTICIPATION IN AN INJURIOUS ACT OF FRAUD, GROSS NEGLECT, MISREPRESENTATION, EMBEZZLEMENT OR DISHONESTY AGAINST THE PARTINERSHIP, OR COMMITTING OR PARTICIPATING IN ANY OTHER INJURIOUS ACT OR OMISSION WANTONLY, WILLIFULLY, RECKLESSLY, OR IN A MANNER WHICH WAS GROSSLY NEGLIGENT AGAINST THE PARTINERSHIP, MONETARILY OR OTHERWISE, OR BEING CONVICTED OF ANY AGT OR ACTS CONSTITUTING A FRIONY OR MISDEMEANOR, OTHER THAN TRAFFIC VIOLATIONS, UNDER THE LAWS OF THE UNITED STATES OR ANY STATE THEREOR.

10.02 On the occurrence of an event of a default by a Pariner, fifty-one (51) percent in interest, not in numbers, or more of the other Pariners shall have the right to elect to terminate the interest of the defaulting Pariner without affecting a termination of the Partnership. This election may be made at any time within one (1) year from the date of default, on giving the defaulting Pariner five (5) days written

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S&P Associates, General

notice of the election, provided the default is continuing on the date the notice is given. The defaulting Partner's interest shall be returned to him or her in accordance with the provisions of ARTICLE ELEVEN

OF THIS AGRERMENT.

The defaulting Partner's Partnership interest shall be reduced by the aggregate amount of any outstanding debts of the defaulting Partner to the Partnership and also by all damages caused to the Partnership by the default of the defaulting Fartner.

On return to the defaulting Partner of his or her interest in the Partnership, the defaulting Partner shall have no further interest in the Partnership or its business or assets and the defaulting Partner shall execute and deliver as required any assignments or other instruments that may be necessary to evidence and fully AND effectively transfer the interest of the defaulting Partner to the non-defaulting Partners. If the appropriate instruments are not delivered, after notice by the Managing General Partner that the interest is available to the defaulting Partner, the Managing General Partner may tender delivery of the interest to the defaulting Partner and execute, as the defaulting Partner's POWER OF ATTORNEY, any instruments AS ABOVE REFERENCED. All parties agree that the General Managing Partners shall not have any individual liability for any actions taken in connection HERETO.

No assignment, transfer OR TERMINATION of a defaulting Partner's INTEREST as provided in this Agreement shall relieve the defaulting Partner from any personal liability for outstanding indebtedness, liabilities, liens or obligations relating to the Partnership that may exist on the date of the assignment, transfer OR TERMINATION. The default of any Partner under this Agreement shall not relieve any other Partner from his, her or its interest in the Partnership.

#### Foreclosure for Default

10.03 If a Partner is in default under the terms of this Agreement, the lien provided for in Article four, Section 4.03 may be foreclosed by the Managing General Partner at the option of fifty-one (51) percent IN INTEREST, NOT IN NUMBERS, of the non-defaulting Partners.

#### Transfer by Attorney-in-Fact

10.04 Each Partner makes, constitutes, and appoints the Managing General Partners as the Partner's attorney-in-fact in the event that the Partner becomes a defaulting Partner whose interest in the Partnership has been foreclosed in the manner prescribed in this Article Ten. On foreclosure, the Managing General Partners are authorized and allowed to execute and deliver a full assignment or other transfer of the defaulting partner's interest in the Partnership and at the Managing General Partners shall have no liability to any person for making the assignment or transfer.

#### Additional Effects of Default

10.05 Pursuit of any of the remedies permitted by this Article Ten shall not preclude pursuit of any other remedies allowed by law, nor shall pursuit of any remedy provided in this Agreement constitute a forfeiture or waiver of any amount due to the PARTNERSHIP OR remaining pattners or of any damages accruing to IT OR them by reason of the violation of any of the terms, provisions and covenants contained in this Agreement.

### ARTICLE ELEVEN VALUATION OF FARTNERSHIP INTERESTS Furchase Price of Parinership Interests

11.01 The full purchase price of the Partnership interest of a deceased, incompetent, withdrawn or terminated Partner shall be an amount equal to the Partner's capital and income accounts as the appear on the Partnership books on the date of death, incompetence, withdrawal or termination and adjusted to include the Partner's distributive share of any Partnership net profits or losses not previously credited to or charged against the income and capital accounts. In determining the amount payable under this Section, no value shall be attributed to the goodwill of the Partnership, and adequate provision shall be make for any existing contingent liabilities of the Partnership.

ARTICLE TWELVE

#### TERMINATION OF THE PARTNERSHIP

S&P Associates, General

#### Termination Events

- 12.01 The Partnership SHALL be terminated AND DISSOLVED UPON THE FIRST TO OCCUR OF THE FOLLOWING:
- a. Upon the sale of all or substantially all of the assets of the partnership, unless such assets are replaced by similar assets within a reasonable time for the purpose of continuing the partnership business;
- at any time on the WRITTEN affirmative vote of AT LEAST fifty-one (51) percent in Interest, not in numbers, of the Partners; AND
- c. except as otherwise provided in this Agreement, on the occurrence of any other event that under the Uniform Partnership Law would require the dissolution of general Partnership.

#### Distribution of Assets

12.02 On termination, the Partnership' business shall be wound up as timely as in practical under the circumstances; the Partnership's assets shall be applied as follows: (i) first to payment of the outstanding Partnership liabilities; (ii) then to a return of the Partner's capital in accordance with their Partnership interests, Any remainder shall be distributed according to the terms of Article Rive; provided, however, that the Managing General Partners may retain a reserve in the amount they determine advisable for any contingent liability until such time as that liability is satisfied or discharged. If the Partner's capital has been returned, them the balance of the reserve shall be distributed in accordance with Article Five, otherwise, capital shall be returned in accordance with Article Five, otherwise, capital shall be returned in accordance with Article Five.

#### ARTICLE THIRTEEN

#### **AMENDMENTS**

#### In Writing

13.01 Subject to the provisions of Article 8.01 and 8.02, this Agreement, except with respect to vested rights of any Partner, may be amended or modified in writing at any time by the agreement of Partners owning collectively at least fifty-one (51) percent in interest, not in numbers, in the Partnership.

#### ARTICLE FOURTEEN

#### MISCELLANEOUS

#### Partners

14.01 THE PARTNERSHIP MAY ADMIT AS A PARTNER ANY CORPORATION, INCLUDING AN ELECTING SMALL BUSINESS CORPORATION ("S CORPORATION") AS THAT TERM IS DEFINED IN THE INTERNAL REVENUE CODE OF 1986, AS AMENDED ("IRC"), CERTAIN EMPLOYEE BENEFIT PLANS INCLUDING PENSION PLANS, AND CERTAIN TAX EXEMPT ORGANIZATIONS, INCLUDING INDIVIDUAL RETIREMENT ACCOUNTS ("IRA"), AS DEFINED IN

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S&P Associates, General

THE IRC. IT WILL BE THE OBLIGATION OF ANY CORPORATE, BENEFIT PLAN, OR TAX EXEMPT ENTITY PARTNER TO COMPLY WITH ALL STATE AND PEDERAL LAWE, RULES AND REGULATIONS GOVERNING ITS EXISTENCE AS IT RELATES TO BECOMING A PARTNER IN THE PARTNERSHIP, WHETHER OR NOT AN ENTITY CAN BECOME A PARTNER OF THE PARTNERSHIP, WILL DEPEND UPON ITS CHARACTER AND LOCAL LAW. FACH PARTNER, IF NOT AN INDIVIDUAL, SHOULD CONSULT WITH THEIR OWN ATTORNEY AS TO ANY LIMITATIONS OR QUALIFICATIONS OF BEING A PARTNER IN THE PARTNERSHIP. THE PARTNERSHIP SHALL HAVE NO DUTY TO INQUIRE AND SHALL HAVE THE RIGHT TO ASSUME THAT ANY ENTITY APPLYING AND BECOMING A PARTNER IN THE PARTNERSHIP IS IN FACT UNDER ITS GOVERNING LAWS, ENTITLED TO BE A PARTNER IN THE PARTNERSHIP. THE PARTNERSHIP SHALL HAVE NO DUTY TO INQUIRE AND SHALL HAVE THE TIGHT TO ASSUME THAT ANY ENTITY APPLYING AND BECOMING A PARTNER IN THE PARTNERSHIP. THE PARTNERSHIP SHALL HAVE HAVE NO DUTY TO INQUIRE AND SHALL HAVE THE TIGHT TO ASSUME THAT ANY ENTITY APPLYING AND BECOMING A PARTNER IN THE PARTNERSHIP IS IN FACT UNDER ITS GOVERNING LAWS, ENTITLED TO BE A PARTNER IN THE PARTNERSHIP IS IN FACT UNDER ITS GOVERNING LAWS, ENTITLED TO BE A PARTNER IN THE PARTNERSHIP.

FURTHERMORE, A PARTNER, IF OTHER THAN AN INDIVIDUAL, WILL BE REQUIRED TO DESIGNATE TO THE MANAGING GENERAL PARTNER FRIOR TO ADMITTANCE IN THE PARTNERSHIP, A PERSON UPON WHOM ALL NOTICES RELATING TO THE PARTNERSHIP AND SHALL BE THE ONLY PERSON ON BEHALF OF THE PARTNER THE PARTNERSHIP WILL BE REQUIRED TO BE BOUND BY AND COMMUNICATE WITH WHEN NECESSARY. FURTHERMORE, AND IN THIS REGARD, ALL DISTRIBUTIONS TO BE MADE TO THE PARTNER PURSUANT TO THIS SECTION AND THIS ARRESMENT SHALL BE MADE ONLY TO THE PARTNER'S REPRESENTATIVE, IF NOT AN INDIVIDUAL, AND THE PARTNERSHIP SHALL NOT BE CBLIGATED TO MAKE DISTRIBUTIONS TO ANY OTHER PERSON WHO HAS AN INTEREST IN A PARTNER. PAYMENT TO SUCH PARTNER'S REPRESENTATIVE SHALL EXTINGUISH ALL LIABILITIES THE PARTNERSHIP MAY HAVE TO SUCH PARTNER.

#### IRA ACCOUNTE

14.02 NOTICE IS HEREBY GIVEN TO ANY PARTNER CONSISTING OF AN IRA ACCOUNT THAT THE PARTNERSHIP IS NOT ACTION AS A FIDUCIARY ON BEHALF OF THE IRA ACCOUNT.

#### LIMITATIONS ON LIABILITY

14.03 THE PARTNERS SHALL HAVE NO LIABILITY TO THE PARTNERSHIP OR TO ANY OTHER PARTNER FOR ANY MISTAKES OR ERRORS IN JUDGMENT, NOR FOR ANY ACT OR OMESSIONS BELIEVED IN GOOD, FAITH TO BE WITHIN THE SCOPE OF AUTHORITY COMERRED BY THIS AGREEMENT. THE PARTNERS SHALL BE LIABLE ONLY FOR ACTS AND/OR OMISSIONS INVOLVING INTENTIONAL WRONGDOING, FRAUD, AND BREACHES OF FIDUCIARY DUTTES OF CARE AND LOYALTY. ACTIONS OR OMISSIONS TAKEN IN RELIANCE UPON THE ADVICE OF LEGAL COUNSEL APPROVED BY FIFTY-ONE PERCENT (S15) IN INTEREST, NOT IN NUMBERS, OF THE PARTNERS AS BEING WITHIN THE SCOPE CONFERRED BY THIS AGREEMENT SHALL BE CONCLUSIVE EVIDENCE OF GOOD PATTH; HOWEVER, THE PARTNERS SHALL NOT BE REQUIRED TO PROCURE SUCH ADVICE TO BE ENTITLED TO THE BENEFIT OF THIS SECTION. THE PARTNERS HAVE THE RESPONSIBILITY TO DISCHARGE THEIR FIDUCIARY DUTTES OF CARE AND LOYALTY AND THOSE ENUMERATED IN THIS AGREEMENT CONSISTENTLY WITH THE OBLIGATION OF GOOD PATTH AND FAIR DEALING.

#### Additional Partners

14.04 THE PARTNERSHIP MAY ADMIT UP TO ONE HUNDRED AND PHTY (150) PARTNERS INTO THE PARTNERSHIP IN ACCORDANCE WITH SECTION 8.02. THE PARTNERSHIP SHALL HAVE THE RIGHT TO ADMIT MORE THAN ONE HUNDRED AND ENTY (150) PARTNERS INTO THE PARTNERSHIP ONLY BY THE EXPRESS WRITTEN CONSENT OF FIFTY-ONE PERCENT (51%) IN INTEREST, NOT IN NUMBER, OF THE PARTNERS. ANY NEW OR ADDITIONAL PARTNER SHALL ACCEPT AND ASSUME IN WRITING THE TERMS AND CONDITIONS OF THIS ACREEMENT.

SULLABILITY

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S&P Associates, General

14.05 EACH PARTNER REPRESENTS TO THE PARTNERSHIP THAT IF THE PARTNER IS NOT AN ACCREDITED INVESTOR, AS DEFINED IN THE SECURITIES ACT OF 1933, AS AMENDED (THE "ACT") (AS DEFINED BELOW), THAT THEY WILL, NOTIFY THE MANAGING GENERAL PARTNERS IN WRITING WITHIN TEN (10) DAYS BROM THE DATE OF THAT PARTNERS ADMISSION INTO THE PARTNERSHIP. AN ACCREDITED INVESTOR AS DEEDENED IN THE ACT 19: A NATURAL PRESON WHO HAD INDIVIDUAL INCOME OF MORE THAN \$200,000.00 IN EACH OF THE MOST RECENT TWO (2) YEARS OR JOINT INCOME WITH THEIR SPOUSE IN EXCESS OF \$500,000.00 IN EACH OF THE MOST RECENT TWO (2) YEARS AND REASONABLY EXPECTS TO REACH THAT SAME INCOME LEVEL FOR THE CURRENT YEAR; A NATURAL PERSON WHOSE INDIVIDUAL NET WORTH (I.E., TOTAL ASSETS IN EXCESS OF TOTAL LIABILITIES), OR JOINT INST WORTH WITH THEIR SPOUSE, AT THE TIME OF ADMISSION INTO THE PARTNERSHIP IS IN EXCESS OF \$5,000,000.00; A TRUST, WHICH TRUST HAS TOTAL ASSETS IN EXCESS OF \$5,000,000.00; AT TRUST, WHICH TRUST HAS TOTAL ASSETS IN EXCESS OF \$5,000,000.00; WHICH IS NOT FORMED FOR THE SPECIFIC PURPOSE OF ACQUIRING THE PARTNERSHIP INTEREST HEREIN AND WHOSE INVESTMENT IS DIRECTED BY A SOPHISTICATED PERSON WHO HAS SOUGH KNOWLEDGE AND EXPERIENCE IN PINANCIAL AND BUSINESS MATTERS THAT HE IS CAPABLE OF WALLUATING THE MERTIS AND REKS INVOLVED IN BECOMING A PARTNER, ANY ORGANIZATION DESCRIBED IN SECTION 5016/83 OF THE IRC, COPPORATION, MASSACHUSETS OR SIMILAR BUSINESS TRUST, OR FARTNERSHIP, NOT FORMED FOR THE SPECIFIC PURPOSE OF ACQUIRING THE PARTNERSHIP INTEREST HERRIN, WITH TOTAL ASSITS IN EXCESS OF \$5,000,000,000, ANY FRIVATE BUSINESS TRUST, OR PARTNERSHIP, NOT FORMED FOR THE SPECIFIC PURPOSE OF ACQUIRING THE PARTNERSHIP INTEREST HERRIN, WITH TOTAL ASSITS IN EXCESS OF \$5,000,000,000, ANY FRIVATE BUSINESS TRUST, OR PARTNERSHIP, NOT FORMED FOR THE SPECIFIC PURPOSE OF ACQUIRING THE PARTNERSHIP INTEREST HERRIN, WITH TOTAL ASSITS IN EXCESS OF \$5,000,000,000, ANY FRIVATE BUSINESS THE ACT OR ANY BAVINGS AND LOAN ASSOCIATION OR OTHER RISTITUTION AS DEFINED IN SECTION \$6,000,000,000

#### Noticer

14.06 Unless otherwise provided herein, any notice or other communication herein required or permitted to be given shall be in writing and may be personally served, telecopies, telexed or sent by United States mail and shall be deemed t have been given when delivered in person, or upon receipt of telecopy or telex or three (3) business days after depositing it in the United States mail, registered or certified, when postage prepaid and properly addressed. For purposes thereof, the addresses of the parties hereto are as set forth in Exhibit "A" and may be changed if specified in writing and delivered in accordance with the terms of this Agreement.

#### FLORIDA LAW TO APPLY

MAGY THIS AGREEMENT SHALL BE GOVERNED BY, AND SHALL BE CONSTRUED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF FLORIDA WITHOUT REGARD TO THE PRINCIPLES OF CONFLICT OF LAWS.

S&P Associates, General

#### Disputes

14.06 The Partners shall make a good faith effort to settle any dispute or claim arising under this Agreement. If, however, the Partners shall fail to resolve a dispute or claim, the Partners shall submit it to arbitration before the Florida office of the American Arbitration Association. In any arbitration, the Federal rules of Civil Procedure and the Federal rules of Evidence, as then existing, shall apply. Judgment on any arbitration awards may be entered by any court of competent jurisdiction.

#### Headings

14.09 Section headings used in this Agreement are included herein for convenience or reference only and shall not constitute a part of this Agreement for any other purpose or be given any substantive effect.

#### Parties Bound

14.10 This Agreement shall be binding on and inure to the benefit of the parties hereto and their respective heirs, executors, administrators, legal representatives, successors and assigns when permitted by this Agreement.

#### Severability

14.11 In case any one or more of the provisions contained in this Agreement shall, for any reason, be held invalid, illegal or unenforceable in any respect, that invalid, illegal or unenforceable provisions shall not affect any other provision contained IN THIS AGREEMENT.

#### Counterparts

14.12 This Agreement and any amendments, waivers, consents or supplements may be executed in any number of counterparts each of which when so executed and delivered shall be deemed an original, but all such counterparts together shall constitute by one and the same instrument.

#### Gender and Number

14.13 Whenever the context shall require, all words in this Agreement in the male gender shall be deemed to include the femals or neuter gender AND VICE VERSA, AND all singular words shall include the phural, and all plural works shall include the singular.

#### Prior Agreements Superseded

14.14 This Agreement supersedes any prior understandings or written or oral agreements among the parties respecting the subject matter contained herein.

12

S&P Associates, General

# Complete \$1, \$2, \$3 and Exhibit A and mail this page only with check made payable to "5&P Associates, G/P" to:

 P ASSOCIATES, General Partnership do SULLIVAN & POWELL 0550 N. Federal Hwy., Suite 210 Ft. Lauderdale, FL 33308-1404

E) E)	acil Darry Siphing below nareng rem	Agreement by the signature and date set forth below. resents and warrants that such party is sophisticated and matters and, as a result, is in a position to evaluate and istration of the Partnership.
Andrew you state you and proven and	•	Date
in Lummania	the distribution of the same was the special of the state of the state of the same of the	Date:
2) D	latributions:	
I ele	ect to receive distributions on a quan	terly basis in the amount of 5
I ele	ect to have my quarterly distribution	reinvested in the Partnership.
3) <u>F</u> I	esse check one of the following ac	redited investor choices:
I an	n an accredited investor as defined b	pelow.
I am	not an accredited investor.	
ANDVINA TITLE	A DARKID WITH AN INDIVIDUAL PAR	quality as an "accredited investors" worth, or together with his or her spouse a combined net ans the excess of total assets at fair market value, including ar total liabilities.
(ii) ni (sanoqa	) A person with an individual in excess of \$200,000 in each of the pa	come (exclusive of any income attributable to his or her at two years, and that he or she reasonably expects to have
	13	S&P Associates, General Partnership

an individual income in excess of \$200,000 during this year. Individual income means adjusted gross income, as reported for federal income tax purposes, less any income attributable to a spouse or to property owned by a spouse, increased by the following amounts (but not including any amounts attributable to a spouse or to property owned by a spouse): (i) the amount of any tax-exempt interest income received under Section 103 of the United States Internal Revenue Code of 1986, as amended (the "Code"), (ii) the amount of losses claimed as a limited partner in a limited partnership as reported on Schedule E of form 1040, (iii) any deduction claimed for depletion under Section 611 et seq. of the Code and (iv) any amount by which income from long-term capital gains has been reduced in arriving at adjusted gross income pursuant to the provisions of Section 1202 of the Code.

(iii) A person that together with his or her spouse, had a combined income in excess of \$300,000 in each of the past two years, and reasonably expects to have a combined income in excess of \$300,000 during this year.

EXHIBIT A (How you would like your account titled)

### <u>IMPORTANT</u> - Please indicate your beneficiary. Please include address & phone #.

Name, Address Telephone No. and Fax No.	Social Security No. or Federal ID No.	Capital Contribution	
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<u>IMPORTANT</u> - Please indicate your beneficiary. Please include address & phone #.

14

S&P Associates, General



212 230-2424 800 221-2242 'Telex 235130 Fax 212 486-8178

TAX ID NO.		ACCT# ASSIGNED	Fax 212
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Affiliated with:
Mudoff Securities International Ltd



212 230-2424 800 221-2242 Talex 235130 Fax 212 486-8178

Congress has mandated that all interest and dividend payors including banks, corporations and funds must withhold 1 of all dividends or interest paid UNLESS you complete and return the form at the bottom of this page.

### Important New Tax Information

"Under the Federal Income tax law, you are subject to certain penalties as well as with-holding of tax at a 20% rate if you have not provided us with your correct social security number or other taxpayer identification number. Please read this notice carefully.

You (as a payee) are required by law to provide us (as payor) with your correct taxpayer identification number. If you are an individual, your taxpayer identification is your social security number. If you have not provided us with your correct taxpayer identification number, you may be subject to a \$50 penalty imposed by the internal Revenue Service. In addition, divided payments that we make to you may be subject to backup withholding starting on January 1, 1984.

Backup withholding is different from the 10% withholding on interest and dividends that was repealed in 1983. If backup withholding applies, payor is required to withhold 20% of dividend payments made to you. Backup withholding is not an additional tax. Rather, the tax liability of persons subject to backup withholding will be reduced by the amount of tax withheld. If withholding results in an overpayment of taxes, a refund may be obtained.

Please sign the form and return it to us.

Even if you have already provided this information it is required by the IRS that all information requested below be provided again.

Thank you for your cooperation.

	(Corporations are exempt from this requirement	and should not return this form.)
	SUBSTITUTE INTERNAL REVENUE	SERVICE FORM W-9
Account Nur	mber(s):	Taxpayer Identification Number:
		65-0371258
Name:	P+8 associates, Gener	al Poutnership
Address:	•	te 600 , Pompano Beach, FC
	(Signature)	My Dould, Managine Ata der penalties of perjury, I certify that the number shown
	on	this form is my correct Taxpayer Identification Numbe

Please fill in your name, address, taxpayer identification number, and sign above.

IN ACCOUNT WITH

885 Third Avenue New York, NY 10022 (212) 240-2408 (800)334-1348 (751EX 285 130 EXX (212) 486-3178

BERNARD L. MADOFF Investment Securities New York a London

P E S ASSUCIATES GEN PINRSHIP

225 N FEDERAL RIGHMAY STE 600 POMPANG BEACH FL 33062

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PLEASE RETAIN THIS STATEMENT FOR INCOME TAX PURPOSES



212 230-2424 800 221-2242 Telex 235130 Fax 212 486-8178

# TRADING AUTHORIZATION LIMITED TO PURCHASES AND SALES OF SECURITIES

Gentlemen:

The undersigned hereby authorizes Bernard L. Madoff (whose signature appears below) as his agent and attorney in fact to buy, sell and trade in stocks, bonds and any other securities in accordance with your terms and conditions for the undersigned's account and risk and in the undersigned's name, or number on your books. The undersigned hereby agrees to indemnify and hold you harmless from, and to pay you promptly on demand any and all losses arising therefrom or debit balance due thereon. However, in no event will the losses exceed my investment.

In all such purchases, sales or trades you are authorized to follow the instructions of Bernard L. Madoff in every respect concerning the undersigned's account with you; and he is authorized to act for the undersigned and in the undersigned's behalf in the same manner and with the same force and effect as the undersigned might or could do with respect to such purchases, sales or trades as well as with respect to all other things necessary or incidental to the furtherance or conduct of such purchases, sales or trades.

The undersigned hereby ratifies and confirms any and all transactions with you heretofore or hereafter made by the aforesaid agent or for the undersigned's account.

This authorization and indemnity is in addition to (and in no way limits or restricts) any rights which you may have under any other agreement or agreements between the undersigned and your firm.

This authorization and indemnity is also a continuing one and shall remain in full force and effect until revoked by the undersigned by a written notice addressed to you and delivered to your office at 885 Third Avenue but such revocation shall not affect any liability in any way resulting from transaction initiated prior to such revocation. This authorization and indemnity shall enure to the benefit of your present firm and any successor firm or firms irrespective of any change or changes at any time in the personnel thereof for any cause whatsoever, and of the assigns of your present firm or any successor firm.

	*				Dated, /2/28/	92
	Pony	cano beech	FL			
Very truly yours, _	Day	Colty) Count ma	. Ptr.	ate) P+5	associates sen.	Arch
	1	(Client Sig	inature)			,
Signature Of Author	orized Agent:	6-1-1-1-1-1-1-1-1-1-1-1-1-1-1-1-1-1-1-1		**************************************		

### PAS ASSOCIATES OF AMENDED AND RESTATED FASTNERSHIP AGREEMENT

This AMENDED & RUSTATED Pactureship Agreement (the "Agreement") is MADE AND ENTERED INTO THIS ZIST DAY OF DECEMBER, 1994 by and among the party or parties whose names and signatures appear personally or by power of anothery at the end of this Agreement and whose addresses are listed on Behild: "A "among hence information regarding other Partners will be furnished to a Partner upon written request (COLLECTIVELY, THE "PARTNERS"). THE TERM "TAKINER," SHALL ALSO APPLY TO ANY INCOVIDIAL WHO, SUBSECUENT TO THE DATE OF THES AGREEMENT, JOHNS IN THIS AGREEMENT OR ANY ADDRESS OF THIS AGREEMENT.

WHEREAS, THE PARTNERS, ENTERED A PARTNERSHIP AGREEMENT DATED DECRMER 11, 1992, ("PARTNERSHIP AGREEMENT"); AND

WHENERA, PURSUANT TO ARTICLE THERTEEN OF THE PARTNESSHE AGREEMENT, THE PARTNESSHE AGREEMENT, AND THE PARTNESSHE AGREEMENT, AND

WHEELAR, THE PARTNERS PELIEVE IT TO BE IN THEIR BEST INTEREST AND ALSO THE BEST INTEREST OF THE FARTNERSHIP TO AMEND, REVER AND RESTATE THE TERMS AND CONDITIONS OF THE PARTNERSHIP AGREEMENT.

NOW THEREFORE, IN CONSIDERATION OF THE MITUAL PROMISES MADE HEREIN AND IN CONSIDERATION OF THE BENEZITTO HE RECEIVED ROOM THE MIDTUAL DESERVANCE OF THE COVENANTE MADE HEREIN: AND FOR OTHER GOOD AND VALUABLE CONSIDERATION, THE PERCHIP AND SUPERCIENCY OF WEIGH ARE HEREITY ACKNOWLINGED, THE PARTNERS AGREE AS FOXLUMES

#### Backynounk

The Pentners desire to form a general partnership for the purposes of engaging in the business of investible. For and in consideration of the mutual coverages contained basels, the Partners heady form, create and agree to seaccistic themselves in a general partnership in accordance with the florida Uniform Parinership Law, on the terms and subject to the conditions set both below:

#### ARTHLEONE .

#### **UEGANIZATION**

#### Name

1.01 The activities and business of the partmentity shall be conducted under the name P & S
Associates, General Partmenship (the Partmenship) in Riords, and under any variations of this mane
that may be necessary to compily with the laws of other states within which the Pannership may do
business or make investments.

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Or

108 The principle place of business and mailing address of the Partnership shall be located at 6500 North Federal Dighway, Sain 200, Fr. Landerdain, Ft. 33308, or any such place or places of business that may be designosed by the Managing Geocal Pariners.

P&S Associates, General Partnership

**EXHIBIT R** 

4370

#### FURPOSE OF THE PARTNERSHIP

#### By Consent of Fartners

The Faitnership shall not engage in any business eccept at provided in this Agreement without prior written consent of all Partiners.

2.12. The general purpose of the Partinership is to invest in tash or on margin, in all types of marketplace securities, including, without limitation, the purchase and sale of and dealing in stocks, bonds, rates and evidences in indertectines of any person, itm, enterprise, corporation or standarding, which is increase or foreign; bills of exchanges and commercial papers any and all other securities of any kind, nature of description; and gold, allower grain, colting or other consmolities and provisions usually dealt in on exchanges, on the over-the-counter market to other consmolities and provisions usually dealt in on exchanges, on the over-the-counter market to other consmolities and provisions usually dealt in continue, or continue, or other continues of interesting and allower of valuations of the investment vehicles of whatever rature. The Furthership shall have the right to allow CR TERMANATE a specific broken, or brokern, as selected by lithy-one (51) Fercent in interest not in numbers, of the Partnership, and allow such brokers, or brokers, Ali SMIRCHED BY INFIT-ONE PERCENT (51%) IN INTEREST, NOT IN NOVABLEES, OF TERM PARTNERS, to have discretionary investment powers with the investment flunds of the Partnership. investment funds of the Partnership.

#### ARTICLE THREE

#### DURATION

#### Date of Organization

3.01 The Potnership thall begin on Tannary 1, 1993 and shall confinue ratif dissolved as specifically provided in this Agrament or by applicable law.

#### ARTICIAL POUR

#### CAPITAL CONTRIBUTIONS

#### Initial Contributions

4.01 The Partners achieved as that each Pactuar Hell be obligated to contribute and will, on demand, contribute to the Partnership the smooth of tests set out opposite fire name of each Partner on Exhibit A as an initial capital contribution.

#### Additional Contributions

4.02 No Partner chall be required to contribute any capital or load any funds to the Partnership except as provided in Section 4.01 or as may otherwise be agreed on by all of the fartners.

#### Chokelbutions Secured

603 Rech Periner grams in the Managing General Parimers 4 lieu on his or her bleroot in the Parimership to secure payment of all contributions and the performance of all obligators required or personated under this agreement.

#### No Primity

404 No Father shall have any priority over any other Patter as to ellocation of positis, losses, dividends, distributions or returns of capital contributions, and no Partner shall be entitled to withdraw any part of their capital contribution without at least LEBELY (30) DAYS written notice.

PAS Associates, General Partnership

#### Capital Accounts

405 An individual expital account shell-be maketained for each Parton. The capital account shell consist of that Partons's initial expital contributions

a. Increased by his or her adultional contributions to capital and by his or her alone of Partonship profits transferred to capital; and

b. decreased by his or her alone of partonship losses and by distributions to him or her in

reduction of his or her capital.

#### No Interest on Capital

No Partner shall be mittled to interest on his or her contribution to capital of the Partnership.

#### APTICLE HYR

#### AND CATIONS AND DISTRIBUTIONS

### 'Allocation of Profits and Leases

The capital gains, capital losses, dividends, inducest, margin interest expense, and all other profits and losses attributable to the Particularly that be allocated among the Particular IN THE RATIO RACE PARTICULAR CAPITAL ACCOUNT BEARS TO THE ACCREGATH TOTAL CAPITAL CONTRIBUTION OF ALL THE PARTICULAR ON AN ACTUAL DAILY BASIS COMMENCING ON THE DATE OF RACE PARTICULAR ADMISSION INTO THE FARTNESSHIP AS BOLLOWS: TWENTY PERCENT (20%) TO THE MANAGING GENERAL PARTICULAR AND EXCHTY PERCENT (80%) TO THE PARTICULAR. PARTNERS.

#### DISTRIBUTIONS

Like Distributions of PRCETTS shall be made at least once per year, and may be made at such differ this in this Mendelay General Participt, that in their sole distribute delegation, and, upon the feathership's isomethical. Each control Participt, it is have the descript in percise such distributions within the feathership is send of each calculate quarter, or to have sized distributions counts in the Participt control of the participt of the pa

#### ARTICLE SIX

## OWNERSHIP OF PARTNERSHIP PROPERTY

6.01 All property acquired by the Partnership shall be award by and in the same of the Partnership, that cornership being subject to the other terms and conditions of this Agreement. Each Partner expressly waives the right to require partition of any Partnership purporty or approach; part of it. The Partners shall except any thousands that may be necessary to reflect the Partnership of the assets and shall record the partnersh public offices that may be necessary or desirable in the discretion of the Managing Carbent Partnersh.

#### " ARTICLE SEVEN

#### PIECAL MATTERS

Tiffe to Parinership Enopolity Accounting

P&S Associates, General Parinership

A complete and accounts inventory OF THE PARTNERSHIP shall be taken BY THE MANAGING GENERAL PARTNERS, and a complete and accounts statement of the condition of the Partnership shall be made and an accounting among the Partners shall be MADE ANNUALLY per fiscial year BY AN INDEPENDENT CERTIFIED PUBLIC ACCOUNTING PERM. NOT LATER THAN NUMBER (SO) DAYS AFFER THE PRICE OF THE PARTNERSHIP'S INSCAL YEAR THE PARTNERSHIP'S INDEPENDENT PUBLIC ACCOUNTING PERM SHALL TRANSAULT TO THE PARTNERSHIP AND ACCOUNTING PERM SHALL TRANSAULT TO THE PARTNERSHIP TAX RESIZEN TO THE CURRENT PARTNERSHIP TAX RESIZEN TO GETTER WITH PUBLIC ACCOUNTING BY THE CURRENT PARTNERSHIP TAX RESIZEN TO GETTER WITH PUBLIC ACCOUNTING BY TAX RESIZEN TO GETTER WITH PUBLIC ACCOUNTING DAY OF THE CURRENT PARTNERSHIP TAX RESIZEN SHALL TRANSAULT. THE PARTNERS HE CONTROL TO THE PARTNERS HE ACCOUNTING THE CURRENT PARTNERSHIP TAX RESIZEN SHALL TO THE PUBLIC ACCOUNTING THE PARTNERS HE ACCOUNTING THE PARTNERS HE PARTNER

#### Fiscal Year

7.02 The listed year of the Partnership for both accounting and Federal incope the purposes whall begin on Jacoury 1 of each year.

#### Books and Records

703. PROPER AND COMPLETE BOOKS OF ACCOUNT OF THE BUSINESS OF the Partnership shall be KEPT BY THE MANACING GRINERAL PARTNESS AND maintained at the officer of the Partnership. Proper books and recards shall be kept with reference in all Partnership humanilions. Each Partner or his or her authorized representative shall have access to AND THE RECEIT TO AUDIT AND OR REVIEW the Partnership books and records at all reasonable times during business hours.

#### Method of Accounting

7.04 The books of account of the Partnership shall be kept on a cosh basis.

Repender

All rents, payments for office supplies, pressures for instruct, professional feer and distructances; and other expenses incidental to the Factorship business shall be paid out of the Factorship purific or capital and shall for the purpose of the Agreement, be considered ordinary and necessary expenses of the Factorship deductible before decemment of per persists.

### MANAGEMENT AND AUTHORITY

#### Management and Control

EAST Recept as expressely provided in the Agreement, the management and control of the dayto-day-operations at the Farinership and the maintenance of the Farinership property shall not
exclusively with the Managing General Pariners, Michael D. Sullivan and Gorg Taboult. Decape as
provided in Article EVP Section SUL the Managing General Fartners shall receive to saliny or other
compensation for their services as such. The Managing General Fartners shall devote as much time as
they deam reconstant or advantable to the conduct and expertision of the Farinership's business. The
Managing General Fariners may engage in any activity for personal position advantages without the
consent of the Fariners.

#### Powers of Managing General Partners

8.02. The Edmanting Clenters! Furthers are authorized and empowered to camy our and implement any and all primposes of the Fartnership. In that connection, the powers of the Country in fractions whall include har shall not be limited to the following:

P&S Associates, General Partnership

SusaN

- a to engage, fire or tempinate personnel, microscyc, accomizate or other persons that may be riemed necessary or advisable
- to open, maintain and choice bank or investment accounts and draw checks, death or other orders for the payment of money
- the to become money; to make, issue, scrept, endone and execute promisency notes, challe, loss agreements and other instruments and evaluates of indebtedness on behalf of the Parinerellips and to seems the payment of indebtedness by moduage, hypothecation, pledge or other assignment or arrangement executily interests in all or any part of the property then owned or subsequently acquired by the Parinerellip.
- it. In take any actions and to become any expanse on behalf of the Partnership that may be necessary or activisable in connection with the conduct of the Partnership's affairs.
- e. to enter into, make and pinform any contracts, agreements and other undertakings that may be deemed necessary or advisable for the conducting of the Partnership's adjains
- to make such elections under the tex loss of the United Stated and Florida regarding the treatment of figure of Percountup income, gain, loss deduction or credit and all other matters as they deem appropriate accessary.
- e. To Admitractures into the partners had extrement on the colonical and fifty (es) partners extreme the partners had approved president to exceed each lad that on the partners had each and on hundred and effect (es)

#### Restrictions on Fariners

8.03 Without the prior consent of the Managing General Partners or all of the other partners, no other Partner may act on brieff of the Partnership or (i) homew as lend memory (ii) make deliver to security any commental pariet. (iii) excepts any managing security agreement, bond on lesse, or (iv) purchase or sell any property for or of the Partnership.

#### Meetings of the Parkners

EG4 The Fariners shall hold regular quarterly massings on the Sed Turnslay during the months of honory, April, Judy, and October at 100 plan, at the principle office of the Fartnership. In the event such Turnslay falls on a declared Holiday, such meeting will this place the meet following pushesses day. In addition Hip-one percent (SIM) in interest, not in numbers, of the Fartners may call a special meeting to be held at any time after the giving of twenty (20) days notice to all of the Fartners. Any Partner may wave notice of as attendance at any meeting of the Fartners, may stitled by stephane to any other electronic communications desire, or may execute a signed written consent to negativation by sucher electronic communications desire, or may execute a signed written consent to negativation by sucher electronic communications desire, or may execute a signed written consent to negativalisation by sucher electronic communications. At the meeting, Partners Will. REVIEW THE HOGAGEMENT WILL THE FARTNESSHIP OR ANY HEXAUR OR HEXCHERS AND shall be an except any business that may proposely be bringing before the preceding, the Partners shall designate assumence to keep regular minutes of all the processings, the minutes shall be placed in the minute book of the Partnership.

#### Action without Meeting

HAS Any action, required by statute or by this Agreement to be taken at a meeting of the Partners or any action that may be taken at a meeting of the Partners may be taken without a meeting if a consent in writing, setting fourth the action taken or to be taken, shall be signed by all of the Partners entitled to vote with respect to the subject matter of the turnerst. That consent shall have the same force and effect as a unantmous vote of the Partnerst. Any signed consent, or a signed copy thereof, shall be placed in the minute back of the Partnership.

Death, Removal or Appointment of Managing General Pariner

P&S Associates, General Partnership

5

CAUSE AS DETERMINED BY THE AFRIEMATIVE VOTE OF PETY-ONE PRECENT (SEE) in interest not in numbers, of February. In the Africanalyte vote to perty-one percent (SE) in interest shall not be relieved of his obligations OR LIABILITIES to the Partnershy and to the other Partnershall not be relieved of his obligations OR LIABILITIES to the Partnershy and to the other Partners resulting from the event's actions, or transactions occurring theing the period in which such remove Monoging General Partner. From and other the effective district such removed Monoging General Partner, which is not clearly to decreed to be a Partner, shall confid the highest and abligations of a Managing General Partner, and the satisfies that have the same rights cand obligations as a Partner. A MANAGING GENERAL PARTNER SHALL HE APPOINTED BY THE AFFIRMATIVE VOTE OF PIFTY-ONE PRECENT (SEE) IN INTEREST, NOT IN NOLMBERS, OF THE PARTNERS BY THE AFFIRMATIVE VOTE OF PIFTY-ONE PRECENT (SEE) IN INTEREST, NOT IN NOLMBERS, OF THE PARTNERS BY THE AFFIRMATIVE VOTE OF PIFTY-ONE PRECENT (SEE) IN INTEREST, NOT IN NOLMBERS, OF THE PARTNERS BY THE AFFIRMATIVE VOTE OF PIFTY-ONE PARTNERS AS THE PARTNERS BY THE AFFIRMATIVE VOTE OF PIFTY-ONE PARTNERS, AFFIRMATIVE OF THE PARTNERS SHALL PARTNERS CONTINUE AS THE MANAGING GENERAL PARTNER, ANY CO-MANAGING GENERAL PARTNERS SHALL DETERMINED TO BE IN THE BEST INTEREST. PARTNER, ANY CO-MANAGING GENERAL PARTNER, SHALL CONTINUE AS THE MANAGING GENERAL PARTNER, ANY CO-MANAGING GENERAL PARTNER, SHALL DETERMINED OF THE PARTNER, THEN THE PARTNERS SHALL, WHEN YELL BE NO CO-MANAGING GENERAL PARTNER, THEN THE PARTNERS SHALL, WHEN YELL BE NO CO-MANAGING GENERAL PARTNER, THEN THE PARTNERS SHALL, WHEN YELL BE NO CO-MANAGING GENERAL PARTNER, THEN THE PARTNERS SHALL, WHEN YELL BE NO CO-MANAGING GENERAL PARTNER IN ACCORDANCE WITH THE TRRASPROVIDED IN THE STEALL BE NOW.

#### ARTICLE NINE

#### TRANSPIRS AND ASSIGNMENTS No Transfer of Analymount Without Consent

shi No l'artrar's latierest may be insusferred ar assigned without the express written consent of fifty-one privent (51%) in interest, not in number, of the Partners provided, however, that at Partners interest may be transferred or assigned to a party who at its time of the transfer or assignment is a Partner. Any transferrer or assignment to a party who at not spile time of the transfer or assignment in a party to that Agraement shall be entitled to proving in accordance with the terms of the transfer or assignment, the net parties to which the assignment is nearly a continuing sentence, the residence or assignment shall otherwise be initially. Exting the provided in the preceding sentence, the transferrer or assignment shall not be a Partner and chall not have any of the rights of the Partner, makes and until the insufferer or assignment and the lating the terms and chall not have one of the Partner as provided in the preceding sentence.

ACRIMMENT, and (ii) accepted and assumed, in writing the terms and conditions of this Agreement.

#### Death or Incompetency of Partner

- 9.02 Neifler the death or incompetency of a Fermer shall cause the dissolution of the Permenship. On the death of incompetency of any Permenship business shall be continued and the special terminal shall have the option to allow the sense of the decreased or incompetent Pertoes to confinue in the decreased or incompetent Fermer's FRIR'S OR SUCCESSOR'S place, or to terminate the decreased or incompetent partner's interest and reinco to the cube his or her interest in the
- B. If the stativing Pariners effect to allow the estate of a decreased Pariner to continue in the decreased Pariner's place, the estate shall be bound by the terms and provident of this Agreement. However, in the event that the subjects of a decreased Pariner's does not pass in trust or passes to more than one have no decrease or, on termination of a trust is distributed to more than one beneficiarly than the Parinership shall have the right to transform immediately the decreased Pariner's interest in the Parinership. In that event the Parinership shall return to the decreased Pariner's interest as beneficiarles, in each other activities or beneficiarles, in each the value of the Parinership interest as calculated in ARTICLE HERVEN as of the

#### Withdrawals of Pariners

9.03 Any Pariner may withdraw from the Parinership at any given times provided, however, that the withdrawing Pariner shall give at least fifth (30) days written notice. The PARINERSHIP SHALL, WITHIN THIRTY (30) DAME OF RECRIVING PROTICE OF THE PARENERS WITHINEAWAL,

P&S Associates, General Partnership

PAY the willidrawing Parines, in each, the value of his or her Pathership interest as calculated in ANTICLE ELEVEN as of the cite of wilhdrawal, the withdrawing Pather or his or her legal representative shall execute such documents and take further actions as shall resonable be required to effectuate the imminishm of the withdrawing Pather's interest in the Parinership.

#### ARTRIETEN

#### TERMINATION OF PARTNERS

#### Events of Default

10.01

The following events shall be deemed to be defaults by a Partnet:

- s. the failure to make when due any combination or advance required to be made under the terms of this agreement and existinging that failure for a period of ien (14) days after written portion of the failure from the Macaging general Partners.
- the violation of any of the other penvisions of this Agreement and failure to remedy or care that
   violation within (10) days after writion notice of the failure from the Managing General Partners.
- e. The institution of proceedings under any law of the united states or of any state for the relief of debtors, fling a vollnitary petition in bankeuptcy or for an arrangement or receganization or adjudication to be infolvent or a bankeupt, making an assignment for the benefit of creators.
- A. SOFFERING TO HE SEIZED BY A RECEIVER, TRUSTIEL OR OTHER OFFER APPENDED BY ANY COULET OR ANY EPIENED CONTRABLE MARSHALL OR OTHER SIMILAR COVERNICION OFFICER, UNDER LEGAL AUTHORITY, ANY SUBSTANTIAL PORTION OF THE ABSEND OR ALL OR ANY PART OF ANY INTEREST THE PARTNER MAY HAVE IN THIS PARTNERSHIP AND SUCH IS HELD BY SUCH OF HOR OR CONGER.
- the appointment of a receiver for all or substantially all of the Pariner's assets and the finling to have the receiver discharged within ninety (90) thus after the appointment;
- file bringing of any legal action against the Partner by his of her creditor(s), resulting in hitgation that, in the opinion if the General Muniquing Partners or fifty-one (51) percent is interest, not in numbers, of the other Partners, creates are at and substantial risk of invulvement of the Partners, creates are at and substantial risk of invulvement of the Partners, creates are at and substantial risk of invulvement of the Partners.
- E. THE COMMITTING OF PARTICIPATION IN AN INTUREUS ACT OF FRAID, GROSS NEGLECT, MEREPESENTATION, EMBEZZIMMENT OR IMPRONESTY AGAINST THE PARTICIPATION, OR COMMITTING OR PARTICIPATING IN ANY OTHER RUTHEROUS ACT OR CAMERINA WANTONIX, WELLFULLY, RECREESTY, OR IN A MANNIER WHICH WAS GROSSITY MIGGIGENT AGAINST THE PARTICIPATH, MONBIARILY OR OTHERWISH, OR BEING CLAYFOLD OF ANY ACT OR ACTS CONSTITUTING A RELONY OR MEDERARMS, OTHER THAN TRANSC VIOLATIONS, INDEX THE LAWS OF THE UNITED STATES OR ANY STATE THEREOF.
- 10.02 On the accurrence of an event of a default by a Facture, fifty one (61) percent in interest, not in numbers, or more of the other Partners shall have the right to elect to terminate the Interest of the defaulting Portner without affecting a termination of the Partnership. This election may be used at any time within one (1) year from the date of default on giving the defaulting Partner five (5) they written notice of the election, provided the default is confined up on the date the notice is given. The defaulting Partner's interest shall be returned to him or her in accordance with the provisions of ARTICLE RELEVEN OF THES ACRESIANCY.

OF THE AGENCACENS.

The defaulting Pactor's Partnership interest shall be reduced by the expression amount of any outstanding debts of the defaulting Partner to the Partnership and also by all darrages caused in the Partnership by the default of the defaulting Partner.

PAS Associates, General Parinership

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On return to the defaulting Pariner of his or her interest in the Partnership, the defaulting Pariner shall have no further interest in the Partnership or its business or assets and the defaulting Pariner shall execute and fedivar as required any astignments for either instruments that may be necessary to evidence and fully AND effectively transfer the interest of the defaulting partner to the non-defaulting Partner. If the appropriate instruments are not delivered, after notice by the Managing General Fartner that the interest is available to the defaulting Partner, the Managing General Partner may leader definers of the interest to the defaulting Fartner and execute as the defaulting Partner's POWER COVER COVERTOR AND ADDRESS On return to the defaulting Partner of his or her interest in the Partnership, the defaulting Partner

#### Americane for Default

1013 If a Partner is in default under the terms of this Agreement, the lien provided for in Article four, Section 4.53 may be investment by the Managing General Pattner at the option of fifty-one (51) percent IN INTEREST, NOT IN NUMBERS, of the pen-defaulting Pattness.

#### Transfer by Athuney in Fact

10.04 Hach Father makes, constitutes, and appoints the Managing General Partners as the Fartner's adversey-in-fact to the event that the Fartner becomes a defaulting Pattner whose interest in the Partnership has been foreclosed in the measure prescribed in this Article Ten. On foreclosure, the Managing General Fartners at multionized and although the execute and deliver a full exciputant or other transfer of the defaulting partner's interest in the Partnership and at the Managing General Fartners shall have no hability in any person for making the satisfactors of transfer.

#### , Additional Effects of Default

10.05 Parcent of any of the remodies permitted by this Article Len shall not preclude permit of any other pencies allowed by law, nor shall primate of any monthly provided in this Agreement constitute a facilitative or waters of any amount due to the PARTINESHIP OR remaining patients or of any changes account to LT OR them by reason of the violation of any of the terms, provisions and covenants contained in this Agreement.

#### MEVELS REVIEW METERS AND TAKEN AND T Prochage Price of Parinership Interests

11.01 The full purchase price of the Parinerally interest of a decreased, incompensat, withdrawn or berministed Pariner shall be an amount equal to the Pariner's capital and income accounts as the appear on the Parinership broke on the date of death, incompetence, will drawn as nonination and adjusted to include the Pariner's distributive above of any Parinership net provide or losses not previously residied to or charged against the income and capital accounts. In determining the amount payable under this Section, no value aball be strained to the producil of the Parinership, and adequate provision shall be maken for any existing contingent half-likes of the Parinership.

#### ARTICLE TWELVE

#### TERMINATION OF THE FARTNERSHIP

#### Termination Research

12.01 The Pathership SHALL be lessifieded AND DISSONVED UPON THE BEST TO OCCUR OF THE FOLLOWING:

P&S Associates, General Partnership

e. Upon the sale of all or substantially all of the assets of the partnersfil, unless such assets are replaced by similar assets within a reasonable than for the purpose of continuing the partnership business,

b. stary time on the WEITTEN uthrocative vote of AT LEAST fifty-one (61) percentla interest, not in numbers, of the Partnersy AND.

c. two-pt as otherwise provided in this Agmenant, on the occurrence of any other event that under the Uniform Partiership Law would require the dissolution of general Partnership.

#### Distribution of Assets

12.112 On termination, the Furfaceubity business shall be voused up as timely as in practical under the circumstances; the Furfaceubit's assets shall be applied as follows: (i) first to payment of the outstanding Furfaceubit Rabilities; (ii) then to a return of the Furfaceus point in accordance with their Furfaceubit Interests. Any remainder shall be distributed according to the terms of Article First provided, however, that the Maniging General Furfaceus may retain a reserve in the smooth they determine advisable for any operangeal liability until such time as that liability is satisfied or discharged. If the Furfaceus capital has been returned, then the between of the reserve shall be distributed in emondance with Article Fave, otherwise, capital shall be returned in accordance with their Fernnership interests, and then any remaining some shall be distributed in accordance with Article Rive.

#### ARTICLE THIRTHEN

#### AMENDMENTS

#### In Willing.

13.01 Subject to the provisions of Aricle 8.01 and 8.02, this Agreement except with respect to verted rights of any Partner, may be amended as modified in uniting at any time by the agreement of Partners owning collectively at least fifty one (61) percent in interest, not in manhers, in the Partnership.

#### ANTICLE PODETEEN

#### MISCELLANEOUS

#### Pariners

THE PARTNERSHIP MAY ADMIT AS A PARTNER ANY CORPORATION, PROLUDING AN ELECTRIC SHALL SHENNES CORPORATION ("S CORPORATION") AS THAT THEM IS DEFINED IN THE INTERNAL PRINCIPLE CORPORATION ("S CORPORATION") AS THAT THEM IS DEFINED IN THE INTERNAL PRINCIPLE CORPORATE SHENDED ("BETAIN TAX EXCEPTING CREATINGS), INCLUDING PROPORTIES PRINCIPLE AND CERTAIN TAX EXCEPTING THE IRC. II WILL BE THE OBLIGATION OF ANY CORPORATE, REMITED PLAN, OR TAX EXCEPTING THE IRC. II WILL BE THE OBLIGATION OF ANY CORPORATE, REMITED PLAN, OR TAX EXCEPTING PARTNERS TO COMELY WITH ALL, STATE AND FREDERL LAWS, ROLE AND REGULATIONS GOVERNING THE PRETENCE AS IT RELATES TO HECOMES A PARTNER IN THE PARTNERSHIP, WHETHER OR NOT AN HINLITY CAN DECOME A PARTNER IN THE PARTNERSHIP, WHETHER OF THE PARTNERSHIP, WHETHER OF THE CHARACTER AND LOCAL LAW, RACH PRINTER, NUT AN INDIVIDUAL, SHOULD COASULT WITH THEIR OWN ATTORNEY AS TO ANY LIMITATIONS OR CULTURE CANCELL HAVE HE RECET TO ASSOCIATE THE PARTNERSHIP SHALL HAVE NO DULY TO INCIDER AND SHALL HAVE THE RICGET TO ASSOCIATE THE TAX IN FERTIL HAVE NO DULY TO INCIDER AND SHALL HAVE THE RICGET TO ASSOCIATE ANY ENTITY APPLYING AND HISCORDING A PARTNER IN THE PARTNERSHIP IS IN FACT PRICES OF SHALL HAVE THE RICGET TO ASSOCIATE ANY ENTITY APPLYING AND HISCORDING A PARTNER IN THE PARTNERSHIP IS IN FACT PRICE THE APPLYERSHIP SHALL HAVE NO DULY TO INCIDER AND SHALL HAVE THE TIGHT TO ASSOCIATE ANY ENTITY APPLYING AND DULY TO INCIDER AND SHALL HAVE THE THE TOOL TO ASSOCIATE ANY ENTITY APPLYING AND DULY TO INCIDER AND SHALL HAVE THE TIGHT TO ASSOCIATE ANY ENTITY APPLYING AND DULY TO INCIDER AND SHALL HAVE THE PARTNERSHIP IN FACT UNDER HIS GOVERNING LAWS, ENTITLED TO BE A PARTNER IN THE PARTNERSHIP IN FACT UNDER HIS GOVERNING LAWS, ENTITLED TO BE A PARTNER IN THE PARTNERSHIP IN FACT UNDER HE COVERNING LAWS ENTERED TO BE A PARTNER IN THE PARTNESSEIP.

PAS Associates, General Partnership

FUNCTION OF A PARTNER, IF OTHER THAN AN INDIVIDUAL, WILL BE REQUIRED TO DESIGNATE TO THE MANAGING GENERAL FARTNER PRIOR TO ADMITTANCE IN THE PARTNERSHER, A PERSON UPON WHOM ALL NOTICE RELATING TO THE PARTNERSHER AND SHALL BE THE CNLY PERSON ON BEHALF OF THE PARTNERSHER WILL BE REQUIRED TO BE BOUND BY AND COMMUNICATE WITH WHEN MECESSARY, PURTHERMORE, AND THE REGARD, ALL DESTRUCTIONS TO BE MADE TO THE PARTNER PURSUANT TO THE SECTION AND THE AGREERIEST SHALL BE DOLY TO THE PARTNERS PERSON TO THE PARTNERS PRESENTATIVE, IS NOT AN INDIVIDUAL, AND THE PARTNERSHIP SHALL NOT BE COLGATED TO MAKE DISTRIBUTIONS TO ANY OTHER PERSON WHO HAS AN INDIRECT IN A PARTNER. PAYMENT TO SUCH PARTNERS REPRESENTATIVE SHALL EXTINGUES ALL DISHBUTTES THE PARTNERSHIP SHALL PAYMENT TO SUCH PARTNERS REPRESENTATIVE SHALL PATINGUES ALL DISHBUTTES THE PARTNERSHIP MAY HAVE TO SUCH PARTNERS.

#### TRA ACCIOUNTS

14.02 NOTICE IS BEEREY CIVEN TO ANY PARTNER CONSISTING OF AN IRA ACCOUNT THAT THE PARTNERSHIP IS NOT ACTION AS A REDICTARY ON RESIALF OF THE IRA ACCOUNT.

#### LIBATTATIONS ON LIABILITY -

MAIS THE PARTNERS SHALL HAVE NO LABILITY TO THE PARTNERSHIP OR TO ANY OTHER PARTNER FOR ANY METAKES OR REPORTS IN TODGEMENT NOW FOR ANY ACT OR COMMERCINE PARTNER FOR ANY METAKES OR REPORTS IN TODGEMENT NOW FOR ANY ACT OR COMMERCINE SHALL WERE SHALL SHALL AND REPACHES OF EDUCTARY PUTTES OF CASE AND LOYALTY. ACTIONS OR CAMESCONE TAKEN IN KELLANGE UPON THE ADVICE OF LEGAL COUNSEL APPROVED BY THIT YONE PRECENT SHALL NOT INFORMERS. OF THE PARTNERS AS BEING, WITHIN THE SCOPE COMERCIED BY THIS ACRESMENT STALL INCOME REQUIRED TO PROCURE SHALL ADVICE TO BE ENTIRED TO THE RENEWED SHALL NOT BE REQUIRED TO PROCURE SHALL ADVICE TO BE ENTIRED TO THE RENEWED OF THE SHALL NOT BE REQUIRED TO PROCURE SHALL ADVICE TO BE ENTIRED TO THE RENEWED OF THE SHALL SHA

#### . Additional Protects

MAY ACCEPT AND ASSUME IN WRITING THE TREMS AND CONDITIONS OF THE PARTNERS AND CONDITIONS OF THE PARTNERS AND CONDITIONS OF THE

#### SUITABILITY

14.05 EACH PARTNER REPRESENTE TO THE PARTNERSHIP THAT IF THE PARTNER S NOT AN ACCEPTIND RYPETIOR. AS DISPISED IN THE SECURITIES ACT OF 1983, AS AMENDED OTHE "ACT" (AS DISPINED BELOW), TSTATTHEY WILL NOTIFY THE MANAGING GENERAL PARTNERS IN WRIDING WILTEIN TEN (LO) DATE SECON THE DATE OF THAT PARTNERS ADMISSION INTO THE EARTNESSHIP. AN ACCEPTED INVESTOR AS DESTRIED IN THE ACT IS: A NATURAL PERSON WHO HAD INDIVIDITAL INCTIME OF MORE YEAN EDUCATION THE ACT IS: A NATURAL PERSON WHO HAD INDIVIDITAL INCTIME OF MORE YEAN EDUCATION IN EACH OF THE MOST RECENT TWO (2) YARS AND REASONABLY EXPECTE TO REACH THAT SAME INCOME LEVEL FOR THE CUERENT YEAR, A NATURAL PERSON WHOSE INDIVIDITAL NET WORTE (LE, TOTAL ASSETS IN EXCESS OF TOTAL LIABBILITIES), OR FORM NET WORTE THE THE THE ACT OF THE THE WORTE THE THE SPOURS AT THE TIME OF ADMISSION INTO THE FACTNERSHIP IS IN EXCESS OF SLOWLOOD, A TRUST WHICH TRUST HAS TOTAL ASSETS IN EXCESS OF SLOWLOOD, WHICH IS

NOT FORMED FOR THE EFECTED PURPOSE OF ACQUIRING THE PARCHERSHIP INTEREST HEREIN AND WHOSE INVESTMENT IS DURECTED BY A SCIENTISCATED BEREIN WHO HAS SUCH KNOWLEDGE AND EXPERIENCE IN HINANCIAL AND BUSINESS MATTERS THAT HE IS CAPABLE OF EVALUATING THE MERIES AND RISES INVOIVED IN BECCHIRING A PARCHERS, ANY ORGANIZATION DESCRIBED IN BECCHIRIN SIGNO OF THE LICK, CORPORATION, MARKACHURETED OR SIMILAR BUSINESS TRUST, OR PARCHERSHIP, NOT HORMAD FOR THE SHECKY PURPOSE OF ACCORDING THE PARCHERSHIP INTEREST HEREIN, WITHTOTAL ASSETS IN EXCESS OF EAGMOUNG, ANY PRIVATE BUSINESS DEVELOPMENT COMPANY AS DIGITAL ASSETS IN EXCESS OF EAGMOUNG, ANY PRIVATE BUSINESS DEVELOPMENT COMPANY AS DIGITAL OR DUBLICARY CAPACITY, ANY EXCEPTIBATION RESISTENCY INFORMATION OR OTHER RESISTENCY AND ACCOMPANY RESISTENCY INFORMATION OF THE ACT, ANY INVESTMENT COMPANY RESISTENCY INFORMATION OF THE MOVESTMENT COMPANY AS DESIRED BY THE U.S. SMALL BUSINESS ANATURE ANY BLANKS INVESTMENT COMPANY AS DESIRED BY THE U.S. SMALL BUSINESS ANATURE ANY PLAN ESTABLESHED AND MAINTAINED BY A SCION (20/68) OF THE ACT, ANY PRIVATE BUSINESS INVESTMENT COMPANY AS DESIRED BY THE U.S. SMALL BUSINESS ANATURE ANY PLAN ESTABLESHED AND MAINTAINED BY A SCION (20/68) OF THE ACT, ANY PLAN PLAN ESTABLESHED AND MAINTAINED BY A SCION (20/68) OF THE ACT, ANY PRIVATE AND ENTRE RESIDENT COMPANY AS DEATH OF INFORMATION, CR. ANY AGENCY OR RESIDENTALIZATION OF A PLAN ESTABLESHED AND MAINTAINED BY A SCION (20/68) OF THE ACT, ANY PRIVATE BENEFIT OF IS EMPLOYEDED. FOR A PURPOSE OF THE MAINTAIN COMPANY AS PRIVATE BY A SCION OF THE BENEFIT OF THE RESIDENCE OF PLAN WITCH THE MARKET DECERNANCE OF ASSOCIATION OF THE BENEFIT OF THE MERICAN COMPANY OF RESIDENCE OF ASSOCIATION OF THE BENEFIT OF THE MERICAN COLOR PRIVATE BY PRESENCE OF A SCIOLOGY OF THE HEIGHT PLAN WITCH THE MARKET DECERNANCE OF ASSOCIATION OF THE BENEFIT PLAN WITCH THE DECERNANCE OF ASSOCIATION OF THE BENEFIT PLAN BENEFIT PLAN BUSINESS TOTAL ASSETS IN EXCESS OF ASSOCIATION OF A BELL DECERNOR AND ASSOCIATION OF THE MAINTENANCE.

#### Notices

14.06 Timbers otherwise puroided herein, may notice or other transmunication herein required or permitted to be given shall be in writing and may be personally severe, telecoder, telecoder sent by United States mad shall be deemed thave been given when delivered in period, of tiples receipt it telecopy or telex or times (3) business days after depositing it in the United States and registered or tentificat, when postage proposed and properly addressed. For purpose thursel the addresses of the parties leaved are as set forth in Echibit. A sud may be changed if specified in writing and delivered in accordance with the accord of this Agreement.

#### PLOBUXA LAW TO APPLY

14.07 THIS AGREEMENT SHALL BE GOVERNED BY, AND SHALL HE CONSTRUED IN ACCORDANCE WITEL THE LAWS OF THE STATE OF FLORIDA WITEDUT RECARD TO THE PRINCIPLES OF CONSLICT OF LAWS.

#### Disputes

14.09 The Partners shall make a good faith effort to scale any dispute or claim aising under this Agreement. If, involves the Partners shall fail in resolve a dispute or claim, the Partners shall submit it to adultation before the Fernitz office of the American Arbitration Association. In any arbitration, the Federal rules of Civil Procedure and the Federal rules of Hydrauc, as then existing, shall apply, judgment on any advication awards may be entered by any court of competent judgment,

#### Hendings

14.59 Bection headings used in this Agreement are included herein for convenience, or reference only and shall not constitute a part of this Agreement for any other purpose or he given any substantive effect.

#### Parties Bound

14.10 This Agreement shall be binding on and home to the benefit of the parties hereto and their respective heirs, accounts, administrators, legal representatives, nuccessus and assigns when pennitted by this Agreement.

#### Severability

14.11 In case any one or more of the provisions contained in this Agreement shall, for any resear, be held invalid, illegal or unconferential in any respect, that invalid, filegal or unconferential provisions shall not affect any other provision contained in TRIS AGREDMENT.

#### Counterparis

14.12 This Agreement and any graendments, waivers, consense or supplements may be executed in any number of countemparts each of which when so executed and delivered shall be desired an original, but all such counterparts together shall constitute by one and the same instrument.

### Gender and Number

14.13 Whenever the common shall require, all words in this Agreement in the make gender shall be deemed to include the females or narior pender. AND VICE VERSA, AND all singular words shall include the plural and all plural works shall include the singular.

### Prior Agreements Superseded

1414 This Agreement supersedes any prior understandings or written or and agreement among the parties respecting the subjectionaties contained benefit.

# Coundries 1. 12. 23 and Buildies and mail this page only with check made peyable to The American Control

P & S ASSOCIATES, Comerci Protocochip e/o SULLIVAN & ROWELL 6553 N. Yederal Ray., Brite 210 Ft. Landerfule, Fl. 13309-1404

ņ	PROPERTY AND PROPERTY OF THE P	d and luminers matters.	ent by the régneture and date sei forth t ad warnate filed side party is sophistic and, at a result, is in a position to evalu of the Partnership.	**************************************
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	elect to have my quarter	ly dishibution reinvest	od in the Parimership.	•
21)	Herse dreck one of the	following secretified i	errator cholesas	
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EXHIBIT A (How you would like your account titled)

<u>IMPORTANT</u> – Please indicate your beneficiary. Please include address & phone #.

None, Address Telephone No. and Pex No.	Social Security No. 12 Federal ID No.	Capital Contribution
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<u>IMPORTANT</u> - Please indicate your beneficiary. Please include address & phone #. ATTACHMENTS 1 & 2

### Education & Designations

CPA -- Certifled Public Accountant (1978), \*regulated by the State of Florida

PFS - Personal Financial Specialist (1999), conferred by the American Institute of Certified Public Accountants

ABY -- Accredited in Business Valuation (2000), conferred by the American Institute of Certified Public Accountants

CFE - Certifled Fraud Examiner (1994), conferred by the Association of Certifled Fraud Examiner

CFF -- Certified in Financial Forensics (2009), conferred by the American Institute of Certified Public Accountants

M.B.A., Accounting and Business Administration, University of Buffalo,

B. S., Accounting, University of Buffalo

Extensive continued education in the areas of business valuation, forensic accounting, accounting and auditing, as well as meeting bi-annual requirements for all designations of AICPA and ACFE for continued professional education.

### Professional History

Marcum LLP, January 1997-present

Mukamal, Appel, Fromberg & Margolles, P.A., 1982-1997

Laventhal and Horwath, 1981

American Assurance Group, Treasurer, Insurance Conglomerate, 1980

Peat, Marwick, Mitchell & Company, 1977-1980

### Articles, Seminars & Presentations

- "Chapter 7 Panel Discussion", University of Miami School of Law, 23rd Annual Bankruptcy Skills Workshop, 2013.
- Bankruptcy Bar Association Southern District of Florida: "Bankruptcy Skills Workshop" June 2013 "Chapter 7 Panel Discussion on the proper use of exeptions, lien stripping of second mortgages, preparation of bankruptcy schedules, and the sale of underwater real property by Trustees."
- American Bankruptcy Institute: "Timeshare and Hotel Bankruptcies" February 2013
- "Handicapping The Playing Field: Addressing Frequent Issues in Bankruptcy Litigation", presented at the ACCA-SFL's Third Annual CLE Conference
- "Symposium I Protecting Asset Protection: What Works, What Doesn't and Why", presented at the ACTEC 2012 Annual Meeting
- "Fiduciary Responsibilities of Professionals in Bankruptcy", presented at the 2011 Central Florida Bankruptcy Law Association Annual Seminar.
- ★ The Institute 33rd Annual Florida Chapter "The Financial Distressed Client: Positioning the Client for Modification, Bankruptcy and/or Foreclosure".
- Florida Fiduciary Forum Ethics Presentation, 2011.
- "The Bankruptcy Process and Bankruptcy Restructuring for Lawyers", AAJ Winter Convention, 2010, 2011.
- "Top Ten DSO Issues in Bankruptcy", Bankruptcy Trustee Association Training Seminars, 2010.
- \* "Top Ten DSO Issues in Bankruptcy", Continuing Legal Education (CLE) Fall Conference, 2009.
- "Bankruptcy and Marital Debts; Is it Enforceable or Dischargeable?", ABA Section of Family Law, 2009, 2010.
- "Privacy and Security Issues", 2009 National Association of Bankruptcy Trustees (NABT) Spring Seminar.
- "Taxation Issues Facing The Domestic Relations Practitioner", Paim Beach County Bar Association, Family Law CLE Committee presentation.
- "Privacy and Security Issues in a Trustee's Office and ECF Environment", National Association of Bankruptcy Trustees.
- "Keep Your Client From Drowning: How to Deal with Bankruptcies and Foreclosures", AAML 32nd Annual Institute SA Symposium, 2010.

<sup>\*</sup>Licensed by the State of Florida

# Barry E. Mukamal, cpa\*/pfs/abv/cfe/cff

## Curriculum Vitae continued...

- "Understanding Financial Discovery", Florida Board, Family Law Financial Accounting and Cross Examination Seminar.
- "Federal Tax Filing Requirements", Regional 21 Bankruptcy Trustee Association.
- Topics involving financial controls and risk management presented to financial institutions and organizations involved with distressed properties.
- "The Chapter 7 Debtor From the Perspectives of a Chapter 7 Trustee, v.s. Trustee, and Counsel for a Debtor or a Creditor", University of Miami School of Law and Bankruptcy Bar Association, 2010.

### Range of Experience

A Partner at Marcum LLP, Barry Mukamal brings more than 30 years of multidisciplinary experience to the firm's Advisory Services division. Experienced in some 30 industries, he successfully addresses complex issues in bankruptcy and insolvency, capital recovery, fraud, business valuation and economic damages.

Mr. Mukamal Is a Chapter 7 Panel Trustee in the Southern District of Florida. He has extensive experience operating businesses and liquidating their assets in the U.S. Bankruptcy Court system as well as in state court proceedings. He has been appointed as liquidating trustee and/or plan administrator in numerous complex cases requiring administration and resolution of litigation, quantification of economic damages and resolution of claims. As plan administrator or trustee on several failed commercial real estate projects, Mr. Mukamal has managed and marketed the completion of construction projects including resolving related creditor claims and construction contractor claims.

Mr. Mukamal has represented debtors, creditors and creditors' committees in matters of insolvency fraud and abuse, and has assisted trustees in their asset recovery efforts. He has served as a court appointed receiver and mediator, and has testified as an expert witness at the local, state and federal level. He has extensive experience in litigation involving preference transfers and fraudulent conveyances in the context of bankrupt entities.

Mr. Mukamal's extensive litigation support experience includes matrimonial dissolution, lost profits litigation, fraud investigations and business valuations. He has been involved in numerous high profile, high-net-worth divorces involving assets in the U.S. and abroad. In addition, he has been retained in investigations and embezzlement issues associated with financial fraud schemes such as Ponzi schemes and occupational fraud. His experience also extends to lost profits litigation, damages in relation to breach of contract, and personal injury and wrongful death actions. Mr. Mukamal's testimony for the plaintiff in a patent damage action facilitated a multi million dollar award for the client.

Mr. Mukamal's involvement with audit and review engagements make him particularly qualified to address issues of accounting malpractice and to testify in such areas. He has been involved in audit, review, accounting and tax engagements ranging from small, closely-held entities to SEC clients in various industries, including insurance, manufacturing, distribution, real estate, health care, publishing, agriculture, seafood and aylation.

### Professional & Civic Affiliations

- American Institute of Certified Public Accountants (AICPA)
- Florida Institute of Certifled Public Accountants (FICPA)
- Association of Certified Fraud Examiners
- # Chapter 7 Panel Trustee, Southern District of Florida

## Awards & Recognitions

- 2006 Litigation Key Partner Award Winner, South Florida Business Journal
- 2009, 2010, 2011 & 2012 Top CPAs in Litigation Support in South Florida South Florida Legal Guide

## Four Year Case History

Case Name	Court	Case Number	Judge	Type of Testimony
MORTGAGES, LTD.	DISTRICT OF ARIZONA	CASE NO. 2-08-BK-07465-RJH		DEPOSITION
INTEC INC. AND MARC IACOVELLI	MIAMI-DADE	04-09791 CA 08		DEPOSITION
CLAUDIO OSORIO, ET AL				
C & M OIL COMPANY	SOUTHERN DISTRICT	04-22901-CIV	HIGHSMITH	TRIAL TESTIMONY
CITGO PETROLEUM CORPORATION, SUNSHINE GASOLINE DISTRIBUTORS, INC.	OF FLORIDA		•	
CLAUDIA GOETZ	BROWARD	FMCE07015613	MICHAEL KAPLAN	TRIAL TESTIMONY
V. RALPH GOETZ				
MARIO'S ENTERPRISES PAINTING & WALLCOVERING, INC.	MIAMI-DADE	07-21502 CA 20		TRIAL
VEITIA PADRON INCORPORATED				
CLAUDIA POTAMKIN V	MIAMI-DADE	07-27291 FC-04	ROBERT M. PINEIRO	TESTIMONY
ALAN POTAMKIN				
ELAINE R, BEAME V	MIAMI-DADE	07-29667 FC (07)	BAGLEY	TESTIMONY
V LAWRENCE BEAME				
Maria Fernanda Keeler	MIAMI-DADE	07-29085-FC	BERNSTEIN	TESTIMONY
v. John R. Keeler				
KEVIN McCARTHY	MIAMI-DADE	07-61016-CIV-COHN		DEPOSITION
V AMERICAN AIRLINES, INC., AMERICAN EAGEL AIRLINES AND EXECUTIVE AIRLINES INC.		/HOPKINS		
CREATIVE DESPERATION INC.	MIAMI-DADE	08-19067		DEPOSITION
BARRY E. MUKAMAL, AS LIQUIDATING & D & O TRUSTEE FOR FAR & WIDE CORP	MIAMI-DADE	08×14346-H		TRIAL
V ERNST & YOUNG LLP				
STEPHENSON OIL COMPANY V CITGO PETROLEUM CORPORTION	NORTHERN DISTRICT OF OKLAHOMOA	08-CV-380 TCK-TLW	TERENCE KERN	TESTIMONY

## Four Year Case History cont'd

Case Name	Court	Case Number	Judge	Type of Testimony
C & M OIL COMPANY INC. V CITGO PETROLEUM CORPORATION	NORTHERN DISTRICT OF OKLAHOMOA	09-CV-36-TCK-TLW	TERENCE KERN	TESTIMONY
STEPHEN M. FULLER V DARYL FULLER	MIAMI-DADE	09-00957-FC-07	<u> </u>	DEPOSITION
AGUSTIN R. ARELLANO, JR. V ELIZABETH RAMIREZ ARELLANO	MIAMI-DADE	09-026846 FC (12)		DEPOSITION
GRAND SEAS RESORT PARTNERS - CHAPTER 11	MIAMI-DADE	09-28973 BKC-LMI / CHAPTER 11	LAUREL M. ISICOFF	TRIAL
ROBERT K. BLAKE, ET AL V JAMES F. ELLIS, ET AL	BROWARD	09-036447 (07)		DEPOSITION /TRIAL
MERENDON MINING (NEVADA, INC. (DEBTOR) V MILOW BROST, ELIZABETH BROST ET AL	MIAMI-DADE	09-11958-BKC-AJC	A. JAY CRISTOL	DEPOSITION
HOWARD M. EHRENBERG, CHAPTER 7 TRUSTEE V BDO SEIDMAN, LLP ET AL	MIAMI-DADE			DEPOSITION/ TESTIMONY
GERALD HESTER V VISION AIRLINES INC.	DISTRICT OF NEVADA	2:09-CV-001170RLH-RJJ	, jose	TRIAL TESTIMONY
THE FLORIDA BAR / MARK ENRIQUE ROUSSO AND EONARDO ADRIAN ROTH	SUPREME COURT OF FLORIDA	SC11-15 & SC11-16 / FLORIDA BAR FILE #2011-70,598(11A) & 2011-70,408(11A)	JUDGE EDWARD NEWMAN, REFEREE	DEPOSITION
DAVID C. ARNOND V ASSOCIATION LAW GROUP, ET AL.	MIAMI-DADE	12-13962 CA 40		TESTIMONY
MAURY ROSENBERG / DVI RECEIVABLES, XIV, LLC, J. S. BANK N. A., ET AL	MIAMI-DADE	09-13196 BKC-AJC	and the state of t	DEPOSITION

## Four Year Case History cont'd

Case Name	Court	Case Number	Judge	Type of Testimony
MAURY ROSENBERG V DVI RECEIVABLES, XIV, LLC, U. S. BANK N. A., ET AL	MIAMI-DADE	09-13196 BKC-AJC		TRIAL
JOHN CAMPION V ESTHER CAMPION	MIAMI-DADE	16-2012-DR-000297 FMC	. 1000000000000000000000000000000000000	TESTIMONY & DEPOSITION
FUSIONSTORM INC. V PRESIDIO NETWORKED SOLUTIONS, INC., MICHAEL LYTOS, DAVID DUFF, JOHN LOTZE, GINA KING & YANDY RAMIREZ		1400013677	ARBITRATION	TESTIMONY
CREATIVE DESPERATION INC. V MGSI INC., THOMAS JOHN KARAS, BARBARA FAWCETT, ET AL	FT. LAUDERDALE	08-019067		TESTIMONY
CAPITAL INVESTMENTS USA INC./JOEL TABAS - TRUSTEE V EDWIN EATON TRUST, EDWIN H. ETON JR INT TAX TRUST, ET AL	MIAMI DIVISION	09-36408 BKC- LMI/09-35418 BKC-LMI		DEPOSITION
CAPITAL INVESTMENTS USA INC./JOEL TABAS - TRUSTEE V IOSEPH M. LEHMAN	MIAMI DIVISION	09-36408 BKC- LMI/09-35418 BKC-LMI	(1) The little of the little o	DEPOSITION
ANNA INGHRAM / SAMER TAWFIK	MIAMI-DADE	10-035020 FC (16)	ng dalaman ng mga n	DEPOSITION
DAVID C ARNOLD / ASSOCIATION LAW GROUP, ET AL-	MIAMI-DADE	12-13962 ca 40		DEPOSITION / TESTIMONY
MOLINA HEALTHCARE OF FLORIDA INC. PHYSICIAN CONSORTIUM SERVICES LLC	MIAMI-DADE	32-193-00516-10		DEPOSITION
TEVEN EDWARD RUFFE INDA RUTH RUFFE	MIAMI-DADE	11-36218 FC 07		DEPOSITION

# Barry E. Mukamal, cpa\*/pfs/ABV/CFE/CFF Curriculum Vitae continued...

## Four Year Case History cont'd

Case Name	Court	Case Number	Judge	Type of Testimony	
DDS HOLDINGS INC.	MIAMI-DADE	11-26481-CA-40	44	TRIAL	
SANARE LLC AND DOCTOR DIABETIC SUPPLY LLC		ļ			
TODD LARY/STARBRIGHT V	SOUTHERN DISTRICT	1:11 CV 23820		TESTIMONY	
v BOSTON SCIENTIFIC CORPORATION	OF FLORIDA				
OCALA FUNDING LLC	MIAMI-DADE	11-30957 CA 30		TESTIMONY	
V DELOITTE & TOUCHE LLP			'		
DEUTSCHE BANK AG	MIAMI-DADE	11-43773 CA 40		TESTIMONY	
V DELOTTE & TOUCHE LLP					
AAMG MARKETING GROUP LLC DBA AIRLINE ALTERNATIVE MARKETING GROUP	DISTRICT COURT OF	A-11-640358-C		TRIAL	
ALLEGIANT AIR LLC, ET AL	CLARK COUNTY, NEVADA				
MERICAN EDUCATIONAL ENTERPRISES, LLC		1,00,10			
/ THE BOARD OF TRUSTEES OF THE INTERNAL MPROVEMENT TRUST FUND	MIAMI-DADE COUNTY	CASE #02-23922 CA 09		DEPOSITION	

S&P Associates, General Partnership P&S Associates, General Partnership

	Glossary of Terms				
Defined Term Description					
Defined Ferm	Description				
	Distributions recorded by S&P to partners Ann or Michael Sullivan on 12/31/08 in				
	the amount of \$300,465.51 and partners D.& L. Gail Sullivan on 12/31/08 in the				
2008 Sullivan Distributions	amount of \$31,500.				
Avellino	Frank J. Avellino				
Bienes	Michael S. Bienes				
Conservator	Phillip J. Von Kahle				
Keleo	Kelco Foundation				
Madoff or BMIS	Bernard L. Madoff Investment Securities, LLC				
Maroum	Marcum LLP				
Moecker	Michael Moecker and Associates				
P&S	P&S Associates, General Partnership				
	Spreadsheets prepared by Moecker that summarize the activity (capital account				
	beginning balance, new investments, management fees, expenses, distributions				
	gains/losses and ending capital account balance) for all partners on an annual basis				
	based on information reported by P&S managing general partner on the annual				
P&S Annual Partner Statements	partner statements.				
	Excel spreadsheets prepared by Moecker of the cash receipts from and cash				
	disbursements to Madoff for each year from 1993 through 20008, which				
P&S Madoff Cash Receipts & Disbursements List	spreadsheets are based on Moeckers analysis of P&S books and records.				
P&S Madoff Portfolio Reports	Summary report prepared by Madoff for P&S titled "Portfolio Management Repor				
	Excel spreadsheet list prepared by Moecker of the management fee's paid by P&S,				
P&S Management Pee Checklist	which Moecker identified through their analysis of P&S books and records				
	Pursuant to Article 5.01 of the Partnership agreement, 20% of the capital gains.				
,	capital losses, dividends, interest, margin interest expense and all other profits and				
7000	losses attributable to the partnership are to be allocated to the managing general				
P&S Management Fees	partners,				
P&S Partnership Agreement	P&S Amended and Restated Partnership Agreement, dated December 21, 1994				
7 P.O.O	Quarterly calculations of management fee's prepared by P&S managing general				
P&S Quarterly Management Fee Calculations P&S Spreadsheets	partner				
Partners	Hxcel spreadsheets titled 1993-2008 by Partner Cash-In Cash-Out Real Balance				
Partnerships	the general partners of P&S and S&P				
Powell	P&S and S&P collectively				
Review Period	Greg Powell 1993 through 2008				
S&P	1993 through 2008				
560	S&P Associates, General Partnership				
	Spreadsheets prepared by Moecker that summarize the activity (capital account				
	beginning balance, new investments, management fees, expenses, distributions,				
*	gains/tosses and ending capital account balance) for all partners on an annual basis				
S&P Annual Partner Statements	based on information reported by S&P managing general partner on the annual				
Avea I tunder I de mor Disconnicito	partner statements.				
	Excel spreadsheets prepared by Moecker of the cash receipts from and cash				
S&P Madoff Cash Receipts & Disbursements List	disbursements to Madoff for each year from 1993 through 20008, which				
S&P Madoff Portfolio Reports	spreadsheets are based on Moeckers analysis of P&S books and records.				
Pres Structure of the Colored	Summary report prepared by Madoff for S&P titled "Portfolio Management Report				
	Fixed myondahant list managed by Manalan City				
S&P Management Fee Check List	Excel spreadsheet list prepared by Moecker of the management fee's paid by P&S,				
Dest Matthing Miller 1 - CO Chicoa Dist	which Moccker identified through their analysis of S&P books and records.				
	Pursuant to Article 5.01 of the Partnership agreement, 20% of the capital gains,				
	capital losses, dividends, interest, margin interest expense and all other profits and				
S&P Management Fees	losses attributable to the partnership are to be allocated to the managing general				
S&P Partnership Agreement	partners.				
A WANDER LYRICOTTOR	S&P Amended and Restated Partnership Agreement, dated December 21, 1994				
S&P Quarterly Management Fee Calculations	Quarterly calculations of management fee's prepared by S&P managing general				
S&P Spreadsheets	partner  Evant approach between 1002 2000 to Proceedings of the Control of the Co				
Sullivan	Excel spreadsheets titled 1993-2008 by Partner Cash-In Cash-Out Real Balance				
Sullivan Inc.	Michael D. Sullivan Michael D. Sullivan & Associates, Inc.				
TOPPONI THE ANALYS	TATIONAGE D. ORGIVAN & ASSOCIACES, INC.				
	1				

ATTACHMENT 4

P & S ASSOCIATES, GENERAL PARTNERSHIP and S & P ASSOCIATES, GENERAL PARTNERSHIP,

Plaintiff,

IN THE CIRCUIT COURT OF THE 17<sup>th</sup> JUDICIAL CIRCUIT, IN AND FOR BROWARD COUNTY, FLORIDA CASE NO. 12-028324 (07) Complex Litigation Unit

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ROBERTA P ALVES, ET AL.,

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### AFFIDAVIT OF EXPERT BARRY MUKAMAL, CPA

STATE OF FLORIDA	)
	)
COUNTY OF MIAMI DADE	)

BEFORE ME, the undersigned authority, duly authorized to administer oaths and take acknowledgments, personally appeared Barry Mukamal, who, upon being first duly sworn, deposes and says as follows:

- I am a certified public accountant, and a Partner with the firm Marcum, LLP ("Marcum"). On January 17, 2013 this Court entered its Order Appointing Conservator (the "Order of Appointment") Philip J Von Kahl (the "Conservator") as Conservator for P&S Associates, General Partnership ("P&S") and S&P Associates, General Partnership ("S&P") (collectively, the "Partnerships"). Among other things, the Order of Appointment directed the Conservator to make recommendations with regard to the method of distribution of the Partnerships assets to the partners.
- 2. On October 30, 2013, this court entered an Order approving the Conservators Motion to Retain and Compensate Barry Mukamal and Marcum LLP as an Expert Witness, nun pro tunc to October 1, 2013 As such, I am familiar with the matters set forth herein and submit this Affidavit of Expert.

- In connection with our employment as an Expert Witness, we were provided with a spreadsheet for S&P that was prepared by the Conservators financial advisor, Michael Moecker and Associates ("Moecker"), titled "1993-2008 by Partner Cash In Cash Out Real Balance (Investment less distributions"), hereinafter referred to as the "S&P Annual Cash In Cash Out Spreadsheet" The S&P Cash-In Cash-Out Spreadsheet summarized the annual cash contributions and withdrawals by partner for each year for the life of S&P, including partner Guardian Angel. Based on the S&P Cash-In Cash-Out Spreadsheet, partner Guardian Angel made investments in the amount of \$5,188,103 52 and received total distributions in the amount of \$1,298,357.21
- We were also provided with a second spreadsheet for S&P that was prepared by Moecker, titled "Summary of Investments and Distribution" (the "S&P Detail Investment & Distribution Spreadsheet"), which spreadsheet included the detail for the new investments in the amount of \$5,188,103.52 and distributions in the amount of \$1,298,357.21 related to partner Guardian Angel.
- Using the S&P Detail Investment & Distribution Spreadsheet, we selected a statistical sample of the new investments and distributions related to partner Guardian Angel to achieve a 95% confidence level and 90% confidence intervals. We determined a sample size for testing of 68 transactions. For each transaction in our sample, we proceeded to confirm the amount of the investments and distributions listed on the S&P Detail Investment & Distribution Spreadsheet as follows.

- a. Moecker provided Marcum with multiple boxes containing investor records. Specifically, these boxes were organized by year and contained bank statements, copies of checks from investors for new investment, confirmation letters to individual investors, and copies of cancelled checks with respect to investor distributions. <sup>1</sup>
- b. With respect to investments, we agreed the amount on the S&P Detail Investment & Distribution Spreadsheet to copies of investment check(s) from investors and corresponding deposit(s) per bank statements, further corroborated by confirmation letter(s) from S&P to individual investors.
- c. With respect to distributions, we agreed the amounts detailed on the S&P Detail Investment & Distribution Spreadsheet by reference to copies of cancelled checks to investors and corresponding disbursement per banking records.
- d. The S&P Annual Cash-In Cash-Out and S&P Detailed Investment & Distribution Spreadsheet exclude false profit, including the false profit related to the partners that were transferred to Guardian Angel through journal entries.<sup>2</sup>
- 6 As a result of the testing described above, no exceptions were noted.
- Based upon my analysis and testing, in my opinion the amounts included for investments of \$5,188,103.52 and distributions of \$1,298,357.21 in the S&P Annual Cash-In Cash-Out Spreadsheet and S&P Detail Investment & Distribution Spreadsheet for partner Guardian Angel are reliable.

<sup>&</sup>lt;sup>1</sup> JS&P banking was conducted through S&P bank accounts, therefore we were provided with S&P bank records. Additionally, we were also provided with Guardian Angel bank statements for the following periods, 6/1/06 – 4/30/13, which statements were incomplete in that the majority of the periods did not include canceled checks or deposit detail Guardian Angel did not provide bank statements for periods before June 1, 2006.

<sup>&</sup>lt;sup>2</sup> During 2002 certain partners of S&P and JS&P had their entire investment position (including false profit) transferred via a journal entry from S&P and JS&P to Guardian Angel.

### FURTHER AFFIANT SAYETH NAUGHT

Respectfully submitted,

Barry E. Mukamal, CPA/PFS/ABV/CFE/CFF

Partner

Marcum, LLP

The foregoing instrument was acknowledged before me this 31<sup>st</sup> day of October 2013 by Barry Mukamal, who is personally known to me and who did take an oath.

Notary Public State of Florida at Large

My Commission Expires. Mar 31, 2017



# IN THE CIRCUIT COURT OF THE SEVENTEETH JUDICIAL DISTRICT IN AND FOR BROWARD COUNTY, FLORIDA

P&S ASSOCIATES, GP, S&P ASSOCIATES GP, PHILIP VON KAHLE as Conservator Of P&S Associates GP and S&P Associates, GP

Gase No.: 12-034123 (07)

Plaintiffs,

V,

STEVEN JACOB, STEVEN F. JACOB, CPA & Associates Inc., FRANK AVELLINO, and MICHAEL BIENES

Defendants.

### **EXPERT REPORT OF:**

BARRY MUKAMAL, GPA/PFS/ABV/CFE/CFF/CIRA

March 31, 2016



### TABLE OF CONTENTS

### Expert Report of Barry Mukamai, CPA/PFS/ABV/CFE/CFF/CIRA

### Attachments

Attachment 1 Expert's Curriculum Vitae Attachment 2 Expert's Testimony Record

### Exhibits

Exhibit 1 Documents Relied Upon
Exhibit 2 Expert Report of Barry Mukamal prepared on November 11, 2013
Exhibit 3 S&P Solvency Analysis
Exhibit 4 P&S Solvency Analysis



### Expert Report of Barry Mukamal, CPA/PFS/ABV/CFE/CFF/CIRA

#### ŧ. INTRODUCTION

- 1, KapilaMukamai, LLP and Barry E. Mukamai, CPA (hereinafter referred to as "KM") have been retained by Berger Singerman LLP ("Counsel"), legal counsel for Phillip J. Von Kahle, as Conservator ("the Conservator") for P&S Associates, General Partnership. ("P&S") and S&P Associates, General Partnership ("S&P"), to provide an opinion with respect to the following:
  - · Whether distributions paid to Sullivan/Powell1 by P&S and S&P were in accordance with the P&S Partnership Agreement,2 and the S&P Partnership Agreement, s respectively.
  - Observations with respect to the accounting books and records as maintained by P&S and S&P.
  - Whether S&P and P&S were insolvent during the period from 2002 through 2008 (the "Ánalysis Period")
- 2. I have not been requested to, nor have I performed analysis beyond that which was required to formulate my opinions as rendered herein. The information, analysis, and opinions contained in this Report are based upon the specific facts and circumstances in this proceeding. I reserve the right to supplement this Report as necessary, to the extent any other relevant information becomes available between the date of this Report and the date that I may testify in this in this proceeding.

S&P Associatos GP Amended and Restated Partnership Agreement dated December 21, 1994



<sup>1</sup> Michael Ballivan ("Sullivan") and/or Greg Powel ("Powell") are collectively referred to as "Sullivan/Powell." Sullivan/Powell were the managing general partners of both S&P and P&S. In 2003, Powell died and Sullivan continued as the sole managing general partner of both S&P and P&S.

P&S Associates GP Amended and Restated Partnership Agreement dated December 21, 1994,

### II. PROFESSIONAL QUALIFICATIONS OF BARRY MUKAMAL

- I, Barry E. Mukamal, am Co-Managing Partner at KapilaMukamal, Li.P. I am a Certified Public Accountant ("CPA") licensed in Florida. My Curriculum Vitae is attached hereto as Attachment 1 and includes additional details of my professional qualifications and experience.
- 4. I possess over 35 years of experience in the public accounting profession and financial services industry. I am accredited in business valuation ("ABV") and hold accreditation as a personal financial specialist ("PF\$"), certified fraud examiner ("CFE"), and certified in financial forensics ("CFF") and am a Certified insolvency and Restructuring Advisor ("CIRA"). Areas of expertise include financial accounting, business valuation, forensic (investigative) accounting in litigation proceedings, economic damages, bankruptcy and insolvency matters. I have been appointed and currently serve as a Bankruptcy Panel Trustee in the Southern District of Florida. My prior experience includes consulting and expert testimony in numerous arbitration and litigation matters. A list of cases in which I have previously provided expert testimony is also included in Attachment 2.
- Other professionals at KapilaMukamal, LLP have worked on this engagement under my supervision and direction. I have reviewed and am familiar with all such procedures performed and work product prepared. Fees for professional services provided are based on hours actually expended by each assigned staff member extended by the standard hourly billing rate for that individual. Hourly billing rates for professional staff working on this matter range from \$150 to \$495. Fees are not contingent on the outcome of this matter.

### III, SCOPE OF REVIEW

6. In the performance of our analyses and forming our opinions and conclusions, KM has considered data and information which are included in Exhibit 1. We have also relied upon our professional experience and expertise, obtained over many years as a financial and accounting expert. We are prepared to amend this report should we consider it necessary after receiving further information regarding this matter.



### IV. BACKGROUND AND INFORMATION FROM COUNSEL

- 7. P&S and S&P were formed by Michael Sullivan and Greg Powell in 1992, with the stated purpose of investing in securities. In fact, P&S and S&P (collectively, the "Partnerships") invested exclusively in a Ponzi scheme perpetrated by the Bernard L. Madoff Investment Securities, LLC ("Madoff" or "BLMIS"). As a consequence, profits as recorded by the Partnerships stemmed solely from investments in Madoff.
- 8. At the commencement of the Partnerships, Sullivan and Powell were appointed as managing general partners of the Partnerships. Powell passed away in August 2003, and Sullivan<sup>4</sup> continued as the sole managing general partner of the Partnerships.
- 9. Defendants Aveilino<sup>6</sup> and Bienes<sup>8</sup> were well acquainted with Madoff due to their prior investment activities with Madoff. Many of the investors/partners in the Partnerships were introduced to the Partnership by Aveilino and Bienes.
- In December 2008, BLMIS was exposed as a fraudulent scheme which had defrauded thousands of investors including the Partnerships.
- 11. In August of 2012, certain partners of the Partnerships filed a lawsuit alleging that Sullivan had diverted millions of dollars from the Partnerships to himself and others including Avelino and Bienes. In January 2013, the Conservator was appointed as conservator of the Partnerships to, among other things, wind down the affairs of the Partnerships; determine how the assets of the Partnerships are to be distributed, and to effect such distributions.

### V. <u>DISTRIBUTIONS TO SULLIVAN/POWELL FROM S&P</u>

12. The S&P Partnership Agreement<sup>7</sup> provides for partnership profits to be allocated and distributed consistently between the managing general partners (Sullivan/Powell) and other partners. Specifically, Section 5.01 provides that the capital gains, capital losses, dividends, interest, margin interest expense and all other profits and losses attributable to

<sup>7</sup> S&P Associates GP Amended and Restated Fartnership Agreement dated December 21, 1994.



<sup>&</sup>lt;sup>4</sup>Through Michael Sullivan & Associates, P.A..

<sup>5</sup> Frank Avellino

<sup>&</sup>lt;sup>6</sup> Michael Blenes

5&P are to be allocated as follows: 20% to Sullivan/Powell and 80% to the other partners ("S&P Other Partners"), With respect to distribution of profits, Article 5.02 of the S&P Partnership Agreement provides for profits/cash flow to be distributed at least once per year as follows: 20% to Sullivan/Powell and 80% to S&P Other Partners.

- 13. Article 8.01 of the S&P Partnership Agreement provides that Sullivan/Powell shall be responsible for management of S&P's operations, but shall receive no salary or compensation from S&P. The only consideration payable to Sullivan/Powell for management functions was the 20% allocation of S&P's net income/profits under Article 5.01, as discussed above.
- 14. The Conservator's financial advisor, Moecker compiled the following schedules/analyses which were provided to KM with respect to S&P, collectively the "Moecker Schedules":
  - Distributions paid to Sullivari/Powell by S&P during the Analysis Period ("Sullivan/Powell Distributions")
  - Cash receipts from, and investment remittances to Madoff with respect to the Analysis Period ("Madoff Cash Flows")
  - Investor contributions and withdrawals ("S&P Investor Cash Flows")
- 15. In analyzing Sullivan/Powell Distributions during the Analysis Period, we reviewed the Moecker Schedules in conjunction with S&P's general ledgers, tax returns and cash registers. We also considered our findings as presented in Barry Mukamal's expert report previously prepared on November 11, 2013 attached as Exhibit 2 herein ("Mukamal 2013 Expert Report").
- 16. As noted above, Article 5.01 provides for 20% of the partnership's net income to be allocated to Sullivan/Powell. S&P Annual Partner Statements<sup>10</sup> identify the amount of income allocable to each partner during the year, along with the 20% allocation to Sullivan/Powell.<sup>11</sup> Our analysis indicates that in the aggregate, <sup>12</sup> actual distributions to

to contributions, withdrawals, allocable income, 20% management fees, and allocable expenses.

11 Although the Annual Partner Statements characterize this 20% allocation as "Management fees", there are no management fee agreements provided.



<sup>8</sup> Michael Mossier at Associates who are retained as financial advisors to the Conservator.

<sup>&</sup>lt;sup>2</sup> Case No. 12-026324(07) filed in the Circuit Court of the Seventeenth Judicial District, in and for Broward County, Florida <sup>10</sup> On an manual basis, at year-end, S&P prepared statements summerizing the activity cach investor's capital account with respect

Sullivan/Powell from S&P exceeded the 20% allocation to Sullivan/Powell by \$1,053,551.<sup>13</sup> Accordingly, Sullivan/Powell were overpaid to the extent of at least \$1,053,551 during the Analysis Period, notwithstanding that no distributions were actually due and payable to Sullivan/Powell under the 5&P Partnership Agreement, as discussed in subsequent sections of this Report.

Table 1: Comparison of distributions paid to Sullivan/Powell and allocable distributions per S&P Partnership Agreement

Year	20% allocation to Sultivan/Powell <sup>1</sup>	Distributions paid to Sullivan/Powell <sup>2</sup>	Excess (Deficient) Distributions to Sullivan/Powell
2002	565,702	495,226	(70,476)
2003	557,599	581,8 <del>1</del> 8	24,220
2004	531,845	573,599	41,754
2005	542,995	646,955	103,960
2006	770,230	662,164	(108,066)
2007	719,229	791,389	72,160
2008	18ph	990,000	990,000
Totals	3,587,600	4,741,151	1,053,551

(I) Source: S&P Annual Pariner Statements for 2002 through 2007. For 2008, S&P's tax return indicated substantial losses due to the write off of its investments in Modoff. In the absence of allocable net profits in 2008, no distributions are payable to SullivandPowell pursuant to Articles 5.01 and 5.02 of the S&P Partnership Agreement.

(2) Source: Sullivan/Powell Distributions.

<sup>15</sup> Following the death of Powell in 2003, Sullivan continued as the sole managing general partner of S&P, and allocated/distributed the entire 20% share of S&P's purported "parties" to himself, thereby doubling his distributions from S&P. It is unclear if Sullivan should have obtained the approval of the majority of the partners pursuant to Article 8.06 of S&P's Partnership Agreement. If Sullivan was outified to distributions of only 10% of S&P's not income/cash profits following Powell's death (and not 20%), excess distributions paid to Sullivan would be significantly greater than the \$1,053,551 as indicated in Table 1.



<sup>12</sup> For all purmers during the period from 2002 through 2007.

- 17. Not only were distributions to Sullivan/Powell in excess of the 20% allocation pursuant to Annual Partner Statements and S&P's 2008 tax return, 14 but distributions to Sullivan/Powell were in excess of both the income that should have been allocable to Sullivan/Powell under Article 5.01 and oash profits distributable to Sullivan/Powell under Article 5.02, as discussed below.
- 18. S&P's business activity was fimited to investing in BLMIS. Therefore, montes received from BLMIS were S&P's only source of operating cash flows available to fund S&P partner distributions, including the distributions to Sullivan and Powell. Although the cash inflows from BLMIS included both investment redemptions and investment profits/gains, S&P's accounting records do not separately identify the amount of investor redemptions and profits with respect to amounts received from BLMIS. Accordingly, although Article 5.02 provides that 20% of S&P's profits/cash flow shall be distributed to Sullivan/Powell. Sullivan/Powell never maintained an accounting of actual cash profits received by S&P which should have been the basis of distributions to Sullivan/Powell under Article 5.02.
- 19. In fact, no distributions were allocable or payable to Sullivan/Powell. BLMIS was a fraudulent scheme, and the income/capital gains reported by S&P were in fact fictitious. Notwithstanding, S&P allocated to Sullivan/Powell 20% of such fictifious income, resulting in increases to Sullivan/Powell's capital accounts based solely on fictitious profits, which were then distributed to Sullivan/Powell. Since the profits were fictitious, there should in fact have been no allocation of the 20% to Sullivan/Powell under Article 5.01. Since there were no real allocable profits, all the distributions paid by S&P to Sullivan/Powell were in excess of cash profits payable to Sullivan/Powell under Article 5.02 of the S&P Partnership Agreement.
- 20. As noted, no profits were allocable or distributable to Sullivan/Powell under the S&P Partnership Agreement. Assuming no capital contributions, the capital accounts of Sullivan/Powell at S&P should therefore have reflected significantly negative balances due to the distribution of profits which in fact, did not exist.
- 21, In addition to S&P's distributions to Sullivan/Powell being in excess of amounts due and owing under Articles 5.01 and 5.02 as discussed above, some or all of these improper



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<sup>14</sup> Table 1

distributions to Sullivan/Powell were improperly funded by partner contributions into S&P, which contributions were intended to be invested into BLMIS.

- 22. Beginning in 2002 and during each year thereafter until 2008, monies received by S&P from BLMIS were insufficient to fund S&P's aggregate disbursements for distributions to Sullivan/Powell and distributions/redemptions to S&P Other Partners. In order to fund this deficiency, investor contributions received by S&P were not wholly remitted to BLMIS; rather, a portion of investor monies were inappropriately retained to fund distributions to Sullivan/Powell and distributions/redemptions to S&P Other Partners.
- During the Analysis Period, S&P withheld Investor contributions aggregating over \$24 million, which monles were inappropriately not remitted to Madoff, but instead, retained by S&P and used to fund distributions to Sullivan/Powell and distributions/redemptions to S&P Other Partners. In fact, as Table 2 indicates, in every single year from 2002 through 2008, Sullivan/Powell so mismanaged the partnership that distributions/redemptions to S&P Other Partners (even before distributions to Sullivan/Powell) were in excess of cash inflows from Madoff. Therefore, some or all of the distributions to S&P Other Partners, were funded by investor monles earmarked for BLIMS investments. Clearly, investor contributions cannot be considered income or profits available for distribution to Sullivan/Powell and S&P Other Partners under Articles 5.01 and 5.02.15 Therefore, Sullivan/Powell's actions constitute a breach of their fiduciary duty to S&P's investors.

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<sup>15</sup> S&F Partnership Agreement.

Table 2: S&P's Redemptions/Distributions to S&P Other Partners and Distributions to Sullivan/Powell funded by Investor monies

Year	Cash From BLMIS <sup>1</sup>	Distributions/ Redemptions -S&P Other Partners <sup>2</sup>	Distributions to Sullivan/Powell <sup>3</sup>	Deficiency funded by investor monles
a mail of Allifornia and the	A	. B	G	ABC
2002	3,505,000	(17,986,202)	(495,226)	(14,976,428)
2003	4,065,000	(4,073,746)	(581,818)	(590,584)
2004	7,100,000	(8,786,002)	(573,599)	(2,258,601)
2005	1,385,000	(1,953,139)	(646,955)	(1,215,093)
2006	1,175,000	(2,517,032)	(662, 164)	(2,004,196)
2007	2,490,000	(2,954,982)	(791,389)	(1,256,371)
2008	1,875,000	(2,823,370)	(990,000)	(1,738,370)
Total:	\$ 21,595,000	\$ (40,893,472)	\$ (4,741,151).	\$ (24,039,623)

### Notes:

24. S&P's stated business purpose was to invest in all types of marketplace securities. Although it was incumbent upon S&P to remit investor contributions for investments such as BLMIS, S&P inappropriately withheld monles from investor contributions for the purpose of funding distributions to Sullivan/Powell and distributions/redemptions to S&P Other Partners, as discussed above.

### VL DISTRIBUTIONS TO SULLIVAN/POWELL FROM P&S

25. The P&S Partnership Agreement provides for partnership profits to be allocated and distributed consistently between its managing general partners (Sullivan/Powell) and other partners. Specifically, Section 5.01 provides that the capital gains, capital losses, dividends, interest, margin interest expense and all other profits and losses attributable to



<sup>(1) &</sup>quot;Madoff Cash Flow"s prepared by Moecker.

<sup>(2)</sup> Exoluding Sullivan/Powell. Source: S&P Armual Pariner Statements.

<sup>(3). &</sup>quot;Sullivem/Powell Distributions" prepared by Moecker.

<sup>16</sup> P&S Associates GP Amended and Restated Parinership Agreement dated December 21, 1994.

P&S are to be allocated as follows: 20% to Sullivan/Powell and 80% to the other partners ("P&S Other Partners"). With respect to distribution of profits, Article 5.02 of the P&S Partnership Agreement provides for profits/pash flow to be distributed at least once per year as follows: 20% to Sullivan/Powell and 80% to P&S Other Partners.

- 26. Article 8.01 of the P&S Partnership Agreement provides that Sullivan/Powell shall be responsible for management of P&S' operations, but shall receive no salary or compensation from P&S. The only consideration payable to Sullivan/Powell for management functions was the 20% allocation of P&S' net income/profits under Article 5.01, discussed above.
- 27 The Conservator's financial advisor, Moecker, compiled the following schedules/analyses which were provided to KM with respect to P&S, collectively the "Moecker Schedules":
  - Distributions paid to Sullivan/Powell by P&S during the Analysis Period ("Sullivan/Powell Distributions")
  - Cash receipts from, and investment remittances to Madoff with respect to the Analysis Period ("Madoff Cash Flows")
  - trivestor contributions and withdrawals ("P&S Investor Cash Flows")
- 28. In analyzing Sullivan/Powell Distributions paid by P&S, we reviewed the Moecker Schedules in conjunction with P&S' general ledgers, tax returns and cash registers. We also considered our findings as presented in the Mukamai 2013 Expert Report.
- 29. As noted above, Article 5.01 provides for 20% of the partnership's net income to be allocated to Sullivan/Powell. P&S Annual Partner Statements17 Identify the amount of income allocable to each partner during the year, along with the 20% allocation to Sullivan/Powell.18 Our analysis indicates that in the aggregate.19 actual distributions to Sullivan/Powel) from P&S exceeded the 20% allocation to Sullivan/Powell by

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<sup>17</sup> On an annual basis, at year-end, S&P prepared statements summarizing the activity each investor's capital account with respect to contributions, withdrawals, allocable income, management fees, and allocable expenses.

18 Although the Annual Pariner Statements characterize this 20% allocation as "Management fees", there are no management fee

agreements provided.

For all partners during the period from 2002 through 2007.

\$376,031,<sup>20</sup> Accordingly, Sullivan/Powell were overpaid to the extent of at least \$376,031, notwithstanding that no distributions were actually due and payable to Sullivan/Powell under the P&S Partnership Agreement, as discussed in subsequent sections of this Report. Sullivan/Powell distributions totaling \$2,403,010 were paid as follows: \$381,681 was paid directly to the Kelco Foundations and inappropriately reported as charitable contributions on P&S' tax returns, and the balance of \$2,021,150 was paid to Sullivan and Powell until Powell's death in August 2003, and to Sullivan only from September 2003 forward.

Table 3: Comparison of distributions paid to Sullivan/Powell and allocable distributions per P & S Pertnership Agreement

Year	20% allocation to Sullivan/Powell <sup>1</sup>	Distributions paid to Sullivan/Powell *	Excess (Deficient) Distributions to Sullivan/Powell
2002	239,054	174,608	(64,445)
2003	262,310	264,358	2,048
2004	309,368	319,831	10,463
2005	317,472	286,377	(32,096)
2006	486,637	449,123	(37,514)
2007	412,139	531,351	119,213
2008	. 1997	378,361	378,361
Totals	2,026,980	. 2,403,010	376,031

(1) Source: P&S Annual Partner Statements for 2002 through 2007. For 2008, P&S tax return indicated substantial lasses that to the write off of its investments in Madoff. In the absence of allocable net profits in 2008, no distributions are payable to Sullivan/Powell pursuant to Articles 5,01 and 5.02 of the P&S Partnership Agreement.

(2) Seurce: Stdlivan/Pawell Distributions.

<sup>&</sup>lt;sup>20</sup> Following the death of Powell in 2003, Sullivan continued as the sole managing general partner of P&S, and allocated/distributed the entire 20% share of P&S' purported "profits" to himself, thereby doubling his distributions from P&S. It is nuclear if Sullivan should have obtained the approval of the majority of the partners pursuant to Article 8.06 of P&S'. Partnership Agreement, If Sullivan was entitled to distributions of only To% of P&S' net income/cssh predict fullowing Powell's death (and not 20%), excess distributions paid to Sullivan would be significantly greater than the \$372,493 as Indicated in Table 3.

- 30. Not only were distributions to Sulfivan/Powell in excess of the 20% allocation pursuant to Annual Partner Statements and its 2008 tax return, 21 but distributions to Sulfivan/Powell were in excess of both the income that should have been allocable to Sulfivan/Powell under Article 5.01 and cash profits distributable to Sulfivan/Powell under Article 5.02.
- 31. P&S' business activity was limited to investing in BLMIS. Therefore, mortles received from BLMIS were P&S' only source of operating cash flows available to fund P&S partner distributions, including the distributions to Sullivan and Powell. Although the cash inflows from BLMIS included both investment redemptions and investment profits/gains, P&S' accounting records do not separately identify the amount of investor redemptions and profits with respect to amounts received from BLMIS. Accordingly, although Article 5.02 provides that 20% of P&S profits/cash flow shall be distributed to Sullivan/Powell, Sullivan/Powell never maintained an accounting of actual cash profits received by P&S which should have been the basis of distributions to Sullivan/Powell under Article 5.02.
- 32. In fact, no distributions were allocable or payable to Sullivan/Powell. BLMIS was a fraudulent scheme, and the income/capital gains reported by P&S were in fact fictitious. Notwithstanding, P&S allocated to Sullivan/Powell 20% of such fictitious income, resulting in increases to Sullivan/Powell's capital accounts based solely on fictitious profits, which were then distributed to Sullivan/Powell. Since the profits were fictitious, there should in fact have been no allocation of the 20% to Sullivan/Powell under Article 5.01. Since there were no real allocable profits, all the distributions paid by P&S to Sullivan/Powell were in excess of cash profits payable to Sullivan/Powell under Article 5.02 of the P&S Partnership Agreement.
- 33. As noted, no profits were allocable or distributable to Sullivan/Powell under the P&S Partnership Agreement. Assuming no capital contributions, the capital accounts of Sullivan/Powell at P&S should therefore have reflected significantly negative balances due to the distribution of profits which in fact, did not exist.
- 34. In addition to P&S' distributions to Sullivan/Powell being in excess of amounts due and owing under Articles 5.01 and 5.02 as discussed above, some or all of these improper

<sup>71</sup> Table 3

distributions to Sullivan/Powell were improperly funded by partner contributions into P&S, which contributions were intended to be invested into BLMIS.

35. In 2002 and during each year thereafter until 2008, monies received by P&S from BLMIS were insufficient to fund P&S' aggregate disbursements for distributions to Sullivan/Powell and distributions/redemptions to P&S Other Partners. In order to fund this deficiency, investor contributions received by P&S were not wholly remitted to BLMIS; rather, a portion of investor monies were inappropriately retained to fund distributions to Sullivan/Powell and distributions/redemptions to P&S Other Partners.

36. During the Analysis Period, P&S withheld investor contributions approximating almost \$4 million, which monies were inappropriately not remitted to Madoff, but instead, retained by P&S and used to fund distributions to Sullivan/Powell and distributions/redemptions to P&S Other Partners. In fact, as Table 2 indicates, in most years within the Analysis Period, Sullivan/Powell so mismanaged the partnership that distributions/redemptions to P&S Other Partners (even before distributions to Sullivan/Powell) were in excess of cash inflows from Madoff. Therefore, some or all of the distributions to Sullivan/Powell, in addition to some or all of the distributions/redemptions to P&S Other Partners, were funded by investor monies earmarked for BLMIS investments. Clearly, investor contributions cannot be considered income or profits available for distribution to Sullivan/Powell and distributions/redemptions to P&S Other Partners under Articles 5.01 and 5.02.<sup>22</sup> Therefore, Sullivan/Powell's actions constitute a breach of their fiduciary duty to P&S' partners.

<sup>27</sup> P&S Partnership Agreement.

Table 4: P&S Distributions to P&S Other Partners and Sullivan/Powell funded by Investor monies

Year	Cash From BLMIS 1	Distributions/ Redemptions -P&S Other Partners <sup>2</sup>	Distributions to Sullivan/Powell <sup>3</sup>	Deficiency funded by investor monies
i i i i i i i i i i i i i i i i i i i	A	Ç	₽	A-B-C
2002	735,000	(564,633)	(174,608)	(4,241)
2003	1,875,000	(2,297,450)	(264,358)	(686,808)
2004	2,615,000	(3,345,198)	(319,831)	(1,050,030)
2005	1,565,000	(1,884,680)	(285,377)	(605,057)
2006	2,700,000	(2,498,904)	(449,123)	(248,027)
2007	6,940,000	(7,271,002)	(531,351)	(862,354)
2008	1,425,000	(1,547,785)	(378,361)	(501,147)
Total:	\$ 17,855,000	<b>\$</b> (19,409,653)	\$ (2,403,010)	\$ (3,957,663)

### Notes:

38. P&S' stated business purpose was to invest in all types of marketplace securities. Although it was incumbent upon P&S to remit investor contributions for investments such as BLMIS, P&S inappropriately withheld monies from investor contributions for the purpose of funding distributions to Sullivan/Powell and distributions/redemptions to P&S Other Partners as discussed above.

### VII. REVIEW OF PARTNERSHIP ACCOUNTING RECORDS

39. We reviewed, in general, the Partnerships' accounting records located at Moecker's offices. The Partnerships maintained a file for each semi-annual period which included general ledgers, cash registers, and document support for investor contributions and withdrawals. In arriving at the observations discussed below with respect to the

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<sup>(</sup>I) "Modoff Cash Flow"x prepared by Moccker.

<sup>[2]</sup> Exchaling Sufficent/Powell. Source: P&S Annual Partner Statements;

<sup>(3) &</sup>quot;Sullivan/Powell Disaributions" prepared by Moecker.

Partnerships' accounting records, we also considered our findings as presented in the Mukamal 2013 Expert Report.

- 40. Article 2.02 of both the P&S Partnership Agreement and the S&P Partnership Agreement states that the general purpose of the Partnerships was to invest, in cash or on margin, in all types of marketplace securities. When funds were received from investors, the Partnerships provided investors with a letter ("Investment Letter") which acknowledged the contribution and provided assurance that "at your direction, these funds are being forwarded to the investment broker." Notwithstanding the assurance in the investment Letter and in breach of the Partnership Agreements, the Partnerships did not remit all contributions received from investors to Madoff. Instead, the Partnerships inappropriately retained funds for the purpose of funding distributions to Sullivan/Powell and distributions/redemptions to other partners as discussed in preceding sections of this Report.
- 41. Also as noted in preceding sections of this Report, distributions paid to Sullivan/Powell by S&P and P&S were in excess of allocable due and owing to them pursuant to both Article 5.1 and Article 5.2 of the S&P Partnership Agreement, and the P&S Partnership Agreement, respectively.
- 42. The distributions to Sullivan/Powell are supported by quarterly calculations included in the Partnerships' accounting records; these calculations are based on the purported gain reported by BLMIS at year end. The quarterly calculations also indicate amounts earmarked for/or to be paid to "A&B" for select clients, presumably as commissions on investment sales. We are advised that A&B refers to defendants Aveiling and Bienes, parties prohibited by the SEC from participating in the sale of securities.<sup>23</sup>
- 43. We noted that the Partnerships did not maintain individual investor files. Instead, accounting files were maintained for each six-menth period from January through June, and from July through December. Investor statements were prepared at the end of each year. Therefore, the Partnerships did not maintain, on a real time basis, information with respect to the investment accounts of individual investors.

<sup>&</sup>lt;sup>23</sup> Mukamal 2013 Expert Report, p 8-9





Additionally, the Partnerships' record keeping was found to be inconsistent with Article 5.01 of the Partnership Agreements, which provides for profits or losses to be allocated based on each partner's capital account "on an actual daily basis commencing on the date of the partner's admission to the Partnerships." In fact, the Partnerships adjusted the ownership percentage of each investor only once annually – at the end of the year. Therefore, notwithstanding investor contributions or withdrawals which were transacted during the course of the year, the Partnerships assumed that all such transactions were effected on the last date of the year, and made adjustments to ownership percentages accordingly. The net effect of this recording was that partner accounts were misallocated items of income and expenses, and capital account balances at year end were likely inaccurate with respect to incoming or outgoing partners.

### VIII. SOLVENCY ANALYSIS OF THE PARTNERSHIPS

- 45. The U.S. Bankruptoy Code (the "Code") in §101(32) defines insolvency as the financial condition of an entity such that the sum of the entity's debts is greater than all of the entity's property, at a fair valuation ("Balance Sheet Test").
- In §548(a)(1)(B)(ii)(iii), the Code defines a form of financial distress where a company intended to incur, or believed that the debtor would incur, debts that would be beyond the company's ability to pay as such debts matured ("Cash Flow Test"). Finally, in §548(a)(1)(B)(ii)(II), the Code also defines a form of financial distress where a company is engaged in business or a transaction, or is about to engage in business or a transaction, for which any property remaining with the debtor is an unreasonably small capital (the "Capital Adequacy Test"),
- 47. For purposes of this report, KM analyzed whether the Partnerships were insolvent as defined in the Code under both the Balance Sheet Test and the Cash Flow Test.



### Solvency Analysis of S&P

- 48. S&P filed federal income tax returns for each year from 2002 through 2008. These returns were prepared on the accrual basis of accounting and identify S&P's assets, liabilities and net income during the Analysis Period (collectively, "S&P Tax Returns").
- 49. S&P Tax Returns indicate that S&P's assets included cash and equivalents, its investments in BLMIS and some receivables. Liabilities included accruals and some payables. For purposes of S&P's solvency analysis with respect to the Balance Sheet Test, the following adjustments were recorded:
  - a. Investments in BLMIS were assumed to be worthless.
  - b. Restitution liabilities resulting from partner contributions into S&P which contributions were not remitted to Madoff, but instead inappropriately retained by S&P to pay distributions to Sullivan/Powell and distributions/redemptions to S&P Other Partners. Sullivan/Powell misappropriated capital contributions exceeding \$24 million from partners, and used such monies for purposes other than investments in Madoff (for which the monies were intended).<sup>24</sup>
- 50. Pursuant to the adjustments recorded per ¶48 above, S&P's debts exceeded the fair value of its assets during each year within the Analysis Period.<sup>25</sup> Accordingly, S&P was insolvent during the entire Analysis Period under the Balance Sheet Test for insolvency.
- 51. Almost all of the income reported by S&P during the Analysis Period represented dividends and capital gains from S&P's investments in BLMIS.<sup>26</sup> BLMIS was in fact a fraudulent scheme, and the income and capital gains reported by S&P with respect to its investments in BLMIS was therefore fictitious. In the absence of any meaningful income,

<sup>26</sup> S&P Tex Repures.





<sup>&</sup>lt;sup>24</sup> Table 2

<sup>&</sup>lt;sup>25</sup> Exhibit 3

S&P was insolvent during the entire Analysis Perlod under the Cash Flow Test of insolvency.

52. S&P dld not have any capital (i.e. assets in excess of obligations) after adjustments recorded per ¶48 above during the Analysis Period.<sup>27</sup> Therefore, S&P was insolvent throughout the Analysis Period under the Capital Adequacy Test of insolvency.

### Solvency Analysis of P&S

- 53. P&S filed federal income tax returns for each year for each year from 2002 through 2008. These neturns were prepared on the accruat basis of accounting and identify P&S's assets, liabilities and net income during the Analysis Period (collectively, "P&S Tax Returns").
- During the Analysis Period, P&S' assets included cash and equivalents, its investments in BLMIS and some receivables. Liabilities included accruals and some payables. For purposes of P&S' solvency analysis with respect to the Balance Sheet Test, the following adjustments were recorded:
  - a. Investments in BLMIS were assumed to be worthless.
  - b. Restitution claim resulting from partner contributions into P&S which contributions were not remitted to Madoff, but instead inappropriately retained by P&S to pay distributions to Sullivan/Powell and P&S Other Partners. As discussed, Sullivan/Powell misappropriated capital contributions approximating \$4 million from partners, and used such monies for purposes other than investments in Madoff (for which the monies were intended).<sup>28</sup>
- 55. Pursuant to the adjustments recorded per ¶53 above, P&S' debts exceeded the fair value of its assets during each year end within the Analysis Period.<sup>29</sup> Accordingly, P&S was Insolvent throughout the Analysis Period under the Balance Sheet Test for insolvency.

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<sup>27</sup> Exhibit 3

<sup>22</sup> Table 4

<sup>29</sup> Exhibit 4

- Almost all of the income reported by P&S during the Analysis Period reflected dividends and capital gains from P&S' investments in BLMiS.<sup>20</sup> BLMiS was exposed as a fraudulent scheme; therefore, the income reported by P&S with respect to its investments in BLMiS during the Analysis Period was ficilitious. In the absence of any meaningful income, P&S was insolvent throughout the Analysis Period under the Cash Flow Test of insolvency.
- 57. P&S did not have any capital (i.e. assets in excess of obligations) after adjustments recorded per ¶53 above. Therefore, P&S was insolvent during the entire Analysis Period under the Capital Adequacy Test of Insolvency.

Respectfully submitted,

Barry Mukamaly

CPA/PF6/ABVICFE/CFF/CIRA

<u>bmukamal@kapilamukamal.com</u> KapilaMukamal, LLP

1 SE 3rd Avenue, Suite 2150

Mlaml, FL 33131

The F&S Tax Roupes.



# BARRY E. MUKAMAL

## CPA\*/PFS/ABV/CFE/CFF/CIRA

### EDUCATION & DESIGNATIONS

CPA - Certified Public Ac	countant, regulated by the State of Florida	1978
CFE - Certified Fraud Exa	aminer	1994
PFS - Personal Financial Accountants	Specialist, conferred by the American Institute of Certified Public	1990
Accountants	ness Valuation, conferred by the American (natitute of Cartified Public	2000
OFF - Certified in Financi Accountants	af Forensice, conferred by the American Institute of Certified Public	2009
CIRA - Certified Insolven	cy and Restructuring Advisor	2009
M.B.A Accounting and	Business Administration- University of Buffalo	1977
B.S Accounting, Univer	sity of Buffalo	1976

Extensive continued education in the areas of business valuation, forensic accounting, accounting and auditing, as well as meeting bi-annual requirements for all designations of AICPA and ACFE for continued professional education.

### PROFESSIONAL EXPERIENCE

May 2014-
present 1997-2014
1982-1997
1981
<b>1980</b>
1977-1980

### ARTICLES, SEMINARS & PRESENTATIONS

"Pagel Discussion: All in the Family: Advising the Closely Held Corporation" BBA/AIRA Joint Bankruptcy & Restructuring Program and Reception	2015
"Valuation Disputes in Bankruptcy" AIRA - Florida Regional Seminar and Reception	2014
"Chapter 7 Panel Discussion"	2013
University of Miami School of Law - 23rd Annual Bankruptey Skills Workshop	
"Chapter 7 -Panel Discussion on the proper use of exemptions, lien stripping of second mortgages, preparation of bankruptcy schedules, and the sale of underwater real property by Trustees."	2013
Bankruptcy Bar Association - Southern District of Floride   Benkruptcy Skills Workshop, June	
2013	
"Timeshare and Hotel Bankruptoles" February 2013	2013
American Bankruptcy Institute	
"Handloapping the Playing Field: Addressing Frequent Issues in Bankruptcy Litigation"	2012
Presented at ACCA-SFL's Third Annual CLE Conference	
"Symposium I- Protecting Asset Protection: What Works, What Doesn't and Why?"	2012
Presented at ACTEC Annual Meeting	
"Fiduclary Responsibilities of Professionals in Bankruptcy"	2017
Presented at the Central Florida Bankruptcy Law Association Annual Seminar	
"The Financial Distressed Client: Positioning the Client for Modification, Bankruptcy and/or	2011
Foreclosure"	

BARRY E. MUKAMAL PAGE 2

### The Institute 33rd Annual - Florida Chapter

Ethics Presentation	2011
Florida Flduciary Forum	
"The Bankruptcy Process and Bankruptcy Restructuring for Lawyers"	2010.
AAJ Winter Convention	2011
*Top Ten DSO issues in Bankruptcy"	2010
Bankruptcy Trustee Association Training Seminars	
*Top Ten DSQ Issues in Bankruptcy"	2009
Continuing Legal Education (CLE) Fall Conference	
"Bankruptoy and Marilal Debts; is it Enforceable or Dischargeable?"	2009.
ABA Section of Family Law	2010
"Privacy and Security Issues"	2009
National Association of Bankruptcy Trustees (NABT) Spring Seminar	
"Taxation Issues Facing The Domestic Relations Practitioner"	
Presented at Palm Beach County Bar Association Family Law CLE Committee	
"Privacy and Security Issues in a Trustee's Office and ECF Environment"	
Netional Association of Bankruptcy Trustees	
"Keep Your Client From Drowning: How to Deal with Bankruptcles and Foreclosures"	2010
AAML 32nd Annual Institute - SA Symposium	
"Understanding Financial Discovery"	
Florida Board, Family Law Financial Accounting and Cross Examination Seminar	
"Federal Tax Filing Reguirements"	
Regional 21 Bankruptcy Trustee Association	
"The Chapter 7 Debtor From the Perspectives of a Chapter 7 Trustee, v.s. Trustee, and Counsel	2010
for a Debtor or a Creditor",	
University of Miami School of Law and Bankruptcy Bar Association	
the state of the s	

### RANGE OF EXPERIENCE

A Co-Managing Partner at KapilaMukamal, Barry Mukamal brings more than 35 years of multidisciplinary experience to the firm. Experienced in some 30 industries, he successfully addresses complex Issues in bankruptcy and insolvency, capital recovery, fraud, business valuation and economic damages. Mr. Mukamal is a Chapter 7 Panel Trustee in the Southern District of Florida. He has extensive experience operating businesses and liquidating their assets in the U.S. Bankruptcy Court system as well as In state court proceedings. He has been appointed as liquidating trustee and/or plan administrator in numerous complex cases requiring administration and resolution of litigation, quantification of economic damages and resolution of claims. As plan administrator or trustee on several falled commercial real estate projects, Mr. Mükamal has managed and marketed the completion of construction projects including resolving related creditor claims and construction contractor claims. Mr. Mukamai has represented debtors, creditors and creditors' committees in matters of insolvency fraud and abuse, and has assisted trustees in their asset recovery efforts. He has served as a court appointed receiver and mediator, and has testified as an expert witness at the local, state and federal level. He has extensive experience in litigation involving preference transfers and fraudulent conveyances in the context of bankrupt entities. Mr. Mukamal's extensive litigation support experience includes matrimonial dissolution, lost profits litigation, fraud investigations and business valuations. He has been involved in numerous high profile, high-net-worth diverges involving assets in the U.S. and abroad. In addition, he has been retained in Investigations and embazzlement issues associated with financial fraud schemes such as Ponzi schemes and occupational fraud. His experience also extends to lost profits fitigation, damages in relation to breach of contract, and personal injury and wrongful death actions, Mr. Mukamal's testimony for the plaintiff in a patent damage action facilitated a multimillion dollar award for the client. Mr. Mukamal's involvement with audit and review engagements make him particularly qualified to address lasues of accounting malpractice and to testify in such areas. He has been involved in audit, review, accounting and tax engagements ranging from small, closely-held entitles to SEC clients in various industries, including insurance, manufacturing, distribution, real estate, health care, publishing, agriculture, seafood and aviation.

Mr. Mukamal was appointed in 2009 and still currently serves as the Trustee for the Mititual Benealts Keep Polloy Trust, a trust arising from an SEC receivership for the purpose of maintaining and administering viatical BARRY'E, MUKAMAL PAGE 3

policies originally held by the Mutual Benefits Corporation. The trust consisted of approximately 2,400 policies having approximately 10,000 active investors owning 16,700 fractional interests. As trustee, Mr. Mukamal is responsible for maintaining existing policies, distributing proceeds of matured policies to investors, maximizing premium dollars and monetizing forfeited interests. Furthermore, Mr. Mukamal's responsibilities include continuous evaluation of operational, financial controls, and oversight of servicing functions. The trust is ongoing and in active liquidation. Over the last five years, over 200 million dollars in benefits has been distributed to the victims.

### PROFESSIONAL & CIVIC AFFILIATIONS

Arrierican institute of Certified Public Accountants (AICPA) Florida Institute of Certified Public Accountants (FICPA) Association of Certified Fraud Examiners Chapter 7 Panel Trustee, Southern District of Florida

### **AWARDS**

Litigation Key Partner Award Winner, South Florida Business Journal 2006
Top CPAs in Litigation Support in South Florida, South Florida Legal Guide 2009-2012
Power Leaders in Law and Accounting, South Florida Business Journal 2014

	Court	Case Number	Mudge	Type of Testimony	rear,
MORTGAGES, LTD.	DISTRICT OF AREONA	CASE NO.		DEPOSITION	
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AALPH, GOETZ					
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VEITH PADRON INCORPORATED				transport annual transport	
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V. John R. Reeler					
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HOWARD M. EHRENBERG, CHAPTER 7 TRUSTEE	MIAMI-DADE			DEPOSITION/TESTIMONY	
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MOLINA HEALTRCARE OF FLORIDA INC. V PHYSICIAN CONSORTH IM SPRVICES ILC.	MANH-DADE	32-493-00816-1D		DEPOSITION	2012
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IRONSHORE INDERINKTY INC. et al V BANNON 1086-32 LLC ET AL. ROBERT FURR TRUSTEE	BANKRUPTCY COURT SOUTHERN DISTRICT OF FLORIDA	12-CV-61678-MGC 13- CV-61753-WIZ 12-CV- 61813-KMW		DEPOSITION	2014
Patricia montes de oca v Jose juan renterià	GRCUIT COURT - MANI-DADE COUNTY, FLORIDA	2012-021622-FC-04	** ** ** ** ** ** ** ** ** ** ** ** **	Testinony	2014
BANNING LARY, MD, ET AL. V. BOSTŌN SCIENTIFIC CORPORAȚION	US DISTRICT COURT SOUTHERN DISTRICT OF FLORIDA	1:13-cv-23820-OʻSUILIVAN	G'SULLIVAN.	Deposition & Trial	2014
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		Court	Case Number	Judge	Type of Testimony	Year
TELTRONICS, INC.		BANKRUPTEY COURT MIDDLE 8:11-8K-12150-KRM DISTRICT OF FLORIDA	8.11-8K-12150-KBM	KRIM	Deposition & Trial	2015
ARAZOZA BRÖTHERS CORP.	Andrew Commission of the Commi	CROUNT COURT MIAMI-DADE COUNTY, FLORIDA	13-1908 CA 25		Deposition	2015
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TELTRONICS, INC.		BANKRUPTCY COURT MIDDLE 8-11-8K-12/50-KRM DISTRICT OF FLORIDA	8:11-8K-12350-KRM	XRNA	Deposition & Triel	2015
RONALD DEMASI		BANKRUPTCY COURT MIRDLE 8:13-8K-08405-NGW DISTRICT OF FLORIDA	8-13-8K-08405-MGW	WEW	Deposition & Trial	2015
XTEC, INC.		GRGUIT COURT MIAMI-DADE COUNTY, RICKIDA	13-38362 CA 09		Deposition & Trial	2025
FUTURESELECT PORTFOLIO MANASÈMENT, INC TREMONT SKOUP HOLDINGS, INC.	; <u>;</u>	STATE OF WASHINGTON	10-2-30732-0 SEA		Deposition & Trial	sióz
TAYLOR, BEAN & WHITAKEN, FLAN TRUST PRICEWATERHOUSECOGPERS, LLP	>	LITH JUDICAL CIRCUM MIANT-DADE COUNTY	13-33964 (40)		Deposition	2015
AGRO SURPLY, S.A. AGRITKADE, LP	s	LITH JUDICAL CREUT. MIAMI-DADE COUNTY	13-15718 CA 01		Deposition & Trial	2015/2016
Dsabiuty Law Claims, Pa, et al. y. Im solutions. Llc		DISTRICT COLPST SOUTHERN DISTRICT OF FLORIDA	14-6177-CN-DIMITROULEAS /SNOW		Deposition	\$615

### EXHIBIT I

S&P Associates, General Partnership P&S Associates, General Partnership Exhibit 1 - Documents Utilized

- 1. S&P Amended and Restated Partnership Agreement, dated December 21, 1994
- 2. P&S Associates GP Amended and Restated Partnership Agreement, dated December 21, 1994
- 3. Fifth Amended Complaint dated January 9, 2015
- 4. Complaint filed by Margaret J. Smith, et al v. Michael D. Sullivan et al, on December 10, 2012
- 5. Spreadsheets prepared by Moecker based on analysis of S&P and P&S records:
  - a. List of S&P and P&S payments to Sullivan/Powell
  - b. List of payments from S&P and P&S to Bernard Madoff Investment Securities, LLC ("BLMIS")
  - c. List of deposits into S&P and P&S from BLMIS
- 6. Spreadsheets prepared by Mocker that summarize information reported by 8&P and P&S on partner annual statements as follows:
  - a. Annual summary by general partner of each general partners capital account beginning balance, new investments, management fees, expenses, gain (loss) and ending capital balance.
  - b. Cash-In Cash-Out annual total by partner and resulting net cash investment
- 7. S&P Tax Returns for the years ending 2002 through 2008
- 8. P&S Tax Returns for the years ending 2002 through 2008
- 9. S&P general ledgers, bank registers, financial statements and trial balances for certain periods during 2002 through 2008.
- 10. P&S general ledgers, bank registers, financial statements and trial balances for certain periods during 2002 through 2008.
- 11. S&P monthly accounting files for the period of 2002 through 2008
- 12. P&S monthly accounting files for the period of 2002 through 2008
- 13. S&P reports from BMIS titled "Portfolio Management Report" for each year end from 2002 through 2007, and the period ended 9/30/08.
- 13. P&S reports from BMIS titled "Portfolio Management Report" for each year end from 2002 through 2007, and the period ended 9/30/08.
- 14. S&P quarterly calculations prepared with respect to distributions to Sullivan/Powell by managing general partner
- 15. P&S quarterly calculations prepared with respect to distributions to Sullivan/Powell by managing general partner

# CIRCUIT COURT OF THE SEVENTBENTH JUDICIAL DISTRICT, IN AND FOR BROWARD COUNTY, FLORIDA

Re;	
P&S ASSOCIATES, GENERAL PARTNERSHIP AND S&P ASSOCIATES, GENERAL PARTNERSHIP	CASE NO.: 12-028324(07)

EXPERT REPORT OF BARRY MUKAMAL, CPA/PFS/ABV/CFE/CFF

November 11, 2013

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### Expert Report of Barry E. Mukamal, CPA/PFS/ABV/CFE/CFF

### Exhibits

Exhibit 1: Documents Relied on

Exhibit 2: F&S Associates Summary of Management Fees

Exhibit 3: P&S Associates Summary of Investment Cash Activity

Exhibit 4: S&P Associates Summary of Management Fees

Exhibit 5: S&P Associates Summary of Investment Cash Activity

Exhibit 6: S&P Management Fee Calculation Example

Exhibit 7: General Partnership Agreement

### Attachment -

Attachment 1: Expert's Curriculum Vitas

Attackment 2: Expert's Testimony Record

Attachment 3: Glossary of Terms

Attachment 4: Affidavit of Barry Mukamal, CPA

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### Expert Report of Barry E. Mnkamal, CPA/PFS/ABV/CFE/CFF ("Report")

### I. Introduction

Pursuant to a court order entered on November, 1, 2013, Barry Mukamal and Marcum LLP (collectively "Marcum") have been retained by Messana, P.A., legal counsel for Phillip J. Von Kahle, as Conservator ("the Conservator") for P&S Associates, General Partnership ("P&S") and S&P Associates, General Partnership ("S&P"), to provide an opinion with respect to the following, which collectively are referred to as "the Issues":

- Determine if P&S and S&P (collectively, the "Partnerships") were managed in strict accordance with all of the provisions of the P&S' Amended and Restated Partnership Agreement dated December 21, 1994 (the "P&S Partnership Agreement"), and S&P's Amended and Restated Partnership Agreement as of the same date (the "S&P Partnership Agreement").
- Using sampling methodology, determine whether amounts with respect to new investment and distributions utilized by the Conservator in the calculation of distributions utilizing the Net Investment Method are generally reliable.
- Using sampling methodology, determine whether amounts with respect to S&P general partner, Guardian Angels, new investment and distributions utilized by the Conservator in the calculation of distributions utilizing the New Investment Method are generally reliable (see Attachment 4, Affidavit of Expert Barry Makamal).

I have not been requested to, nor have I performed analysis beyond that which was required to formulate my opinions related to the Issues and matters incidental to same. The Information, analysis, and opinions contained in this Report are based upon the specific facts and circumstances in this proceeding. I reserve the right to supplement this Report as necessary, to the extent any other relevant information becomes available between the date of this Report and the date that I may testify in this matter.

### II. Professional Qualifications of Barry Mukamal, CPA/PFS/ABV/CFE/CFF

I, Barry E. Mukamal, am a Partner in Marcum's Advisory Services Department. I am a Certified Public Accountant ("CPA") licensed in Florida. My Curriculum Vitae is attached hereto as Attachment 1 and includes additional details of my professional qualifications and experience.

<sup>&</sup>lt;sup>1</sup> S&P and P&S were formed as of the same date. It appears, based on our discussions with counsel and a "Memorandum" from Roxaune Beilly regarding "Sullivan and Powell", dated August 10, 1994 that the purpose of having two separate funds was to keep from having more than 150 partners in the Partnership so as to avoid reporting requirements of the Securities and Exchange Commission and the State of Florida.

I possess over 35 years of experience in the public accounting profession and financial services industry. I am accredited in business valuation ("ABV") and hold accreditation as a personal financial specialist ("PFS"), certified fraud examiner ("CFE"), and certified in financial forensics ("CFF"). Areas of expertise include financial accounting, business valuation, forensic (investigative) accounting in litigation proceedings, economic damages, bankruptcy and insolvency matters. I have been appointed and currently serve as a Bankruptcy Panel Trustee in the Southern District of Florida. My prior experience includes consulting and expert testimony in numerous arbitration and litigation matters. A list of cases in which I have previously provided expert testimony is also included in Attachment 2.

Other Marcum professionals have worked on this engagement under my supervision and direction. I have reviewed and am familiar with all such procedures performed and work product prepared. Marcum's fees for professional services provided are based on hours actually expended by each assigned staff member extended by the standard hourly billing rate for that individual. Hourly billing rates for professional staff working on this matter range from \$150 to \$475 Marcum has agreed to limit its fees to 85% of standard rates with a cap on total fees to complete this assignment through reporting, subject to approval of the court. Marcum's fees are not confingent on the outcome of this matter,

### III. Documents Reviewed and Relied Upon

A listing of the information that I reviewed and relied upon in preparing this Report is attached hereto as Exhibit 1.

### IV. Buckground

Both P&S and S&P were formed by Michael Sullivan ("Sullivan") and Greg Powell ("Powell") in 1992, with the stated purpose of investing in securities. In fact, P&S and S&P (collectively, the "Partnerships") invested exclusively in a Ponzi scheme perpetrated by the Bernard L. Madoff Investment Securities, LLC ("Madoff" or "BMIS"), As a consequence, profits as recorded by the Partnerships stemmed solely from investments in Madoff.

While the Partnerships themselves were victims of an investment scheme resulting in a net investment loss, losses sustained by general partners of the Partnerships ("Partners") were not

<sup>&</sup>lt;sup>2</sup> For purposes of this Report, Partners include all general partners of the Partnerships but exclude the Partnerships' managing general partners Sullivan and Powell.

proportionate to their investment. While certain Pariners received distributions in excess of their investment, other Partners either received no distributions or distributions that were lower than their investment,

At the commencement of the Partnerships, Sullivan and Powell were appointed as managing general partners of the Partnerships. Powell passed away in August 2003, and Sullivan continued as the sole managing general partner of the Partnerships.

In August of 2012, certain Pariners of the Partnerships filed a lawspit alleging that Sullivan had diverted millions of dollars from the Partnerships to himself and other insiders. In January 2013, the Conservator was appointed as conservator of the Partnerships to, among other things, wind down the affairs of the Partnerships; determine how the assets of the Partnerships are to be distributed, and to effect such distributions.

In his motion for summary judgment filed on May 31, 2013, the Conservator recommended that the Court approve the Net Investment Method for distributions to Partners, which presented preposed distributions to certain Partners and proposed objections to distributions to certain Partners. On October 7, 2013 the court approved the Net Investment Method of distribution and set for trial the other outstanding issues.

### V. Management of P&S and S&P by Sullivan

### Analysis of Management Fees Paid by P&S to Managing General Partners

Pursuant to the P&S Partnership Agreement, Article Five, Allocations and Distributions, 20% of the capital gains, capital losses, dividends, interest, margin interest expense and all other profits and losses attributable to the partnership are to be allocated to the managing general partners (the "P&S Management Fees"), and 80% to the Partners. The Conservator's financial advisor, Michael Moecker and Associates ("Moecker"), provided us with spreadsheets that they prepared based on the P&S Partner Annual statements prepared by P&S (the "P&S Annual Partner Statements"), which annual statements include a summary of the annual activity for each P&S partner related to their new investments, distributions, gains/losses, management fees and expenses for each year from 1993 through 2008.

<sup>&</sup>lt;sup>3</sup> P&S Associates GP Amended and Restated Partnership Agreement dated December 21, 1994, Article 5.01

Moccker also provided us with the following: list compiled by Moccker of the checks disbursed by P&S for management fees (the "P&S Management Fee Check List"); list compiled by Moccker of the P&S cash receipts from, and cash disbursements to, Madoff from 1993 through 2008 (the "P&S Madoff Cash Receipts & Disbursements List"); quarterly calculations of management fees prepared by the managing general partner from the P&S books and records (the "P&S Quarterly Management Fee Calculations"); year-end statements from Madoff titled Portfolio Management Report for 1993 through 2007 and for the quarter ending September 30, 2008 (the "Madoff Portfolio Reports"); general Jedgers and check registers from the P&S books and records for various periods during 1993 through 2008 and tax returns filed by P&S for the years 1993 through 2008.

Utilizing the documents listed above we performed the following:

- Compared the gains and losses allocated to P&S Partners, in the aggregate, as reported on
  the P&S Annual Partner Statements prepared by the Partnerships' managing general
  Partners, to the Madoff Portfolio Reports and tax returns filed by P&S for years ending
  1993 through 2007.\*
- Recreated the management fee to the managing general partners reported on the P&S Annual Partner Statements and compared management fees reported on the P&S Annual Partner Statements to P&S Quarterly Management Fee Calculations for the fourth quarter of the following years: 2002, 2004 through 2006 and 2008.
- Compared the each receipts and each disbursements from the P&S Madeff Cash Receipts
   Disbursements List to the P&S Madeff Portfolio Reports for years ending 1993
   through 2007 and for the quarter ending September 30, 2008
- Compared, on an annual basis, the total cash receipts from the P&S Madoff Cash Receipts & Disbursement List to the total of new investments reported for all partners in aggregate on the P&S Annual Partner Statements for years ending 1993 through 2008
- Compared, on an annual basis, the total cash disbursements from the P&S Madoff Cash Receipts & Disbursements List to the total of distributions reported for all partners in aggregate on the P&S Annual Partner Statements for years ending 1993 through 2008
- Traced a sample of the checks on the P&S Management Fee Check List to the general ledgers to identify how the checks were recorded by P&S.

<sup>&</sup>lt;sup>4</sup> The gains/losses reported on the Madoff Fortfelio Reports matched what was reported on the P&S mx returns. The gains/losses reported on the P&S Annual Partner Statements generally matched what was reported on the Madoff Portfelio Reports and P&S Tax returns, with a few immaterial exceptions.

### Our observations are as follows:

- O We were able to recreate the calculation of the management fees based on 20% of the gains/losses recorded by the managing general partners on the P&S Annual Partner Statements, with the following exceptions: for 2003 Partner (Cong of the Holy Spirit Western Province Inc.) did not have management fees reported in the amount of \$103 and for 2008 partner Moss was charged 10% management fees instead of 20%,
- The total amount actually paid for management fees during the period from 1993 through 2008 ("Review Period") in the amount of \$3,178,451,97 listed on the P&S Management Fees Paid List is \$34,252.61 greater than the amount that should have been paid under the calculation by P&S managing general partners on the P&S Quarterly Management Fee Calculations and on the P&S Amual Partner Statements in the amount of \$3,144,199,36 (see Exhibit 2).6
- P&S paid a portion of the 20% management fee directly to Kelco Foundation (total paid from 1993 -2008 is \$744,799), which fees were reported by P&S on its tax returns as charitable donations. The balance of the management fees were paid to Powell and Sullivan until Powell's death in August, 2003, and to Michael D. Sullivan & Associates from September 2003 forward.
- Each of the P&S Quarterly Management Fee Calculations (as prepared by the managing general partner(s)) indicate amounts earmarked for/or to be paid to "A&B". Meecker has informed us that based on their review of the P&S books and records and other records related to Powell and/or Sullivan's other entities, A&B refers to Frank J. Avellino ("Avellino") and Michael S. Bienes ("Bienes"), parties prohibited by the SEC to participate in the sale of securities.
- Although Article 2.02 of the P&S Partnership Agreement stated that the general purpose of the partnership was to invest, in cash or on margin, in all types of marketplace securities, during the Review Period and especially beginning in 2003, P&S did not remit all capital contributions received from its Partners for new investments. Instead P&S retained significant monies, as tabulated below.

Although certain gains were recorded by the Parmership, as previously discussed, as a consequence of exchasively investing in a Ponzi scheme, the Parmership recorded profits stemming solely from investments in Madoff.

<sup>&</sup>lt;sup>6</sup> For purposes of comparing the management fees paid to the management fees calculated, we used the management fees calculated by the managing general partners on the P&S Annual Partner Statements.

<sup>&</sup>lt;sup>7</sup> Although we identified that funds were being carmarked or paid to Avellino and Bienes from the P&S Quarterly Management Fee Calculations, investigation of amounts paid to Avellino and Bienes was beyond the scope of our engagement.

Table 1:

Table 44 - 44 - 44 - 44 - 44 - 44 - 44 - 44	Capital contributions from Partners into P&S	Monies remitted by P&S to Madoff for new investment	Monies retained by P&S for other purposes
1993 - 2002	10,278,825	(10,305,465)	(26,640)
2003 - 2008	17,376,000	(12,469,503)	4,906,497
	\$ 27,654,825	\$ (22,774,968)	\$ 4,879,857

o Monies retained by P&S per Table 1 above, were utilized to fund cash requirements for payment of P&S Management Fees and for withdrawals by P&S. Partners, as demonstrated in Table 2 below. During the Review Period and particularly beginning in 2003, capital withdrawals (redemptions) received by P&S from Madoff were insufficient to fund disbursements for P&S Management Fees and to some extent, withdrawals by P&S. Partners. The resulting each deficiency was funded by monies retained by P&S from Partner contributions.

Table 2

The state of the s	Capital withdrawals received by P&S from Madoff	Pariner withdrawals disbursed by P&S	Balance available	Management Fees paid by P&S	Cash Deficiency funded by new capital contributions
1993 - 2002	4,090,323	(3,038,258)	1,052,065	(950,050)	102,015
2003 - 2008	17,120,000	(18,845,020)	(1,725,020)	(2,228,402)	(3,953,422)
	\$ 21,210,323	\$ (21,883,278)	\$ (672,955)	\$ (3,178,452)	\$ (3,851,407)

### Analysis of Management Fees Paid by S&P to Managing General Partners

Pursuant to the S&P Partnership Agreement, Article Five, Allocations and Distributions, 20% of the capital gains, capital losses dividends, interest, margin interest expense and all other profits and losses aftributable to the partnership are to be allocated to the managing general partners (the "S&P Management Fees") and 80% to the general partners. Mocoker provided us with spreadsheets they prepared based on the S&P Partner Annual statements (the "S&P Annual Partner Statements"), which spreadsheets included a summary of the annual activity (investments, distributions, gains/losses, management fees and expenses) for each general Partner from 1993 through 2008.

<sup>8</sup> S&P Partnership Agreement, Article 5.02

Moecker also provided us with the following: list compiled by them of checks disbursed by S&P for management fees (the "S&P Management Fee Check List"); list compiled by Moecker of the S&P cash receipts from and cash disbursements to Madoff from 1993 through 2008 (the "S&P Madoff Cash Receipts & Disbursements List"); quarterly calculations of management fees prepared by the managing general partner from the S&P books and records (the "S&P Quarterly Management Fee Calculations"); year-end statements from Madoff titled Portfolio Management Report for 1993 through 2007 and for the quarter ending September 30, 2008 (the "Madoff Portfolio Report"); general ledgers and check registers from the S&P books and records for various periods during 1993 through 2008, S&P Annual Partner Statements for 2008 prepared by the managing general partner and tax returns filed by S&P for the years 1993 through 2008.

Utilizing the documents listed above we performed the following:

- Compared the gains and losses reported, in the aggregate, as reported on the S&P Annual Partner Statements prepared by the Partnerships' managing general partners, to the Madoff Portfolio Reports and tax returns filed by S&P for the years 1993 through 2007.
- Annual Partner Statements and compared management fees reported on the S&P Annual Partner Statements and compared management fees reported on the S&P Annual Partner Statements to S&P Quarterly Management Fee Calculations for the fourth quarter of the following years: 2001, 2002, 2005 and 2006.
- Compared the cash receipts and each disbursements from the S&P Madoff Cash Receipts
   & Disbursements List to the S&P Madoff Portfolio Reports for years ending 1993 through 2007 and for the quarter ending September 30, 2008,
- \* Compared, on an annual basis, the total cash receipts from the S&P Madoff Cash Receipts & Disbursement List to the total of new investments reported for all partners on the S&P Annual Partner Statements for years 1993 through 2008

<sup>&</sup>lt;sup>9</sup> The gains/losses reported on the Madoff Portfolio Reports matched what was reported on the S&P tax returns. The gains/losses reported on the S&P Annual Partner Statements generally matched what was reported on the Madoff Portfolio Reports and S&P Tax returns, with the exception that in 2002 the amount reported on the S&P Annual Partner Statements was approximately \$44,000 greater than what was reported on the Madoff Portfolio Report and P&S Tax Returns. Additionally, there were a few other immaterial exceptions.

<sup>&</sup>lt;sup>10</sup> For year ending 2002, the S&P Querterly Management Fee Calculation was \$101,481 greater than what was reported on the S&P Annual Partner Statements. It appears the difference is related to the management fee reported on the S&P Annual Partner Statement for JSP, which reflects management fees at 10% instead of 20% for one of its partners, Stacy Poundation - see footnote number 8 below.

- Compared, on an annual basis, total cash disbursements from the S&P Madoff Cash Receipts & Disbursementa List to the total of distributions to reported for all partners on the S&P Annual Investor Statements for years ending 1993 through 2008
- Traced a sample of the checks on the S&P Management Fee Check List to the general ledgers to identify how the checks were recorded by S&P

### Our observations are as follows:

- we were able to recreate the calculation of the management fees based on 20% of the gains/losses recorded<sup>11</sup> by the managing general partners on the S&F Annual Fartner Statements, with the following exceptions: certain partners' capital accounts reflected management fees at 10% not 20%. Investors that paid a 10% instead of 20% management fee included: Telcom Profit Sharing, Jolean & Philip Hocott and Stacy Foundation.
- o The total amount actually paid for management fees during the period of 1993 through 2008 in the amount of \$6,399,102.70 is \$318,687.64 greater than the amount that should have been paid under the calculation on the S&P Quarterly Management Fee Calculations ("the Management Fee Overpayment"), prepared by the managing general partner and the S&P Annual Partner Statements prepared by the managing general partner in the amount of \$6,080,415.06 (see Exhibit 4). 12
- o Based on the S&P Annual Partner Statements for 2008, after the Madoff Ponzi scheme was publicly known, distributions were recorded <sup>13</sup> for Partners Ann or Michael Sullivan on 12/31/08 in the amount of \$300,465.51 and Michael D. & L. Gail Sullivan on 12/31/08 in the amount of \$31,500, (collectively referred to as the "2008 Sullivan Distributions"), which when combined total \$331,966.33. Mocker has advised us that based on its analysis of the S&P books and records, including the bank statements, canceled checks, check registers and general ledgers, the 2008 Sullivan Distributions were recorded simply as a book entry, which reduced the Management Fee Overpayment

<sup>&</sup>lt;sup>11</sup> Although certain gains were recorded by the Partnership, as previously discussed, as a consequence of exclusively investing in a Ponzi scheme, the Partnership recorded profits stemming solely from investments in Madoff.

<sup>&</sup>lt;sup>12</sup> For purposes of comparing the amount paid for management fee during 1993 through 2008, we utilized the management fees reported by S&P on the S&P Annual Partner Statements, which statements include certain partners' capital accounts reflecting management fees at 10% not 20%. Investors that paid a 10% instead of 20% management fee included: Telcom Profit Sharing, Jolong & Philip Hosott and Stacy Foundation.

<sup>&</sup>lt;sup>13</sup>Distributions were recorded within the partner accounts and reflected on the S&P Annual Partner Statements.

and reclassify the amount as distributions. <sup>14</sup>/15 Each of the S&P Quarterly Management Fee Calculations (prepared by the managing general partner) indicates amounts earmarked for/or to be paid to "A&B". Mocker has informed us that based on their review of the P&S books and records and other records related to Powell and/or Sullivan's other entities, A&B refers to Frank J. Avellino ("Avellino") and Michael S. Bienes ("Blenes"), parties prohibited by SEC to participate in the sale of securities. <sup>16</sup>

Although Article 2.02 of the S&P Partnership Agreement stated that the general purpose of the partnership was to invest, in each or on margin, in all types of marketplace securities, during the Review Period and especially beginning in 2002, S&P did not remit all capital contributions received from its Partners for new investments. Instead S&P retained significant monies, as tabulated below in Table 3 and detailed for each year individually at Exhibit 5.

Table 3:

	Capital contributions from Partners into S&P	Monies remitted by S&P to Madoff for new investment	Monies retained by S&P for other purposes
1993 - 2001	23,349,635	(22,713,255)	636,380
2002 - 2008	41,130,306	(19,058,371)	22,071,935
	\$ 64,479,941	\$ (41,771,626)	\$ 22,708,316

o Monies retained by S&P per Table 3 above, were utilized to fund cash requirements resulting from payment of S&P Management Fees and withdrawals by S&P's Partners, as demonstrated in Table 4 below. During the Review Period and particularly beginning in 2002, capital withdrawals (redemptions) received by S&P from Madoff were insufficient to fund disbursements for S&P Management Fees and to some extent, withdrawals by

<sup>&</sup>lt;sup>14</sup> Investigation of how Sullivan reported the \$331,966.33 on his business and/or personal fax returns was not within the scope of our engagement.

<sup>&</sup>lt;sup>15</sup> Based on the S&P general ledger for the period ending 12/31/08, there is a general journal entry dated 12/11/08 in the amount of \$333,445.45, which decreased the management fee expense. It appears, based on our discussions with Mocker, that this book entry is related to the 2008 Sullivan Distributions reported on the S&P Annual Partner Statements.

<sup>&</sup>lt;sup>16</sup> Although we identified the indication that funds were being earmarked or paid to Avellino and Bienes from the S&P Quarterly Management Fee Calculations, we have not investigated if any amounts were in fact actually paid.

S&P's Partners. The resulting cash deficiency was funded by monies retained by S&P from Partner contributions rather than by redemptions and withdrawals.<sup>17</sup>

Table 4

	 hal willidrawals ed by S&P from Madorf	ariner withdrawals lisbursed by S&P	Balance a	vailable		nagement Fees oaid by S&P	find	Deficiency ed by new contributions
1993 - 2001 2002 - 2008	10,329,925 21 <i>:</i> 595.000	(9,264,491) (40,893,472)		,065,434 ,298,472		(1,657,952) (4,741,151)		(392,518) (24,039,623)
	\$ 31,924,925	\$ (50,157,963)		,233,038	<del></del>	(6,399,103)	McXMid-Marrier Street, Marrier	(24,632,141)

### Overall Management of the Partnerships

### Appointment of Managing Partners and death of Powell

Putsuant to Section 8.01 of the P&S Partnership Agreement and S&P Partnership Agreement (collectively, the "Partnership Agreements"), "day-to-day operations shall rest exclusively with the Managing General Partners, Michael D. Sullivan and Greg Powell." According to Section 5.01, the Managing General Partners were entitled to a total of twenty percent of the capital gains, capital losses, dividends, interest, margin interest expense and all other profits and losses attributable to the Partnerships.

Under Section 8.02 of the Partnership Agreements, the Managing General Partners were "authorized and empowered to carry out and implement any and all purposes of the Partnership." While the Partnerships could have, under Section 8.06 of the Partnership Agreements, "as many Managing General Partners as the partners ... shall determine to be in the best interest of the partnership," at the commencement of the Partnerships, two Managing General Partners were appointed suggesting that management by two Managing General Partners was in the best interest of the Partnerships.

Notwithstanding the Partnerships' initial structure noted above and the requirement of Section 8.04 that quarterly meetings be held, upon the death of Greg Powell in August of 2003, we are advised that no successor Managing General Partner was ever elected nor was any Partnership meeting called by

<sup>&</sup>lt;sup>17</sup> As illustrated at Table 3 above, the total cash contributions from partners and monies remitted to S&P by Madoff is \$22M. As illustrated at Table 4 the total cash deficiency is \$24M. It is unclear as to if or how this difference was funded, which difference could be attributable to the differences between actual bank activity and amounts posted to the S&P Annual Partner Statements. For purposes of our analysis at sections vi and vii below, the S&P Annual Partner Statements were not relied upon and therefore reconciliation of same does not affect our analysis of net capital balances.

the Sullivan, the remaining Managing General Partner, to hold such election. While there does not appear to be a requirement for more than one general partner, it is unclear whether the majority of the partners must approve any changes of this nature. 18

Following the death of Mr. Powell, Sullivan registered Michael D. Sullivan & Associates, Inc. ("Sullivan Inc.") in September of 2003, and, beginning in late 2003, allocated the entirety of the Managing General Partner's twenty percent share of profits to Sullivan Inc. As noted above, it is unclear whether Mr. Sullivan had this authority absent an affirmative vote of the majority of the Partners, or whether such vote was needed pursuant to section 8.06 of the Partnership Agreement(s)

### Use of New Investments contributed by Partners

Section 5.02 provides that "Distributions of PROFITS shall be made at least once per year...[or] within ten (10) days after the end of each calendar quarter... "Therefore, it raises the issue of whether the Managing General Partners were required to distribute only actual 'profits' 19 to partners, and not fresh capital contributions of other Partners into the Partnerships.

As discussed above and illustrated in Tables 1 through 4, particularly after Powell's death in 2003, it would appear that Sullivan routinely withheld Partners' fresh investments that would have otherwise been invested into Madoff, for the purposes of funding management fees or distributions to other Partners, which may not be in accordance with the Partnership Agreements.

In connection with the funds withheld from Partners' new investments to fund distributions to other Partners, since there was no cash going to or coming from Madoff, Sullivan made accounting entries to record the activity in the Parmers' capital accounts and related increase/reduction of investment in Madoff.

### Payments made by P&S to Kelco and tax issues

P&S made direct payments to Kelco Foundation ("Kelco") during the years 1993 through 2008 totaling \$744,799.08, comprising a portion of the total management fees paid to managing general

<sup>18</sup> Article 8.05 of the Partnership Agreements provides that an affirmative vote of 51% of the Partners (in interest, not in number) was required for the appointment of or removal of a managing general partner, and further, that the Partnerships shall have as many managing general partners as the Partners, by an affirmative vote of 51% (in interest, not in number) shall determine to be in the best interest of the Partnership.

Description of the Partnership of the

investing in a Ponzi Scheme, the Partnership recorded profits solely from its investment in Madoff,

partners. The payments made to Kelco were calculated based on a percentage of the gain related to certain Partners of P&S<sup>20</sup>.

P&S reported the payments to Kelco on its tax returns as "Charitable Contribution" as opposed to their proper classification as a management fee expense. Although we have not analyzed the effect of this treatment to individual Partners, there may have been a negative tax consequence to some (or all) of the Partners for amounts that may not have been deductible due to their characterization as charitable contributions rather than management fees. Additionally, it is likely that Sullivan did not report the amounts paid to Kelco as management fee income and therefore would have received an inappropriate tax benefit in connection with the way P&S reported the payments to Kelco as charitable contributions.

Based on the foregoing analysis and observations, it appears that Sullivan did not manage P&S and S&P in strict accordance with all of Partnership Agreement'(s) provisions.

# VI. Using sampling methodology to confirm amounts with respect to investment and distributions utilized in the calculation of the Net Investment Method for distribution of P&S partnership assets

Under the Wet Investment Method, distributions are determined based on each Partner's net equity, which is calculated as investment less cash withdrawals or distributions. Mocoker provided Marcum with a spreadsheet titled "1993-2008 by Partner Cash-In Cash-Out - Real Balance (Investment less distributions)", hereinafter referred to as the "P&S Spreadsheet". For each investor in P&S, the P&S Spreadsheet identified new investment, distributions, ending balance and cash balance carry forward, reported on an annual basis, as illustrated below:

<sup>&</sup>lt;sup>20</sup> Based on the P&S Quarterly Management Fee Calculations, total management fees were calculated by P&S based on 20% of the total gains. Once the total management fee was calculated, a separate calculation was performed to determine the portion of the total management fee to be paid to Kelco, which calculation included 10% of the gains for the following investors: Bogaert, Bulger, HG Int'l #1, HG Int'l #2,HGF Ireland, Centro de Capacitacao, Costa, Crowley, HG Ire, Inc., Frank, HG Compassion, HG Ireland, HG Mombasa, HG Pastoral Juvenil, HG SW Brazil, Kelly Trust, Molehan, Nickens, Peracquia Santa Luz. See Exhibit 6 for an example of the P&S Quarterly Management Fee Calculations from the P&S books and records.

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Carone Ma	rital Trust No. J	L								
2004				\$	*	Ş	534,000.00	\$	[24,000.00] \$	510,000,00
2005		•		\$	510,000,00	5		\$	(64,000,00) \$	446,000.00
2006				\$	446,000.00	\$	30,000,00	\$	(32,000.00) \$	444,000.00
2007				\$	444,000.00	\$		\$	(32,000.00) \$	412,000:00
2008				\$	412,000.00	\$	~	\$	(24,000.00) \$	388,000.00
Carone Ma	rital Trust No. 3	Total	الرفود ومسادده	dangi kanoni o		\$	564,000.00	\$	(176,000.00) \$	\$88,000.00

We employed the following methodology to validate the amounts of new investment and distributions as reported on the P&S Spreadsheet:

- Step 1: Selecting an appropriate sample for testing:
  - We assigned a sequential ID to each transaction within each investor's account history. The total count of such transactions was 630.
  - Utilizing 95% confidence levels and 10% confidence intervals, we calculated the appropriate sample size for this population of 630 transactions to be 79 using a statistical sampling formula.
  - Based on the above, the sample interval was determined to be 8. (630 / 79, rounded to the guarest integer).
  - Starting with transaction ID #1, we derived a sample of 79 transactions using an interval of 8. (i.e. ID #1, #9, #17 etc.)
  - Additionally, we extended our sample to include transactions exceeding \$1,000,000. The P&S Spreadsheet included 6 such transactions; therefore our sample size was increased to 85.
  - Our selected sample of \$5 transactions represented 40% of all new investments in terms of dollars (based on total new investments of \$27,570,386 in the population) and 46% of all disbursements (based on total disbursements of \$21,898,530 in the population).
- Step 2: For each transaction in our sample, we sought to validate the amount of new investment and/or distributions as follows:
  - Moscker provided Marcum with multiple boxes containing investor records. Specifically, these boxes were organized by year and contained bank statements, copies of checks from investors for new investment, confirmation letters to individual investors, and copies of cancelled checks with respect to investor distributions.
  - Moscker advised that since transactions on the P&S Spreadsheet were reported on an annual basis, each transaction recorded may in fact represent multiple transactions during the same year. Therefore, testing a single transaction on the P&S Spreadsheet often involved testing numerous component transactions and was more labor intensive than anticipated, especially since investor records were not organized by investor but only by year.

- The 85 transactions included in our sample represented new investment, distributions or both. With respect to new investment, we confirmed the amount on the P&S Spreadsheet by reviewing copies of investment check(s) from investors and corresponding deposit(s) per bank statements, further corroborated by confirmation letter(s) from P&S to individual investors.
- With respect to distributions, we confirmed the amount on the P&S Spreadsheet by reviewing copies of cancelled checks made payable to investors and corresponding disbursement per banking records.
- Our observations were as follows:.
  - > With respect to investor Acker's new investment of \$100,000 in 2008, we were not able to locate a copy of his investment check or fire confirmation letter from P&S.
  - Certain transactions represented transfers between multiple investment accounts owned by a single investor. These transactions were not supported by any documentation except transfer entries which reduced balances in the originating account and a corresponding increase in the transferee account. No exceptions were noted with respect to such transfer transactions.
  - Subject to the discussion above, no exceptions were noted in our testing of the 85 transactions comprising our sample.
- Based on our sampling methodology, we are 95% certain that the amounts reflecting new investment and distributions in the P&S Spreadsheet are accurate subject to a margin of error of 10%.

# VII. Sampling to confirm investor amounts with respect to investment and distributions utilized in the calculation of the Net Investment Method for distribution of S&P partnership assets

Moccker provided Marcum with a spreadsheet titled "1993-2008 by Fartner Cash-In Cash-Out - Real Balance (Investment less distributions)", hereinafter referred to as the "S&P Spreadsheet". For each investor in S&P, the S&P Spreadsheet identified new investment, distributions, ending balance and cash balance carry forward, reported on an annual basis, as illustrated below:

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Eldridge - Tarminatari					2 de	
2003		and the same	\$ 300'000'00	\$		\$ 195,000.00
2004	\$	196,000,00		5	(15,000.00)	S 183,000.00
2005	\$	183,000.00	 	\$.	(209,000,00)	\$ (25,000.00)
Sõõe	\$	[26,000,00]		\$	(5,228,24)	\$ (31,228,24)
2007	\$.	(31,228.24)				\$ (31,228.24)
2008	\$	(31,228.24)				\$ [31,228.24]
Eldridge • Terminated Total			\$ 00.000,005	\$	(291,228,24)	S (31,228.24)

We employed the following methodology to confirm the amounts of new investment and distributions as reported on the S&P Spreadsheet:

- Step 1: Selecting an appropriate sample for testing:
  - We assigned a sequential ID to each transaction within each investor's account history. The total count of such transactions was 1,153.
  - c Utilizing 95% confidence levels and 10% confidence intervals, we calculated the appropriate sample size for this population to be 89 using a statistical sampling formula.
  - Based on the above, the sample interval was determined to be 13. (1,153 / 89, rounded to the nearest integer).
  - Starting with transaction ID #1, we derived a sample of 89 transactions using an interval of 13. (i.e. ID #1, #14 etc.)
  - Additionally, we extended our sample to include transactions exceeding \$1,000,000. The S&P Spreadsheet included 6 such transactions; therefore our sample size was increased to 95.
  - Our selected sample of 95 transactions represented 38% of all new investments in terms of dollars (based on total new investments of \$61,974,156in the population) and 42% of all disbursements (based on total disbursements of \$45,555,535 in the population).
- Step 2: For each transaction in our sample, we sought to validate the amount of new investment and/or distributions as follows:
  - Our methodology for testing the S&P Spreadsheet mitrored our testing methodology utilized for the P&S Spreadsheet, as discussed above.
  - Our observations were as follows:
    - Certain transactions represented transfers between multiple investment accounts owned by a single investor. These transactions were not supported by any documentation except transfer entries which reduced balances in the originating account and a corresponding increase in the transferse account. No exceptions were noted with respect to such transfer transactions, Subject to the discussion above, no exceptions were noted in our testing of the 95 transactions comprising our sample.
- Based on our sampling methodology, we are 95% certain that the amounts reflecting new investment and distributions in the S&F Spreadsheet are accurate subject to a margin of error of 10%.

To the extent that discovery in this matter is ongoing, additional information relative to issues addressed herein may be developed. As such, I expressly reserve the right to update, amend, supplement,

or replace this Report in the future if such additional information is provided and/or additional work is performed.

Respectfully Submitted,

Barry Mukamal, CPA/ABV/PFS/CFE/CFF

Partner

Marcum, LLP

### EXHIBIT 1

S&P Associates, General Partnership P&S Associates, General Partnership

### Documents Relied Upon

- 1. S&P Amended and Restated Partnership Agreement, dated December 21, 1994
- 2. P&S Associates GP Amended and Restated Partnership Agreement, dated December 21, 1994
- 3. Conservator's Motion for Summary Judgment To: (i) Approve Determination Of Claims, (ii) Approve Plan of Distribution, And (iii) Establish Objection Procedure
- 4. Complaint filed by Margaret J. Smith, et al v. Michael D. Sullivan et al, on December 10, 2012
- 5. Spreadsheets prepared by Moecker based on analysis of S&P and P&S records:
  - a. List of S&P and P&S checks for the payment of management fees
  - b. List of checks from S&P and P&S to Bernard Madoff Investment Securities, LLC ("BMIS")
  - c. List of deposits to S&P and P&S from BMIS
- 6. Spreadsheets prepared by Moecker that summarize information reported by 8&P and P&S on partner annual statements as follows:
  - a. Amual summary by general partner of each general partners capital account beginning balance, new investments, management fees, expenses, gain (Igse) and ending capital balance.
  - h. Cash-In Cash-Out annual total by partner and resulting not eash investment
- 7. S&P Tax Returns for the years ending 1993 through 2008
- 8. P&S Tax Returns for the years ending 1993 through 2008
- 9. S&P general ledgers, bank registers, financial statements and trial balances for certain periods during 1997 through 2008.
- 10. P&S general ledgers, bank registers, financial statements and trial balances for certain periods during 1997 through 2008.
- 11. S&P monthly accounting files for the period of 1993 through 2008
- 12. F&S monthly accounting files for the period of 1993 through 2008
- 13. S&P reports from BMIS titled "Portfolio Management Report" for each year end 12/31 from 1993 through 2008
- 14. P&S reports from BMIS titled "Portfolio Management Report" for each year end 12/31 from 1993 through 2008
- 15. S&P quarterly management fee calculations prepared by managing general partner
- 16. P&S quarterly management fee calculations prepared by managing general partner
- 17. S&P Annual Partners Statements for 2008
- 18, Conversations with Moecker associates

EXHIBIT 2

P&S Associates, General Partnership

	Sı	mmary of Managor	nent Fee Calculatio	n vs. Management	Tee Paid	
Notes		.2	3	3		
Year	Realized Galn/(Loss) - Pariner Annual Statements	Management Fee Based on Realized Gain Reported on Partner Annual Statement		Management Fee Paid (Kelco)	Total Management Fee Paid to Powell/Sullivan & Kelco	Difference Management Fee Paid v. Management Fees Partner Annual Statoments
1993	167,660.01	33,532.00	11,232,90	rpub	11,232,90	(22,299,10)
1994	249,496.26	49,899.24	49,319.09	36,671.31	85,990.40	36,091.16
1995	297,200.68	59,440.14	26,439.66	27,186.22	53,625.88	(5,814,26)
1996	379,928.01	75,985.61	36,741.56	34,741.56	71,483.12	(4,502,49
1997	502,880,67	100,576.13	52,066.89	51,644.90	103,711.79	3,135,66
1998	552,595,40	110,519,06	49,765.80	47,693.05	97,458.85	(13,060.21)
1999	674,580,88	134,916,21	66,653.12	70,433.85	137,086.97	2,170.76
2000	497,817.76	99,563,56	58,284.14	53,987.01	112,271.15	12,707.59
2001	572,736.66	114,547,33	62,000.00	40,580,47	102,580.47	(11,966.86)
2002	1,195,269.17	239,053.84	121,177.06	53,431.40	174,608.46	(64,445.38)
2003	1,312,064,93	262,309.76	217,946.75	46,411.10	264,357.85	2,048.09
2004	1,546,841.35	309,368.27	268,674.64	51,456.68	319,831.32	10,463.05
2005	1,587,361.73	317,472.36	237,576.60	47,800.24	285,376.84	(32,095.52)
2006	2,433,184.25	486,636.83	382,024.14	67,098.99	449,123.13	(37,513.70)
2007	2,060,694.19	412,138.83	470,398.97	60,952.51	531,351.48	119,212.65
2008	1,769,288.90	338,240,19	323,351.57	.55,009.79	378,361.36	40,121.17
	\$ 15,799,600,85	\$ 3,144,199.36	\$ 2,433,652.89	\$ 744,799.08	\$ 3,178,451.97	\$ 34,252.61

### Notes:

<sup>(</sup>I) Realized Gain (Loss) based on annual summery of partner activity prepared by Moeoker based on P&S Annual Partner Statements;

<sup>(2)</sup> Management Fee based on annual summary of partner activity prepared by Moecker based on P&S Annual Partner

<sup>(3)</sup> Management Fee paid based on list prepared by Moesker from P&S bank statements, canceled checks, check registers, general ledgers and other books and records of the amounts paid by P&S for management fees.

P&S Associates, General Partnership

				Investment Cash Activity	Activity			
Notes:		, in		برا	-		lra	
Year	Partner New Investments	Cash To BAMS	Difference – Partner New Investment & C'sch To BMIS	Partner Distributions	Management Fees	Total Partner Distributions & Management Fees Pairi	Cash From	Difference- Total Partner Distributions & Management Fees Paid v. Cash From BMTS
1993	UU VXF LDE L X	(m) W 3 3 5 6 1 5 1 5 1 5 1 5 1 5 1 5 1 5 1 5 1 5	40 D&U DB	# (93.400.5m	\$ 230 000	Tr 000 101	74 CA2 Kg	6
TAS I		(257.214	ŧ	-	~	3	C	(12.433.86)
1995	295,589.53		1	(227,115,71)	(53,625,88)	(280,741,59)	282.121.40	1.379,81
9661	382,987.34		1,987,34	(185,632.13)	(71,483,12)	(257,115.25)	308,488,50	51,373,25
1997	[39,560.97	(144,560.97)	(5,000,00)	(360,673.38)	(103,711.79)	(464,385.17)	413,054.46	(51,330.71)
8663	330,698.23	(53.0,698,23)	1	,	(97,458,85)	(257,750.18)	269,020,21	11,270,03
1000	62,069,00	(60,000,00)	2,069,00	(270,146.28)	(137,086,97)	(407,233,25)	399,520.39	(7,712.86)
2000	312,000,00	ب.	(70,000.00)	(522,498,67)	(112,271,15)	(634,769.82)	726,367.74	91,597.92
2001	20,021,628	(828,826,24)	373.73	(498,306,64)	(102,580.47)	(600,887.11)	623,000.00	22,112.89
2002	6,278,075.25	(6,284,075,25)	(6,000,00)	(564,632,53)	(174,608,46)	(739,240,99)	735,000,00	(4,240.99)
2003	4,337,325.89	(3,567,323.46)	770,002.43	(2,297,450.34)	(264,357,85)	(2,561,808,19)	1,875,000.00	(686,808,19)
2004	4,136,830,46	(3,000,179.19)	1,136,651.27	(3,345,198.24)	(319,831.32)	(3,665,029,56)	2,615,000.00	(1,050,029,56)
2005	3,955,493,32	_	683,493,32	(1,884,680,48)	(285,376,84)	(2,170,057,32)	1,565,000.00	(605,057.32)
2005	912,364,29	(480,000.00)	432,364,29	(2,498,903,61)	(449,123.13)	(2,948,026.74)	2,700,000.00	(248,026.74)
2007	2,197,884,70	(1,150,000.80)	1,047,884.70	(7,271,002.12)	(531,351.48)	(7,802,353.60)	6,940,000.00	(862,353.60)
2008	1,836,101.28	(1,000,000,000)	836,101,28	(1,547,785.46)	(378,361,36)	(1,926,146.82)	1,425,000.60	(501,146.82)
Total	\$ 27,654,825,05	. S (22,774,967,64) \$ 4,879,857.41	\$ 4,879,857.41	\$ (21,883,277.77) \$	\$ (3,178,451.97)	\$ (25,061,729.74)	\$ 21,210,322,99	\$ (3,851,406.75)

- (1) Partner Contributions based on annual stimmary of partner activity prepared by Moceker based on P&S Annual Partner Statements.

- (2) Cash to BMB based on list prepared by Moecker of eash disbursements to BMB from P&S bank statements, canceled obecks, check registers and general ledgers.

  (3) Partner Distributions based on thir training of partner activity prepared by Moecker based on P&S Annual Partner Statements.

  (4) Management Fees Paid based on list prepared by Moecker of disbursements by P&S for the payment of management fees.

  (5) Cast to BMIS based on list prepared by Moecker of cash disbursements to BMB from P&S bank statements, canceled obecks, check registers and general ledgers.

EXHIBIT 4
S&P Associates, General Partnership

Su	mmary of Manager	oent Fee Calculat	ion γε. Managem	ent Fee Paid
Notes	1	243	4	
Year	Realized Gain/(Loss) - Partner Annual Statements	Management Fee Based on Realized Gain Partner Annual Statement	Management Fee Pakl	Difference - Management Fee Pariner Statement vs. 'Total Management Fee Paid
1993	118,118,92	23,491.31	5,121.71	18,369,60
1994	225,184,89	44,856,00	53,998.85	(9,142.85)
1995	353,714.30	70,742.83	63,267.10	7,475.73
1996	490,306.68	98,061.31	92,754.75	5,306.56
1997	820,204.72	162,557,27	162,471.51	85.76
1998	1,183,926.11	227,009.63	218,064,29	8,945.34
1999	1,672,037.67	324,941.65	290,885,36	34,056.29
2000	1,921,805.68	376,947.98	377,369.81	(421.83)
2001	2,549,797.86	433,730.29	394,018.29	39,712.00
2002	3,380,466.67	565,702.46	495,226.29	70,476.17
2003	3,363,023.66	557,598.76	581,818.33	(24,219.57)
2004	3,123,507.66	531,845.08	573,598.74	(41,753,66)
2005	3,209,248.03	542,994.93	646,954.54	(103,959.61)
2006	4,533,223.10	770,230.04	662,164.37	108,065.67
2007	4,222,857.00	719,229.16	791,388.76	(72,159.60)
2008	3,152,381.78	630,476.36	990,000.00	(359,523,64)
	\$ 34,319,804.73	\$ 6,080,415.06	\$ 6,399,102.70	\$ (318,687.64)

### Notes:

- (1) Realized Gain (Loss) based on annual summary of partner activity prepared by Moecker based on S&P Annual Partner Statements.
- (2) Management Fee based on annual summary of partner activity prepared by Moccker based on S&P Annual Partner Statements.
- (3) Marcum recreated the management fee by partner reported on the annual gain/losses reported on the summaries prepared by Moecker from the Partner's Annual Statements. Marcum noted that certain investors were allocated management fees in the amount of 10% instead of 20% these investors include the following: Telcom Profit Sharing, Jolene & Philip Hocott, JS&P, Stacy Foundation and SPJ Investment.
- (4) Management Fee paid based on list prepared by Moecker from S&P bank statements, canceled checks, check registers, general ledgers and other books and records of the amounts paid by S&P for management fees.

Investment Cash Activity

S&P Associates, General Partnership

Notes	34114	F-4		财	NA.	e per de de la constante de la	<b>₩</b>	
Year	Partner New Investments	Cash To BMES	Difference - Partner Contributions & Cash To BMIS	Partner Withdrawais	Management Fees Paid	Total Partner Withdrawals & Management Bees Ruid	Cash From BNOS	Difference – Total Rariner Withdrawals & Management Fees Paid v. Cash Prom
	\$ 1.065,692.83	2 22,627,83	(92,435,00)	(33.53.0.83)	(F) (F) (F)	(58.632.56)	58,633,56	64
******	775,628.34	755,628,14		(275,747.07)		C	341,460.75	11,714.83
	526,417,94	\$06,417.94	20,000,00	(181,757.01)	(63,267.10)	(245,024,11)	235,579.84	(5,444.27)
	859,576.92	889,399.39	(29,822,47)	(358,247,81)	(92,754.75)	(451,002.56)	462,004.83	11,002.77
1661	2,171,511,70	2,143,511.70	28,000.00	(388,046.95)	(162,471,51)	(350,518,46)	562,818,46	12,300.00
	3,176,477,86	2,625,702,77	550,775,093	(1,514,683,69)	(218,064,29)	(1,732,747.98)	1,157,692,90	(80,280,272)
	3,098,367,65	3,249,367,65	(151,000.00)	(1,106,106.13)	(250,885.36)	(1,396,991.49)	1,557,281.70	160,290.21
	8,412,775.60	8,397,503,54	15,272.06	(2,061,274.92)	(377,369.81)	(2,438,644,73)	2,447,453,76	8,809.03
	3,263,186,50	2,987,095.82	276,090,68	(3,325,116.45)	(394,018,29)	(3,719,134.74)	3.507,000.00	(212,134,74)
	22,959,950.83	9,713,271.43	13,246,679,40	(17,986,201.79)	(495,226,29)	(18,481,428.08)	3,505,000,00	(14,976,428,08)
	3,069,822.91	2,128,765,14	77.750,142	(4,073,745.54)	(581,818,33)	(4,655,563,87)	4,065,000.00	(590,563.87)
	4,461,291.73	2,326,334,26	3,134,957,47	(8,785,002.40)	(572,598,74)	(\$1358,601,14)	7,100,000.00	(2,258,601.14)
	2,966,852,20	1,650,000.00	1,316,852.20	(1,953,138,90)	(646,954,54)	(2,600,093.44)	1,385,000,00	(1,215,093,44)
	2,622,286.71	750,000.00	1,872,286,71	(2,517,031,53)	(662,164.37)	(5,179,195,90)	1,175,006,06	(2,004,195.90)
·	2,981,213.24	1,510,600.00	1,471,213.24	(2,954,982.39)	(7791,388.76)	(3,746,371,15)	2,490,000.00	(1,256,371,15)
	2.068,888,36	980,000.00	1,088,888,35	(2,623,369.61)	(00'000'066)	(3,613,369,61)	1,875,000.00	(1,738,369,61)

# Total: \$64,479,941.12 \$ 41,771,625,61 \$ 22,708,315,51 \$ (50,157,953,04) \$ (6,399,102,70) \$ (56,557,065,74) \$ 31,924,924.80 \$ (24,632,140,94)

- (1) Partner Contributions based on annual summary of partner activity prepared by Moetsker based on S&P Annual Partner Statements. (2) Cash to BMIS based on list prepared by Moecker of cash disbursements to BMIS from S&P bank statements, canceled checks, check registers and
  - - general ledgers.
- (3) Partner Distributions based on annual symmary of partner activity prepared by Moesker based on S&P Annual Fartner Statements.
  - (4) Management Fees Paid based on list prepared by Moecker of disbursements by S&P for the payment of management fees.
- (5) Cash to BMIS based on list prepared by Mosciker of Eash disbursements to BMIS from S&P bank statements, canceled checks, check registers and general ledgers.

EXHIBIT 6

2008 S1 Mgt. rees Calculation

4/23/08

2	2008 S1 Mgt	rees Calculation	4/23/08	
<u>1st OUARTER</u> Realized P/L Unrealized P/L sub-total	2008	587,984.27 129,079.25 711,063,52 x 20%	Fees Due YTD Less Faes pd YTD Sub-Total Less Accrued to A&B TOTAL accrued to MDS	120,413.74 -305,000.00 -184,886.26 -4,324.42 -188,910.68
sub-total less J Hocoll IRA 10% less P Hocoll IRA 10% less P/J Hocott 10% less Festus 10% less Moss IRA 10% TOTAL DUE YTD	SPJ Ltd SPJ Ltd S&P S&P SPJ	142,212.70 -7.03 -1,209,79 -2.23 -19,903.26 -676.65 120,413.74	A&B fees accorded less payments to Wills net fees owed	4,324,42 -3,000.00 1,324,42
Accured fees from 200 Check #	7 <u>Date</u>	<u>Amount</u>		
	Balance	0,00		
Management fees 2008 <u>Check #</u> 5789 5792 5795	<u>Date</u> 1/2/0 1/7/08 1/10/08	<u>Amount</u> 20,000.00 40,000.00 15,000.00		
5796 5810 5812 5819	1/16/07 2/11/08 2/22/08 3/3/08	100,000,00 50,000,00 25,000,00 10,000,00	thru 1st QTR earnings projected	120,413,74 120,413,74
5821 5830	3/6/08 3/26/08	30,000,00 15,000.00	2007 deficit	-26,937.60
			•	
			Based on 1st Quarter Fees projected thru TQ Less mang, fees paid YTD Projected fees due	120,413.74 -305,000.00 -211,523.86
			ProjectedAccived to A&B	-1,324,42

TOTAL

305,000.00

less commission 1st Qtr

het income avail

-30,313,32

-239,785.88

*UU	poor mgu ree	To accord file one and provide a constraint and a second	VII	24. 2. 20000000 2011	19/1//07
70000-700	A			·D	The second secon
	ard QUARTER	8,007	4		Face Due YTD 538,926.34
2	Realized P/L		3,144,774.26		Less Fees pd YTD -560.372.76
3	Linrealized P/L		21.974.25		Sub-Total -21,448.42
4	sub-total.		3,166,748.51		Less Accrued to A&B -22.114.92
. 5			x 20%		TOTAL accrued to MDS -43,581.34
6	lajot-dus		633,349,70		
CONTRACTOR OF THE PARTY OF THE	less J Hosett IRA 10%	SFJ Ltd	-1,737,67		
В	less P Hocoll IRA 10%;	SPJ Ltd	-5.501.48		A&B tees accorded 39,260.13
9	less PA Hocott 10%	S&F	-9.70		'less payments to Wills -9.000.00'
10	less Feetus 10%	488	-97,174,45,		net foes owed 30,289.13
17	TOTAL DUE YTO		538,926,34	* . , * *	No transition of the form of the second of t
12			The state of the s		
13					t see the see that the see that the see that the see the see that the
1.7	Accured tees from 20	06 \$62,516.00	s as are, * sas	PARK (M)	THE STATE OF THE S
15	Check #	Date	Amount	W-sh.pm	terrer to the te
16		1/23/07	\$54,053.98	* *******	276 ·
	•5588 split ck	3/1/07	8,462.02	1811 W 1921 W	e i vouvo, y ey
18	and and an in the		1, 1, 1, 2, 2, 2, 2, 1, 1, 1, 1, 1, 1, 1, 1, 1, 1, 1, 1, 1,		•
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20				Site	M % %
21		Balance	62,518,00		
21		makitya .y	Tamatana marana		oner on an energy of the second of the secon
23	Management less 2007	*		•	**
24	Check #	Pate	Amount	10.00 F	* - *
25	5569	1/9/07	20,000.00		
25	5585	2/22/07	25,000.00		w , 1984
27	5589	3/1/07	<b>25,000.00</b>		***
28	'5588-spill ck	รักวัติร	35,372,76	**	thru 3rd QTR samings 538.926.34
29	5501	8/5/07	20,000 00		projected 538.828.34
30	<b>5</b> 60 <u>ី</u> ជៈ	3/22/07	15,000.00		After a superinterior in a superior to the state of the superior of the superi
37	5627	3/28/07	20,000.00	•••	
32	54.30	4:5 0	20,000.00	•	scottle on a class of groups of dy to the discount of the section
3.3	3.7.2	# D.	15,000.00		·
87	1112	11-11-17	45,000.00	•	and the second s
3.5	5636	4/30/07	20,000.00	•	14 14 40 1 k
3 6	5640	5/8/07	20,000.00	-	
37	5645	6/7/07	35,000.00	94	A CALL WATER
38	2048 2048	0/13/07	00.000,00		• •
3 9	5853	6/25/07	00,000,00		•
00	567B	7.5/07	30,000.00		Based on 2nd Quarter
41	568T	7/12/07	15,000.00		Fees projected thru 20 538,926,34
1.2	5553	7/17/07	00.000,00		Less mang, tees paid YTD _580,272.76
1 3	5588	7/29/07	15,000.00		
43	5690_	8/7/07	25,000.00	•	Projected fees due 21,448.42
15	5698 <u>.</u>	8/27/07	25,000.00	aless and re	de come about the anguistic to
4.6	5702	8/15/03	25,000.00		Projected Accrued to AAB -30,260.13
47	5706.	9/24/07		1	i batte seed to seed to the seed of the se
48	13.1 mm	as the all the fire	50,000.00	÷	less commission and Or -45,324.72
40		•			
50	,				Paid Std Otr
57			٠		net Income eval
52					e a company
53	ች″ <b>፫</b> ኒ ፹ ለ ነ		560,272,76		
54	TOTAL		000.215.10		gA.
			4 gr		• •
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	Settlement (China and Annual A			DO ALCOSONIO DE PARA LE CONTROL DE
	a 2nd QUARTER	2,007	e de Caraline (1964) (1964) de Service (1964) (1964	Faos Due YTD 389,672.31,
A.	Realized P/L	As Angles	2,233,428.40	Less Fees pd YTD -355,372,76
/3	Unrealized P/L	-	21.841.25	Sub-Total 28,289.55
1 47	sub-total	ar a Ma a . WE by source	2,255,269,65	Less Accrued to A&B -22.114.92
15.7		190 ruel W	x 20%	TOTAL acqued to MUS 5,184.63
(30)	sub-total:	r: •:	451,053,93	" 3 Sai short Sept satirtizing 185 Talming " Sais Charles of
177		ŠPJ Lid		
10:70	less P Horoll IRA 10%	OF LIM	-1,240.02	en de de la destruction de la company desperant des destructions de la company de la
18.	ings i uniciti tay inso	SPJ_Ltd	-3,925,91	ARB fees accerued 28,114.92
	less PAI Horott 10%	SEP	6,00	less payments to Wills -6.000.00:
	less Festus 10%		_17.802.23:	net fees owed 22,114,92)
1.11	The state of the s	to make all to the second distributions	363,672,31	and the state of t
172		er the healthwark as because o	MICEAN ASSESSMENT OF UNITARIES LEGICALIST OF THE AREA	er redditfordammenteredden i daade oothe het his heldendampedelen omen mit it in gelekentereddelen begregeren synte o
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114	Sooned less from 201	06. \$62,516.00	elek irakaskeri (laman hinirak ammunikaska (kantapan h	CONTRACTOR CONTRACTOR TO THE CONTRACTOR AND THE CON
11.51		Date		
11.6.	5 4 7 3	1/23/07	\$54,053.98	and the discount before the terminal and the second to a significant to the second to the second to the second to the second terminal and the second t
177	5668 split ck	3/1/97	8,462.02	**************************************
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2.0			****	A the second of
21		Dalance	62,618.00	Therefore the state of the stat
22	•	- 48-4 ' 48 56'F - 496-	The state of the s	gene glik dagalija i innominali. A fin dikipin maja ni naja dikim malikudin mil mangapannapan di pagapi kapana
23	Management lees 2007	and from the state of the	The second common and a second poly to the second to the s	where a marine demonstrate and a series and a series of the series of th
24	Check #	Date	Anount	ngan dipertuan dipertuan. Peperun Budipenda (2014 dipenda) ( ) seperun selah gerap perungan kananan perungan dan mengapanyan dan mengapanyan dan mengapanyan bersamban dan mengapanyan dan mengapanyan bersamban dan mengapan bersamban dan mengapan bersamban dan mengapan bersamban
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26	5585		26,000,00	ي د العددي معهد العددي على المداعد العدد العددي على المداعدي المداعدي العددي العددي العددي العددي العددي ا العددي العددي على العددي ا
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28.		1136 LLM.I	25.372.76	To the second of the test of t
29		0/2/07:	3D(3(A./.9	Unru 2nd OTH earnings 363,672 31
30	5591		20,000.00	projected 383.672.31
31	5600	9/22/07.	15,000.00	to the first of a some states of the some of the sound of
32	5627	· Alsbini	20,000,00	the second of the second secon
	5630	. 4/9/07	20,000.00	The state of the s
3.3		4/16/07	15,000.00	the state of the s
3.4		4/20/07	45,000,00	enter grand the state of the st
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38	5840	5/8/07	20,000.00	in the state of th
3.7	5 <b>64</b> 5	8/7/07	85,000.00	
38	5649	B/13/07	50,000,00	***************************************
3 9	5053	6/25/07	20,000.00.	The companies of the second
40.	- 1114		and the state of t	Based on 2nd Quarter
47		hee .		Fees projected thru 20. 383,672,31
42			come is a large to again yang	Less mang, face paid YTD -355,372.76
43				Projected face don: 28,249.56
44	м	A 4870 1	Fig. 1.2 - E. ar service or 1 magnets in	The state of the s
25	* 4		it types the one of the control of the	the second secon
48	•	a dan sabersa asse	right awaren tanerous I was lend morph to	Projected Accrued to A&B: -22,114.92
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A b			an magana.	The same and the six of the same and the sam
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4	25- 47-44-1-1	Budgompules , pr & trafq	an art of me. of property maps	net income avail
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52	special contract of a tip	pro Monar - in-	and the second s	nel after 2nd Otr Comm51,947,96
53	TOTAL		355,372.78	mental and the second of the s
5 3 5 4 6 5	1.0 - 1	: 416	-tips	The second secon
65	w w - or monate systemassans.	- Allerton in the April Spills and the April Spills	*	a a series of the series of th

100 14	A CONTRACTOR OF THE PROPERTY O			
139.5	T IN QUARTER	2,007	The state of the s	Fees Due YTD 170,262.76
Eq.		THE ALL TO S	984.494.53	Less Fees pd YTD -160.372.78
178	Umenized P/L	gAnn to out. A	17.080.75	
A.	sub-lotal		1,001,465.28	Less Accrued to A&B -9.493.29
<b>3</b>			x 20%	TOTAL approved to MDS 396.71
THE			200,293.06	the many state of the specific or the specific
		SPJ LIN	-552.65	t i grand of the St. of a state of the
8.7		SPy Lid	-1,749.68	A&B fees accorned 12,403,29
9	less P/J Hopoti 10%	SAP	-3 11	loss payments to Wills 3.000.00
151.312	less Festus 10% TOTAL DUE YID	SAF	27.724.98	rial [555 owed 9,493,29;
1132		that was problem as the	170,262,76	and the second section of the sectio
1.1		. As	· inde or charge in participal transformation	CONSERVINTENCED CONTENT OF THE CONTE
	Accured fees from 20	00.862.516.00	T SEE THE WITTE A TO SEE THE	of the Attendangs for the April of the April
1	Check #	Date	Amount	TANK SAP SE OVERTEN
TO US		1/23/07	\$54,053.98	t a pin pye 4
1 7	*5588 spill ck	3/1/07	8,482.02	
1 48		7		5
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2.0		***		77 W .
2.1		Balanca	62,516.00	and the second s
de la	An and an analysis of the second	_		. de de de l'éta — good pour le que l'éta — good pour le que le l'éta — good pour le que le comment d'agra
23	W Town In the second se		, a gar or your charge should have sing.	m t stefan delevalen stefa u e e e entre
25	Chack #	Dale	Amount	F - MAN HI 178 M IN 188 M IN 188 M
2.8	5569 5585:	1/3/07 2/22/07	20,000.00 25,000.00	and the state of t
Omeral Albaham Distant	5589	3/1/07	25,000,00	un e e i dec E
				for the state of t
1.2 6 1	"BBBB-spill ck	3/1/07	35.372 76	Harri Ter OTR margings 170 365 76
2.8			35,372.76 20,000.00	thru 1st QTR sardings 170.262.75
20	5581	8/5/07	20,000.00	projected 170.262.76
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2 G 7 G 7 G 7 G 7 G 7 G 7 G 7 G 7 G 7 G	5581 5600	8/5/07 3/22/07	20,000.00 75,000.00	projected 170.252.75
2 B C P P P P P P P P P P P P P P P P P P	5581 5600	8/5/07 3/22/07	20,000.00 75,000.00	profected 170.252.75
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	5581 5600	8/5/07 3/22/07	20,000.00 75,000.00	projected 170.252.75
	5581 5600	8/5/07 3/22/07	20,000.00 75,000.00	Based on End Quarter Fees projected thru 40 170,262,76
	5581 5600	8/5/07 3/22/07	20,000.00 75,000.00	Projected 170.252.75  Based on End Quarter Face projected thru 40 170.262.76 Less mand, tags paid YTD -160.372.76
	5581 5600	8/5/07 3/22/07	20,000.00 75,000.00	Based on End Quarter Fees projected thru 40 170,262,76
	5581 5600	8/5/07 3/22/07	20,000.00 75,000.00	Based on Pind Quarter Fees projected thru 40 170,262.76 Less mand, tees paid YTD 160,372.76 Projected fees doe 9,890.00
	5581 5600	8/5/07 3/22/07	20,000.00 75,000.00	Projected 170.252.75  Based on End Quarter Face projected thru 40 170.262.76 Less mand, tags paid YTD -160.372.76
	5581 5600	8/5/07 3/22/07	20,000.00 75,000.00	Based on End Quarter Fees projected thru 40 170,262.76 Less mand tees paid YTD 160,372.76 Projected fees due 9,890,00
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	5581 5600	8/5/07 3/22/07	20,000.00 75,000.00	Besed on Rnd Querter Fees projected thru 4Q 170,262.76 Less mand tees paid YTD -160,372.76 Projected fees due 9,890,00  Projected foes due -0,493,28 less commission for Oh -45,697.32
	5581 5600	8/5/07 3/22/07	20,000.00 75,000.00	Based on End Quarter Fees projected thru 40 170,262.76 Less mand tees paid YTD 160,372.76 Projected fees due 9,890,00
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		GANA-AMAGAN AN YASAN TANDA KANAN MANAN	2012年1日 1日 1	Fęps Dvo YTL	770,290,11
2	Realized P/L	transfer by May 1911	4,533,223,15	Less Fees pd YTC	
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-6	in a contract of the contract	gramma ne nasara kalanga sarah nasaya karanga kalanga sarah	A CONTRACTOR OF THE CONTRACTOR OF THE CONTRACTOR SECURELY.  2. In the contractor of	TOTAL accrued to MDS	128,396,30
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ik.	less / Flocott IRA 10%	SPJ LIQ	-2,510.49	CARE INTERNATIONAL AND ARREST OF LEVEL STEELING STANDS ON THE S. T. T. M. T. M. T.	
I O	less P Hocold IRA 10%	SPV LW		A&A lees accorned	
19.	less P/J Hocott 10%	56 P	-14,74	less payments to Wills	-15.000.00
100	less Festus 10%	SAP	-125 941 93	net fees owed	49,834.78
SIF(I)	TOTAL DUE VID	be to a special decoration	770,230,11	. Company, in surjection or vigadomy Hind States, Sinjeris?	•1•
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1.5	Check #:		Amount	Year End Adjustments to cash	
1.6		2/23/08	29,164.87 A&B	cash owed to MDS as of 12/3	62,518,00
4 7			が次上・ヤス×ア 4 M 競 程		— γωιανασία Ε. ΑπιτΑΙΝΙΝΎΝΙ
		15.		owed to A&B	-43,934.78
1.8			# ·	owed 4th Oir Commissions	<u>-55.053.98</u>
1.94	:		de dependence	nen lees owned MOS	475,372.76
2005	, Mn 344 ,	or technique collegement is at	e a minamaga magamana Tan Samanana Lan (an 1848 a an 1848).	ing the control of th	The state of the s
2.11	supplies of a section	Balance	29,154,37	Francisco Serve of the T agent agents agent agents agent and top , a support	e r
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2:5	Management fees 2000	3			
200	Check A	Date	Amount	A STATE OF THE STA	:
2.5	5.5374	1/9/05	25,000,00	on the designation for the real relation of distribution designation of a green every at the As it is	Am 14 - 14:
2.6	5375	7/17/08	20,000,00	a the Significance and statement of the	
27	5385	1/31/08	25,000,00	2005 deficit	-78.815.27
2.8	5386	2/13/06	25,000,00	thru Ath OTH camings	770.230.11
20	5431		30,000.00	ster of motor white Estimates grand or or	681.914.84
and the same		4/3/06		Frequeted	ar alter than to the state of the
3.0	5436	4/25/05	40,000,00	. 10 10001	. •
targiers/	5497	5/3/06	10,000,00	mphores callinas als process	100 35 layer 1
3.2	5442		\$6,600.90		no are common at
3.3	6446	6/8/06	25,000,00	obsert mount a six	as a section to the state of weight
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3.50	5480	7/17/06	10,000,00	عدمت و و و د مور	
3.6.	5482	7/25/08	45,000.00		:
377	5485	5/14/05	15,000.00		
Tel	5488	8/24/08	20,000.00	ليستور مديد يهيهو بيستسدي	MA CONTRACTOR OF THE CONTRACTO
3 8	5489	9/12/08	25.000.00	and that if up a saw pays a spec-	
TO R	5493	9/21/06:	15,000.00	Based on 2nd Quarter	. [
2-HARMANAPORE	many - Sang-sammation +	- han shouldful a town to a state of			co+ 44 b 2
A J J	5518:	10(2/06	15,000.00	Fees projected thru 40	691,414.84
427	5520	10/11/06	15,000.00	Lesa mang, Jees pald YTD:	
4.8	5521.	10/11/06	68,000.00	Projected fees due	. 93,414,04
44	5522	10/19/06:	50,000.00	E consideration of the contract of the contrac	
45	5501	11/21/06	20,000.00	india di Anghinarina in iliana antina in	_ 1
4.6	5537	12/5/06	50'000'00.	ProjectedAporued to A&B	-43,834,78
4:7	5545	12/20/06	30,000 00	and the second s	a to the second
4 'B	5507	12/28/06	20,000.00	tess commission 4th On	-64,053,9B
4.9.1	τ. ···	n navne nederlik allt i Milliand	· · · · · · · · · · · · · · · · · · ·	A STATE OF THE PROPERTY OF THE PARTY OF THE	The second secon
50			•	net income avail	-25-272-75:
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53	TOTAL		590,000,00	tite is a second	
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500	5 S&P Mgt, Fee.	s Calculatii	, ,		1/81/06
luige-agra	A	3	C		F
1	4th Guarter			Faes Dua YTD	543,015.14
7	Regized F/L	e en	3,508,348,85	Less Facs pd YTU	-592.054.54
-13	Unrealized F/L		0.00	Sub-Total	-49,032.40.
4	sub-tolal.		9,208,349.82		-29.164.37
	1 3	•	* 20%	TOTAL accred to MOS	'77.E01,87-
9	latorate and some	PFP 1 1 2s	641,869.96	•	•
B	less J Hopoti RA 10%	SPJ Ltd	-1,819.22	Self-tone wider and Processing and the Second of Contract of Contr	, w
9	less P HocotiliRA 70%	SPJ Ltd	-5,759-65	Dauroon seed H&A	41,164.37
10	less Fealus 10%	S&P S&P	-10.24 -91.265.71	less gaynastis je Wills	12.000.00
11	TOTAL DAE ALD.	Sar	543.015.14	uet jees pińecj	19 ch 1 chama - 12 a l
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24	Check it	Dale	tnacav	erst ad-ph	quessay. N
25		2/23/05	47,954.54	• •	
28	5138	2/24/05	25,000.00	an vide	788.4***
27		3/7/05	10.000.001	2004 deficit	0.00
29	5196	8/29/05	20,000.00		543.015.14
30	5226	4/5/05	10,000.00	brolecied	543.015.14
3.1	5230	4/20/05	¥5,000.00		
8.2	5258	5/11/05	15,000.00		
03	5256 5258	5/25/05 6/2/05	\$0,000.00		
8.4	#259	8/14/05	\$0,000,00 \$0,000,00	). 18p	a New
8.5.	5281	6/27/06	25,000,00		
3,8	5288	7/6/05	15,000.00	na santa a agair a ga	w
3.7	5292	7/14/05	35,000,00	**	•
3.8	2500	7/28/05	15,000,00	The state of the s	
3.9	5296.	8/1/05	វគ,០០០.០០:	- and the second of the second	ı
4 0	5,303	9/6/05	10,000.00	Based on 3rd Quarter @ \$0%	\$6
4.7	5304	9/12/05	25,000.00	Faas projected thru 40:	
4'2	5308.	9/27/05	30,000.00	Less isse paid YTD	
4'3	5332	10/3/05	10,000.00	Projected fees due.	
44	5987	10/18/05	25,000.00		*. u. ***
4:5:	5338	11/2/05	20,000.00	_	_
4.6	5.341	11/1-4/05	00.000.03	Projected Approach to A&B:	29,104.37
4.7		11/22/05	20,000.00		
4 8	5345	12/8/05	\$0,000.00	less commussion 4th Qtr	o.o.o.
49		12/12/05	20,000.00		* **
5.0	5373	15/58/09	50'000'00		79,103,77
5	5379	1/25/06	99,000.00	N. te	
52	ه . به مستنب کاهند ووزورون در ایند استنب کاهند ووزورون		1946 Ac. au		
1 4 4 4	TOTAL	•	592,954.54		
54	#14 A.L. A1890 12 21				
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Year 2005
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# 5 & T \$80CIATES GENERAL PARTNERS That Balance

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Page 1

				1 Year Erried	1 Year Ended
	Account	*7~	Arcond Description	Dec 31, 2005	Dec 31, 2005
1	101	Ä	Cash-Sayungs of America	91,619,49	373,468.20
1	135	Â.	Envesiments-Madoff	3,474,340,34	34,482,988,00
	320	L	Appaird Expenses	78,939.40	11,948.90
į	221	L	Unkneyn difference	31,639.5B	31,639.58 Joseph De & 1203
1	286	L	Pacines' Capital	(1,020,713.13)	(32,244,210.00)
ı	4010	13.	Divided Income	(292,609,97)	(262,609.97)
١	45020	$\mathbf{R}$	Short Term Capital Claim/Loss	(3,594,095,00)	(3,534,095,00)
١	4930	K	DPTIONS OANTLOSS	617,355,15	617,355.15
1	saso	E	Managament Fees (S&P).	543,015.14	543,015.14
ŀ	7070	E.	Ciffice Expense	10,500,00	19,500,00
ł			Total	0,00	0.00
			PoslodProfit/(Loss)	2,655,834.68	2,655,834,68

ያ & P			PARTNER'S CAP	ITAL
Beginning	per lax retur	n/prior year schedule 1:	2/81/04	31,223,496
Capital Ad	ditione:			2,973,852
Capital Wi	thdrawals:			(1,953,139)
Net before	Income			32,244,210
(ncome;	Straddies	60% long 40% short Dividends	(370,413) 3,287,153 292,610	3,209,350
Expense		Management fee	543,015	
Net Inc		Acotng Other (adj accr exp)	10,500	(553,515) 2,655,836
Expedied e	ending baland	28		34,900,044
		Per Summary Sheet		34,811,931

Difference

88,113

2	R. D	2005	CAD	GAIN	WORKSHEET
V.)	TH.	ELVU-	J	T. 2 7 4 11 1	MANAGEMENT CONTRACTOR

		SALE	PURCHASE	COMMM	TOTAL GOST	GAIN/LOSS
TOTAL GAIN OFTIONS		342,760	186,750	830	187,580	155,180
		802,860	474,580	1,934	476,514	326,346
		511,520	192,310	2,224	194,534	.816,986
		1,586,530	360,445	5,699	366,144	1,220,386
					-	**
			4	At any a very Market and and		Age.
		3,243,670	1,214,085	10,687	1,224,772	2,018,898
	LONG - 60%	1,946,202	728,451	0,412	734,863	1,211,339
	SHORT - 40%	1,297,468	485,634	4,275	489,909	807,559
***********	AND ANTIOLIA	M.I M WAS	article de receive	and although	as de francia de	ک بر خدم الحدد بی <sup>انی</sup> د. بی <sup>انی</sup> د. الجود است.
IUIALL	<u>OSS OPTIONS</u>	218,760	911,010	3,001	914,011	(700,251)
		26,506	159,510	853	160,363	(133,858)
		82,160	727,740	2,754	730,494	(668,384)
		685,460	1,816,215	3,045	1,819,260	(1,133,810)
					سر س	Jen.
		987,875	3,614,475	9,653	3,624,128	(2,636,253)
	LONG - 60%	592,725	2,168,685	5,792	2,174,477	(1,581,752)
	SHORT-40%	395,150	1,445,790	3,861	1,449,651	(1,054,501)
	TOTAL LONG	2,538,927	2,897,130	12,204	2,909,340	(370,413)
	TOTAL SHORT	1,692,618	1,931,424	8,136	1,939,560	(246,942)
TOTAL GIL FROM OPTIONS		4,231,546	4,828,580	20,340	4,848,300	<b>(617,35</b> 5)
1099-B	ST CAP GAIN	348,784,174	345,250,079			3,534,095
Total short term Total long term						3,287,153 (370,413)
Total Cap	gain from all sources					2,916,740

sa p	
Accrued	Expenses

2005

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Due MDS\*

12/31/04 Balances

06,991.50

1/4/2005 1/25/2005

(25,000,00) (30,000,00)

Accrued 2005

543,015.14

Pald 2005

(557,954,54)

Balance 12/31/05

(11,947,90)

Overpald.

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- manufectures	2nd Quarter	Coult de color opening the color of the colo			Fees EUG YTD 255,421.09
STATE OF THE PARTY	Realized F/L		1,541,554,85		Less Fées pd YTD -240,000.00
		••			
3	Unrealized P/L		3.089.75		Sub-Total 15,421.09
4	jatot-dua	w.	1,538,485.10		Less Accreed to AAB 22.043.24
15		-	x 20%		TOTAL accrued to SAP -7,522-16
6	sub-total		307,597 02	• •	and a colored to the color of the first that the color to
and the same of					a r vv
L.	less J Hocou IRA 101%	SPJ Lid	-735.07		
8	less P Hogod IRA 10%		-2,355.85		
THE REAL PROPERTY.	less PAJ Hopott 10%	리용은	-4.05		
10	less Feetus 10%	S&P	-49.180.06		
-		) بحري دويد	255,421,09		
Carrier States	TOTAL DUE YIO		<u> </u>		•
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10		Date	Amount.		gal **.   P *gg*
16		from 2002	131,818.33		the modern control of the second section with the second section of the second section of the second section of
17	4559	1/14	-50,000.00		
10	4575		-34,005.81	•	
10	4598		-86,000.00		· · · · · · · · · · · · · · · · · · ·
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2	and to other a contract	flalance	-11.00		the second of th
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23 23	ا مراجع المراجع	Dale	Amouni	*** ** *** ***	ي. مهدي من
25	Chack #				A green of the second of the s
25		2/10	75,000,00		ere e iraningarrien emprese on opens in result
2.6	4551	4/15	១០,០០០.០០		
27	4662	8/5	10,000.00		
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22	4348	5/16	10,000,00				
23	4352	5/3Q	10,000.00				
24	4381	6/17	10,000.00				
2.5 2.6	4365	8/25	16,000.00				
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581	<sup>9</sup> Mgt. Fees Calcu	lation	2003			1/22/03
MASTEROMETERINE	A COMMISSION OF THE PROPERTY O	B.		D. J		F.
3 4 5	1st Quarter Realized P/L Unrealized P/L aub-total		<u>0.00</u> 6.00 * 20%		Net fees doe YTD Less Comm. pd. ist etr. 2nd etr. 3rd etr. 4th etr.	0.00
	sub-total less J Hooott IRA 10% less P Hooott IRA 10% less P/J Hooott 10% less ARR 1665 11/97		00 0		Not focs due YTD Less Fees paid YTD TOTAL NET FEES DUE	0.00 -50.000.00 -50,000.00
13	ISSS ASB fees (1/2) TOTAL DUE YTD		0.00			
14 8 1 9 2 2 2 3 3 4 5 5 6	4559	<b>Pate</b> 1/14	<u>Amgunt</u> 50,600.00		Eased on 4th Guarter Net fees projected thru 1Q Less fees paid YTD Projected net fees due	127,501.61 -50,000.00 77,501.61
				TOTAL	2002 Fees Due SIT/S&P ed to A&B from 2000 & 2001 Due from 2002 accrued A&B 2000-2002 I fees allocated for A&B	56,376.76 85,376.75
3 6 3 7 3 8 4 0 4 1 4 2 4 5 4 6 4 7					2002 Fees due S&P OTAL 2002 Fees Due S&P less ok#4575 dtd 1/22/03 sub-total 2002 fees due S&P (reserved for S&B)	
4407-223-46	TOTAL.		50,000.00		·	

P % 19			V H W M	-
S&P Mgt. Fees	Calculatic.	2001		1/22/02
dia Caratter			Gross fees due YTD	433,726,29
Realized P/L		2,549,777.55	Less Comm. pd. 1st gir.	-32,758.46
Unrealized P/L		0.00	2nd gtr.	-26,296.93
sub-total		2,549,777.55	3rd qtc.	-26,769.92
		x 20%	4th gtr.	-35,729,56
sub-total		509,955.51	Accrued to A&B Grand Total	-4.270.14
less J Hocott IRA 10%		-1,679,71	Not fees due YTD	307,901.28
less P Hocott IRA 10%		-5,973.15	Less Net Fees paid YTD	-307,901,28
less PW Hoodt 10%		-9,25	TOTAL NET FEES DUE	0,00
less Fastus Stacy 10%		-68,573,11		
TOTAL DUE YID		433,726,29	pril 1966 4 1 3 Joseph	LAN META AN
			Gress Face paid YTO	433,726.29
MA.W f _ EE	64 T	9	less comm. paid YTD & accrued TOTAL.	<u>-125.825.01</u>
Chack_f	Date	Amount	Net fees paid YTD	307,901,28
9843	1/1	25,000.00		
3947	1/10	5,000.00		
3852	1/19	15,000.00		
3864	2/23	15,000.00	him a at how the or states to 11	Q. 12
3924	4/1 4/13	20,000.00	Net % to S&P of total P/L.	<b>પ</b> ્રા <b>દ</b> ે.
3938		40,000.00	Secret on Pino @ 000/	
3945	4/19 4/20	5,000.00	Based on 0109 @ 90% Net fees projected thru 0112	
3947		10,000.00		
3956 205	5/10	10,000,00	The state of the s	0.00
3965	6/17	8,000.00	Projected net tees due	0.443
3974	6/30 #/#	10,000.00		
3976	6/5 6/21	10,000.00		
4033	6/28	7,000.00	Gross fees due YTD	433,726,29
4039 4043	7/13	6,500,00 00,000,08	Gross Fees paid YTD	433,726,29
4048	7/23	10,000,00	Gross Fees payable S&P	0.00
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4056	8/20	15,000.00		
4064	8/27	8,000.00		
4072	9/10	10,000.00		
4122	9/26	15,000.00		
4126	10/1	5,000.00		
4130	10/10	10,000.00		
4132	10/14	25,000.00	•	
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7777	Jan '02	70,226.29		

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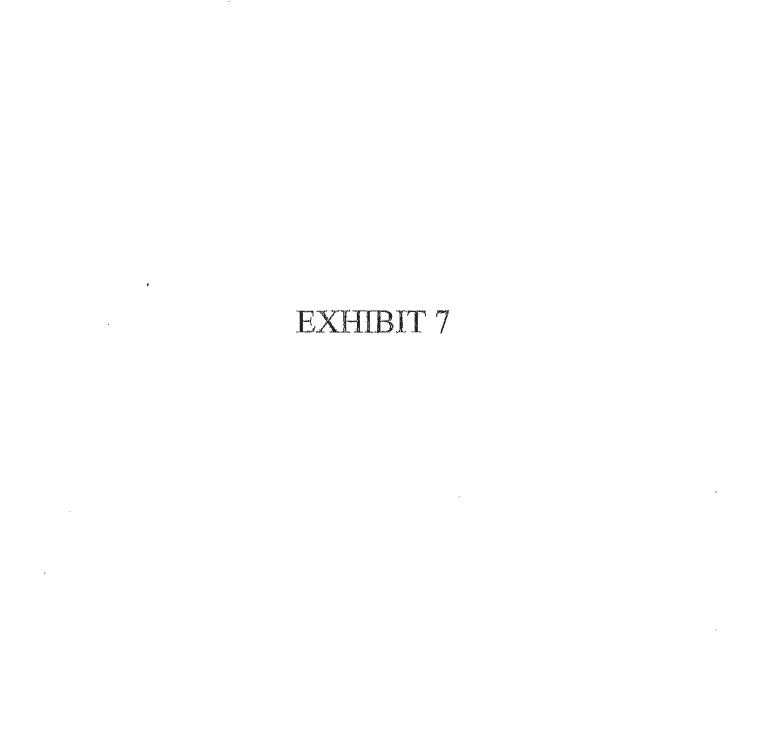
## S&P Associates G/P 2001

Fort Royale Financial Center 8550 N. Federal Hwy. Suite 210 Fl. Lauderdale, Ft. 33308-1404

## Account inquiry

1/1/01 To 12/31/01

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	Dan	987,518,29						



## <u>AMENDED AND RESTATED</u> PARTNEHSHIP AGREEMENT

This AMENDED & RESTATED Factorship Agreement (the "Agreement") is MADE AND ENTERED INTO THIS 21ST DAY OF DECEMBER, 1994 by and among the party or parties whose names and signatures appear personally or by power of alterney at the end of this Agreement and whose addresses are listed on Exhibit "A" antexed bareto (Information regarding other Partners will be furnished to a Partner upon written request) (COLLECTIVELY, THE "PARTNINGS"), THE THIRM "PARTNINGS" SHALL ALSO APPLY TO ANY INDIVIDUAL WHO, SUBSEQUENT TO THE TIATE OF THES AGREEMENT, CONSTRUCTION OF THE AGREEMENT, CONSTRUCTION OF THE AGREEMENT, CONSTRUCTION OF THE AGREEMENT, CONSTRUCTION OF THE AGREEMENT, JOINS IN THIS ACREEMENT OR ANY ADDENDUM TO THIS ACREEMENT.

WHEREAS, THE FARTMERS, ENTERED A FARTMESSHIP AGREEMENT DATED DECEMBER 11, 1992. ("PARTNERSHIP AGREEMENT"); AND

WHEREAS, PURSUANT TO ARTICLE THERTERN OF THE PARTNESSHIP AGREEMENT, THE PARTNESS RESERVED THE RIGHT TO AMEND OR MODIFY IN WRITING AT ANY TIME THE PARTNESSHIP AGREEMENT; AND

WHEREAS, THE PARTNERS DELIEVE IT TO BE IN THEIR BEST INTEREST AND ALSO THE BEST INTEREST OF THE PARTNERSHIP TO AMEND, REVISE AND RESTATE THE. THRMS AND CONDITIONS OF THE PARTNERSHIP AGREEMENT,

MOW THEREFORE, IN CONSIDERATION OF THE MUTUAL PROMISES MADE HEREIN AND IN COMBIDERATION OF THE BENEFIT TO BE RECEIVED FROM THE MUTUAL OBSERVANCE OF THE COVENANTS MADE HEREIN, AND FOR OTHER GOOD AND VALUABLE CONSIDERATION, THE RECEIPT AND SUFFICIENCY OF WHICH ARE HEREBY ACKNOWLEDGED, THE PARTNERS AGREE ASPOLLOWS:

## Background

The Partners desire to form a general parinerally for the purpose of engaging in the business of investing. For and in consideration of the mutual covenants contained been, the Partners hereby form, create and agree to associate themselves in a general partnership in accordance with the Florida Uniform Partnership Law, on the forms and subject to the conditions set forth below:

## ARTICLE ONE

## ORGANIZATION

## Name

LOI The activities and business of the partnership shall be conducted under the name 8 & P. Associates, (Seneral Partnership (the "Partnership") in Florida, and under any variations of this name that may be necessary to comply with the laws of other states within which the Partnership may do business or make investments.

Organization

Organization

Organization

Organization

The Partnership shall be organized as a general partnership under the Uniform Partnership law of the state of Rioride. Following the execution of the Agreement, the partners shall execute or cause to be executed and filled any documents or instruments with such authorities that may be necessary or appropriate from itme to lime to tomply with all requirements for the qualification of the Partnership as a general partnership in any jurisdiction.

Place of Business and Mailing Address

1.03 The principle place of business and mailing address of the Perinceship shall be located at 6550 North Federal Highway, Suite 210, Ft. Lauderdale, PL. 63306, or any such place of places of business that may be designated by the Managing General Pariners.

S&P Associates, General

**Fartnership** 

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## ARTICLE TWO

## PURPOSE OF THE PARTNERSEEP

## By Consunt of Partners

The Partnership shall not engage in any business except as provided in this Agreement without prior writing consent of all Partners.

202 The general propose of the Partnership is to invest, in each or on margin, in all types of marketplace occurities, including, without limitation, the purchase and sale of and cleating in stocks, bonds, notes and evidences in indefinedness of any person, first, enterprise, corporation or association, whether domestic or foreign bills of exchange and commercial paper, any and all other eccurities of any kind, nature of description and gold, silver, grain, cotion or other commodities and provisions usually deals in on exchanges, on the over-the-counter market or otherwise. In general, without limitation of the above securities, to conduct any commodities, inture conteacts, precious mental, options, and other investment vehicles of whatever nature. The Partnership shall have the right to allow OR TERMINATE a specific brokes, or brokers, as solected by hity-one (51) Percent in interest, not in numbers, of the Partners, and allow such broker, or brokers, AS SELECTED BY EFFY-ONE PERCENT (51%) IN INTEREST, NOT IN NUMBERS, OF THE PARTNERS, to have discretionary investment powers with the investment funds of the Partnership.

## ARTICLE THERE

#### DURATION

## Date of Organization

3.01 The Paringrahip shall begin on January 1, 1993 and shall continue until dissolved as specifically provided in this Agreement or by applicable law.

## ARTICLETORS

## CAPITAL CONTRIBUTIONS

## Indial Contributions

4.0): The Partness arknowledge that each Partner shall be obligated to contribute and will on demand, contribute to the Partnership the amount of each out out opposite the name of each Partner on Exhibit A as an initial capital contribution.

## Additional Contributions

4.02 No Partner stuil be required to contribute any capital or lend any funds to the Partnership except as provided in Section 4.01 or at may otherwise be agreed on by all of the Partners.

## Contributions Secured

4.03 Hech Pariner grants to the Managing General Partners a lien on his or her interest in the Persuership to secure payment of all contributions and the performance of all obligations required or permitted under this agreement.

## No Priority

4.04 No Partner shall have any priority over any other Partner as to allocations of profils, losses, dividends, distributions or returns of capital contributions, and no Partner shall be suitiled to withdraw any part of their capital contribution without at least TERTY (30) DAYS written motics.

S&P Acyoulates, General

Partnership

## Capital Accounts

4.05 An individual capital account shall be maintained for each Partner. The capital account shall consist of that Partner's initial capital contributions at increased by his or her additional contributions to capital and by his or her share of Partnership profile transferred to capital; and by his or her share of partnership losses and by distributions to him or her in reduction of his or her capital.

## No Interest on Capital

No Partner shall be entitled to interest on his or her contribution to capital of the Partnership.

#### AWITHCEN PIVE

## ALLOCATIONS AND DISTRIBUTIONS

#### Allocation of Profits and Losses

5.01 The capital gains, capital losses, dividends, interest, morgin interest expense, and all other profits and losses attributable to the Partnership shall be allocated among the Pattners IN THE RATIO EACH PARTNER'S CAPITAL ACCOUNT BEARS TO THE AGGREGATE TOTAL CAPITAL CONTRIBUTION OF ALL THE FARTNERS ON AN ACTUAL DAILY BASIS COMMENCING ON THE DATE OF EACH PARENER'S ADMISSION INTO THE PARTNERSHIP AS FOLLOWS: TWENTY PERCENT (20%) TO THE MANAGING GENERAL PARTNERS AND EXCHTY PERCENT (80%) TO THE PARTNERS.

## DISTRIBUTIONS

Distributions of PROPTES shall be made at least once per year, and may be made at such other time as the Managing General Partners shall in their sole discretion determine, and upon the Partnership's termination. Partners shall also have the election to receive such distributions within ten (10) days after the end of each calender quarter, or to have such distributions remain in the Partnership, thus increasing the Partner's capital contribution. CASH FLOW SHALL BE DISTRIBUTED AMONG ALL THE PARTNERS, IN THE RATIO MACH PARTNERS CAPITAL ACCOUNT BEARS TO THE AGGREGATE TOTAL CAPITAL CONTRIBUTION OF ALL THE PARTNERS ON AN ACTUAL DAILY BASIS COMMENCING ON THE DATE OF EACH PARTNERS ADMISSION INTO THE PARTNERSHIP, FOR ANY RISCAL YEAR AS FOLLOWS: TWINTY PERCENT (20%) TO THE PARTNERS.

MANAGING GENERAL PARTNERS AND HIGHTY PERCENT (80%) TO THE PARTNERS. ARTICLESIX

# DWNERSHIP OF PARTNEUSHIP PROPERTY Title to Fortunoidly Property

6.01 All property acquired by the Pertnership shall be owned by and in the name of the Partnership, that ownedship being subject to the other terms and conditions of this Agreement. Each Partner expressly waives the right to require partition of any Furtnership property or any part of it. The Partners shall excents any documents that may be necessary to reflect the Fortnership's ownership of its assets and shall record the same in the public offices that may be necessary or desirable in the discretion of the Manachus Court III. of the Managing General Partner.

## ARTICLE SEVEN

## FISCAL MATTERS

Tille to Parinership Property Accounting

S&P Associates, General

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Partnaruhip.

7.01 A complete and accurate investory OF THE PARTNERSHIF shall be taken BY THE MANACING GENERAL PARTNERS, and a complete and accurate statement of the condition of the Fertnership shall be made and an accounting among the Partners shall be MADE ANNOALLY per bacely are BY AN INDEPENDENT CERTHERD FIBLIC ACCOUNTING FRM. NOT LATER THAN NINETY (90) DAYS AFTER THE END OF THE FARTNERSHIP'S HOLDERSHIP'S HATTER THE PARTNERSHIP'S INDEPENDENT FUBLIC ACCOUNTING FRM SHALL TRANSMIT TO THE PARTNERS A COPY OF THE CURRENT PARTNERSHIP TAX ENTERN TOCETHER WITH FORM No. 1. The profits and issued the preceding year, to the extent such shall exist and shall not have been divided and paid or distributed previously, shall then be divided and paid or distributed, or otherwise retained by the agreement of the Partners, Distributions SHALL HE made at such time(s) as the General Managing Partners shall in their discretion deem necessary and appropriate.

#### Figural Year

7.02 The fiscal year of the Partnership for both accounting and Federal income fax purposes shall begin on January 1 of each year,

#### Books and Records

7.03 PROPER AND COMPLETE BOOKS OF ACCOUNT OF THE BUSINESS OF the Teatmenship shall be KEPT BY THE MANAGING GENERAL PARTNERS AND maintained at the offices of the Partnership. Proper books and records shall be kept with reference to all Partnership transactions. Each Partner or his or her authorized representative shall have secess to AND THE RIGHT TO AUDIT AND /OR REVIEW the Partnership books and records at all resonable times during business hours.

## Mathod of Accounting

7.01

The books of account of the Partnership shall be kept on a ceel hasis.

Expenses

7.35 All rents, payments for office supplies, premiums for itsurance, professional fees and slishususments, and other expenses incidental to the Partnership business shall be paid out of the Partnership profits or capital and shall, for the purpose of this Agreement, be considered ordinary and necessary expenses of the Partnership deductible before determination of net profits.

# ARTICLE RIGHT MANAGEMENT AND AUTHORITY

## Management and Control

8.01 Except as expressly provided in the Agreement, the namegement and control of the day-to-day operations of the Partnership and the maintenance of the Partnership property shall rest excited very with the Managing General Partnersh Michael D. Sellivan and Greg Powell. Except as provided in Article IVIS Section 5.01, the Managing General Partners shall receive no salary or other comparisation for their scribes as such. The Managing General Partners shall devote as much time as they deem necessary or advisable to the conduct and supervision of the Partnership's business. The Managing General Partners may engage in any activity for personal profit or advantage sulficut the consent of the Partners.

## Powers of Managing General Partners

8.92 The Managing General Pertoers are sufficitized mill empowered to earry out and implement any and all purposes of the Pentnership. In that connection, the powers of the General Managing Partners shall include but shall not be limited to the following:

S&P Associates, General

Purbleralilp

- a. to engage, fire or teachinate personnel, afformers, accountains or other persons that may be deemed necessary or advisable.
- to open, maintain and close bank or investment accounts and draw checks, drafts or other orders for the payment of money
- c. to borrow money; to make, issue, accept, endouse and execute promissory notes, dealts, loan agreements and other instruments and evidences of indebtedness on behalf of the Parinership; and to secure the payment of indebtedness by morigage, hypothecation, pladge or other assignment or arrangement of security interests in all or any part of the property then owned on subsequently acquired by the Parinership.
- d. to take any solions and to incur any expense on behalf of the Partnership that may be necessary or advisable in connection with the conduct of the Partnership's affairs.
- e, to enter into, make and perform any contracts, agreements and other undertakings that may be deemed necessary or advisable for the conducting of the Partnership's utlains
- f. to make such elections under the tax laws of the United Stated and Election regarding the treatment of titions of Partnership Income, gain, loss, deduction or credit and all other matters as they deem appropriate or necessary.
- TO ADMIT PARTNERS INTO THE PARTNERSHIP NOT EXCHEDING ONE HUNDRED AND HETY (150) PARTNERS UNLESS THE PARTNERS HAVE APPROVED PURSUANT TO SECTION 14.00 THE ADMISSION DATO THE PARTNERSHIP OF MORE THAN ON HUNDRED AND PIPTY (150) PARTNERS.

#### Restrictions on Pariners.

B.E3 Without the prior consent of the Managing General Partners or all of the other partners, no other Partner may not on behalf of the Purtnership to: (I) Forces or lend money; (ii) make, deliver or accept any commercial paper; (iii) execute may mortgage, security agreement, bond or lease; or (iv) purchase mostly may property for or of the Partnership.

## Meetings of the Pariners

The Partners shall hold regular quarterly meetings on the first Trusday during the months of January, April, July, and October at 1400 pament the principle office of the Partnership. In the event such Trusday falls on a declared Holiday, such meeting will take piece the next following business day. In addition fifty-one percent (51%) in interest, not in numbers, of the Partners may call a special meeting to be held at any time after the giving of twenty (20) days" notice to all of the Partners. Any Partner may wrive radice of or standarder at any meeting of the Partners may aftered by telephone or any offer electronic communication device, or may execute a signed written consent to representation by another Partners or representative. At the meeting, Fartners WILL REVIEW THE ENGAGEMENT WILL THE PARTNERSHIP OF ANY BROKER OR BROKERS AND shall transact any business that may properly be brought before the meeting, the Partners shall designate someone to keep regular minutes of all the precedings, the minutes shall be placed in the minute book of the Partnership.

## Action without Meeting

8.05 Any action required by statute or by this Agreement to be taken at a meeting of the Partners or any action that may be taken git a meeting of the Partners may be taken without a meeting. If a consent in writing, setting forth the setton taken or to be taken, shall be signed by all of the Partners entitled to vote with respect to the subject matter of the consent. That consent shall have the same force and affect as a numalmous vote of the Partners. Any signed consent, or a signed copy thereof, shall be placed in the minute book of the Partnership.

Eleuth, Removal or Appointment of Jefanaging General Pariner

S&P Associates, General

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ANY MANAGING GENERAL PARTNER MAY BE REMOVED WITH OR WITHOUT CAUSE AS DITERMINED BY THE AFFRMATIVE VOTE OF PITTY-ONE PERCENT (51%) in interest, not in numbers, of Partners. In the event of any such removal, the removed managing General Partners shall not be relieved of his obligations OR LIABILITIES to the Partnership and to the other Partners resulting from the events, actions, or transactions occurring during the period in which such remove Managing General Partner served as a Managing General Partner, from and after the effective date of such removal however, the removed Managing General Partner, and thereafter shall be a Partner, shall forfest all rights and obligations of a Managing General Partner, and thereafter shall have the exampling and obligations as a Partner. A MANAGING GENERAL PARTNER SHALL BE APPOINTED BY THE AFFIRMATIVE VOTE OF HITY-ONE PERCENT (51%) IN INTEREST, NOT IN NUMBERS, OF THE PARTNERSHIP SHALL HAVE AS MANY MANAGING GENERAL PARTNERS AS THE PARTNERS BY THE AFFIRMATIVE VOTE OF FITTY-ONE (51%) IN INTEREST, NOT IN NUMBERS, OF THE PARTNERS SHALL DETERMINE TO BE IN THE BEST INTEREST, NOT IN NUMBERS, OF THE PARTNERS SHALL DETERMINE TO BE IN THE BEST INTEREST, NOT IN NUMBERS, OF THE DEATH OR INCOMPETENCY OF A MANAGING GENERAL PARTNER, ANY CO-MANAGING GENERAL PARTNER, SHALL DE NO CO-MANAGING GENERAL PARTNER, THEN THE PARTNERS SHALL, WITHIN TEN (10) DAYS OF SUCH DEATH OR DECLARATION OF INCOMPETENCY, APPOINT A NEW MANAGING GENERAL PARTNER, IN ACCORDANCE WITH THE TERMS PROVIDED IN THIS AGREEMENT,

## ARTICLE NINE

# TRANSPERS AND ASSIGNMENTS No Transfer of Audigment Without Courant

9.01 No Fartner's interest may be transferred or assigned without the express written common of fifty-one percent (51%) in interest, not in number, of the Partners provided, however, that a Partner's interest may be transferred or assigned to a party who at the fine of the transfer or assignment is a Partner. Any transferred or assignment in a partner, they improve the time of the transfer or assignment in a partner to be not at the time of the transfer or assignment in the preceding sentence, the entitled to receive, in accordance with the transfer or assignment, the net profile to which the assigning Partner would otherwise be entitled. Except as provided in the preceding sentence, the transfere or assignee shall not be a Partner and shall not have any of the rights of the Partner, unless and until the transferee or assignee shall have (t) received the approval of the Partner as provided IN THIS AGRIBIMMENT, and (ii) accepted and assumed, in writing, the terms and conditions of this Agreement.

## Death or incommentancy of Pariner

- 9.02 Neither the death or incompetency of a Partner shall cause the dissolution of the Partnership. On the death or incompetency of any Partner, the Partnership business shall be continued and the surviving Partners shall have the option to allow the assets of the decreased or incompetent Partner to continue in the decreased or incompetent Partner's HER'S OR SUCCISSON'S place, or to terminate the decreased or incompetent partner's interest and return to the estate his or her interest in the
- B. If the surviving Partners elect to allow the estate of a deceased Partner to continue in the deceased Partner's place, the estate shall be bound by the terms and provisions of this Agreement. However, in the event that the interest of a deceased Partners does not pass in trust or passes to more than analysis or devices or, on termination of a trust is distributed to more than one beneficiary, then the Partnership shall have the right to depoints immediately the deceased Partner's interest in the Partnership. In that event the Partnership shall return to the deceased Partner's heirs, devises or beneficiaries. In cash, the value of the Partnership interest as calculated in ARTICLE HIEVEN as of the date of termination.

## Whitedeperate of Postners

9.03 Any Partner may withdraw from the Parimership at 2019 given times provided, however, that the withdrawing Partner shall give at least thirty (30) days writion notice. THE PARTNERSHIP SHALL, WICHIN THIRTY (30) DAYS OF RECEIVING NOTICE OF THE PARTNERS WITHDRAWAL,

SEP Aspociates, General

Partnership

PAY the withdrawing Partner, in cash, the value of his or her Partnership interest as calculated in ARTICLE MINVEN as of the date of withdrawal. She withdrawing Partner or life on her legal representative shall execute such documents and take further actions as shall reasonable be required to subscribe the termination of the withdrawing Partner's interest in the Partnership.

#### ARTICLE TEN

## TERMINATION OF PARTNERS

## Brents of Default

10.01

The following events shall be deemed to be defaults by a Partner:

- a. the failure to make when due any contribution or advance required to be made taking that terms of this agreement and continuing that failure for a period of ten (10) days after written notice of the failure from the Managing general Parisers.
- b. the violation of any of the other provisions of this Agreement and failure to remely or cure that violation within (10) days after written notice of the failure from the Managing General Partners.
- c. THE INSTITUTION OF PROCEEDINGS UNDER ANY LAW OF THE UNITED STATES OR OF ANY STATE FOR THE RELEF OF DESTORS, FILING A VOLUNTARY PETITION IN BANKRUPTCY OR FOR AN ARRANGEMENT OR REORGANIZATION OR ADJUDICATION TO BE INSOLVENT OR A BANKRUPT, MAKING AN ASSIGNMENT FOR THE BENEFIT OF CREDITORS.
- 4. SUFFERING TO BE SEIZED BY A RECEIVER, TRUSTEE, OR OTHER OFFER APPOINTED BY ANY COURT OR ANY SHERIFF, CONSTABLE, MARSHALL OR OTHER SIMILAR GOVERNMENT OFFICER, UNIDER LEGAL AUTHORITY, ANY SUBSTANTIAL PORTION OF HIS ASSETS OR ALL OR ANY FART OF ANY INTEREST THE FARTHER RIAY HAVE IN THE PARTHERSHIP AND SUCH IS HELD IN SUCH OFFICER'S POSSESSION FOR A PERIOD OF THIRTY (30) DAYS OR LONGER.
- e, the appointment of a receiver for all or substantially all of the Festiver's assets and the failure to have the receiver discharged within wheety (20) days after the appointment,
- f. the bringing of any legal school against the Partner by his or her creditor(s), resulting in Hilgstian that, in the opinion if the General Managing Partners or fifty-one (51) percent in interest, not in numbers, of the other Partners, conten and substantial risk of involvement of the Partnership property.
- E. THE COMMITTING OR PARTICIPATION IN AN INJURIOUS ACT OF FRAUD, CROSS NEGLECT, MISREPRESENTATION, EMBEZZIEMENT OR DISHONESTY AGAINST THE PARTINERSHIP, OR COMMITTING OR PARTICIPATING IN ANY OTHER BYJURIOUS ACT OR CMISSION WANTONLY, WILLEULY, RECKLESSLY, OR IN A MANNER WHICH WAS CROSSLY NEGLIGENT AGAINST THE PARTINERSHIP, MONETARILY OR OTHERWISE, OR BEING CONVICTED OF ANY ACT OR ACTS CONSTITUTING A PRIONY OR MISDEMEANOR, OTHER THAN TRAFFIC VIOLATIONS, UNDER THE LAWS OF THE UNITED STATES OR ANY HINTE THERROR.

10.02 On the occurrence of an event of a default by a Partner, fifty-one (51) percent in interest, not in numbers, or more of the other Partners shall have the right to elect to terminate the interest of the defaulting Partner without affecting a termination of the Partnership. This election may be made at any time within one (1) year from the date of default on giving the delauting Partner five (5) days written

S&P Associates, General Partnership

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notice of the election, provided the default is continuing on the data lies notice it given. The defaulting Parace's interest shall be esturned to him as her in accordance with the provisions of ARTICLE HERVEY OF THIS ACCUMENT.

OF THIS ACREMENTATION.

The defaulting Pariner's Partnership interest shall be reduced by the aggregate amount of any cutationding debts of the defaulting Partner to the Partnership and also by all damages caused to the Partnership by the defaulting Partner of his or har interest in the Partnership, the defaulting Partner shall have no furtier interest in the Partnership or its business or assets and the defaulting Partner shall have no furtier interest in the Partnership or its business or assets and the defaulting Partner shall excesse and deliver as required any assignments or other instruments that may be necessary in evidence and hally AND effectively transfer the interest of the defaulting Partner. If the appropriate instruments are not delivered, after notice by the Managing Ceneral Partner that the interest is available to the defaulting Partner, the Managing General Partner may tender delivery of the interest is the defaulting Partner, the Managing General Partner may tender delivery of the interest to the defaulting Partner, the Managing General Partner may tender delivery of the interest is the defaulting Partner and execute, as the defaulting Partner may funder delivery of the interest is the defaulting Partner and the defaulting Partner and the Central Managing Partner shall not have any ladividual listifity for any actions taken in connection HERERO.

No assignment transfer OR TERMINATION of a defaulting Partner and itability for originaling indebtsiness, liabilities, items or obligations relating to the Partner and itability for originaling relating to the Partner under this Agreement shall not relieve any other Partner from his, her or insinterest in the Partner under this Agreement shall not relieve any other Partner from his, her or insinterest in the Partnership.

#### Povedosure for Default

10.03 If a Partner is in default under the terms of this Agreement, the lien provided for in Article four, Section 4.03 may be foredosed by the Managing Seneral Partner at the option of sity-and (51) percent IN INTEREST, NOT IN NOWBURS, of the pain-defaulting Partners.

## Transfer by Attorney-in-Fact

10.04 Beck Partner makes, constitutes, and appoints the Managing General Partner as the Partner's attorney-in-fact in the event that the Partner becomes a defaulting Partner whose interest in the Frettership has been foreclosed in the manner prescribed in this Article Ten. On fareclosure, the Managing General Partners are authorized and allowed to execute and deliver a full assignment or other master of the defaulting partner's interest in the Partnership and at the Managing General Partners shall have no liability to may person for making the assignment or transfer.

## Additional Effects of Default

10.05 Pursuit of any of the remedies permitted by this Article Ten shall not preclude pursuit of any either remedies allowed by law, not shall pursuit of any remedy provided in this Agreement constitute a forfeiture or waiver of any amount due to the PARTNERSHIP OR remaining partners or of any damages account to IT OR them by reason of the violation of any of the terms; provisions and covenants contained in this Agreement.

## ARTICLE ELEVEN PARTHER TO MOTAUTAY PARTHER TO MOTAUTAY Purchase Price of Parisership Interests.

The full purchase price of the Parinership Interest of a deceased, incompetent, withdrawn or learningled Fariner shall be an amount equal to the Pariner's capital and income accounts as the appear on the Parinership books on the date of death, lacompetence, withdrawal or termination and adjusted to include the Pariner's distributive share of any Parinership net profits or lesses not previously credited to or charged against the income said capital accounts in determining the amount payoble under this Section, no value shall be attributed to the goodwill of the Partnership, and adequate provision shall be make for any existing contingent liabilities of the Partnership.

ARTICLE TWILLYE

## TERMINATION OF THE PARTNERSHIP

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12.01 The Pertnership SHALL be terminated AND DISSOLVED UPON THE FIRST TO OCCUR OF THE FOLLOWING:

a. UPON THE BALE OF ALL OR TUBETANTIALLY ALL OF THE ASSETS OF THE PARTNERSHIP, UNLESS SUCH ASSETS ARE REPLACED BY SIMILAR ASSETS WITHIN A REASONABLE TIME FOR THE PURPOSE OF CONTINUING THE PARTNERSHIP BUSINESS;

b; at any time on the WRITTEN affirmative votaces AT LEAST fifty-one (51) percent to interest, not in numbers, of the Partinges, AND

 except us offserwise provided in this Agreement, on the pecuarence of any other event that under the Uniform Partnership Law would require the dissolution of general Partnership.

## Distribution of Assets

12.02 On termination, the Partnership' business shall be wound up as timely as in practical under the sincumatances; the Partnership's assets shall be applied as follows: (i) first to payment of the autstanding Partnership liabilities; (ii) then to a return of the Partner's capital in accordance with their Partnership interests. Any remainder shall be distributed according to the terms of Article River provided, however, that the Managing General Partners may retain a reserve in the amount they determine advisable for any contingent liability until such time as that liability is entisting to distributed in accordance with Article Rive, otherwise, capital shall be returned in accordance with Article Rive, otherwise, capital shall be returned in accordance with Article Pive.

## ARTICLE THERTEEN

## AMENDMENTS

## In Whiting

15.01 Subject to the provisions of Article 8.01 and 6.02, this Agreement, except with respect to vested rights of any Pariner, may be amended or modified in writing at any time by the agreement of Pariners owning collectively at least fifty-one (51) percent in interest, not in numbers, in the Pariners lip.

## ARTICLE POURTEEN

## MISCELLANBOUS

## Partners.

THE PARTNERSHIP MAY ADMIT AS A PARTNER ANY CORPORATION, INCLUDING AN ELECTING SMALL BUSINESS CORPORATION ("S CORPORATION") AS THAT TERM IS DEFINED IN THE INTERNAL REVENUE CODE OF 1986, AS AMENDED ("TRC"), CERTAIN EMPLOYEE BENEFIT PLANS INCLUDING PENSKAI PLANS, AND CERTAIN TAX EXEMPT ORGANIZATIONS, INCLUDING INDIVIDUAL RETIREMENT ACCOUNTS ("TRA"), AS DEFINED IN

S&P Associates, General

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Partnership

THE IRC. II WILL BE THE OBLIGATION OF ANY CORPORATE BENEFIT PLAN, OR TAX EXEMPT ENTITY PARTNER TO COMPLY WITH ALL STATE AND PROBRAL LAWS, RULES AND REGULATIONS GOVERNING ITS EXISTENCE AS IT RELATES TO RECOMING A PARTNER IN THE PARTNERSHIP, WHETHER OR NOT AN HINTITY CAN BECOME A PARTNER OF THE PARTNERSHIP, WILL DEFEND UPON ITS CHARACTER AND LOCAL LAW, EACH PARTNER, IF PARTNERSHIP, WILL DEFEND UPON ITS CHARACTER AND LOCAL LAW, EACH PARTNER, IF POUT AN INDIVIDUAL, SHOULD CONSULT WITH THEIR OWN ATTORNEY AS TO ANY LIMITATIONS OR QUALIFICATIONS OF BEING A PARTNER IN THE FARTNERSHIP. THE PARTNERSHIP SHALL HAVE NO DUTY TO INQUIRE AND SHALL HAVE THE RIGHT TO ASSUME THAT ANY ENTITY APPLYING AND BECOMING A PARTNER IN THE PARTNERSHIP. THE PARTNERSHIP SHALL HAVE NO DUTY TO INQUIRE AND SHALL HAVE THE TIGHT TO ASSUME THAT ANY ENTITY APPLYING AND DUTY TO INQUIRE AND SHALL HAVE THE TIGHT TO ASSUME THAT ANY ENTITY APPLYING AND DUTY TO INQUIRE AND SHALL HAVE THE TIGHT TO ASSUME THAT ANY ENTITY APPLYING AND BECOMING A PARTNER IN THE PARTNERSHIP. IS IN FACT UNDER ITS COVERNING LAWS, ENTITLED TO BE A PARTNER IN THE PARTNERSHIP IS IN FACT UNDER ITS COVERNING LAWS, ENTITLED TO BE A PARTNER IN THE PARTNERSHIP.

PURTHERMORE, A FARTNER, IF OTHER THAN AN INDIVIDUAL, WILL BE REQUIRED TO DESIGNATE TO THE MANAGING GENERAL PARTNER PRIOR TO ADMITTANCE IN THE PARTNERSHIP, A FERSON UPON WHOM ALL NOTICES RELATING TO THE PARTNERSHIP AND SHALL BE THE ONLY PRESON ON SERIALF OF THE PARTNERSHIP WILL BE REQUIRED TO BE SOUND BY AND COMMUNICATE WITH WHEN NECESSARY, FURTHERMORE, AND IN THIS REGARD, ALL DISTRIBUTIONS TO BE MADE TO THE PARTNER PURSUANT TO THE SECTION AND THE AGREEMENT RHALL BE MADE ONLY TO THE PARTNERS REPRESENTATIVE, IF NOT AN INDIVIDUAL, AND THE PARTNERSHIP SHALL NOT BE CHILEATED TO MAKE DISTRIBUTIONS TO ANY OTHER PERSON WHO HAS AN INTEREST IN A PARTNER. PAYMENT TO SUCH PARTNERS REPRESENTATIVE SHALL EXTINGUES ALL LIABILITIES THE PARTNERSHIP MAY HAVE TO SUCH PARTNER.

#### IRA ACCOUNTS

14.02. NOTICE IS HERBY GIVEN TO ANY PARTNER CONSISTING OF AN IRA ACCOUNT THAT THE PARTNERSHIP IS NOT ACTION AS A BIDUCTARY ON BEHALF OF THE IRA ACCOUNT.

## LIMITATIONS ON LIABILITY

THE PARTNERS SHALL HAVE NO LIABILITY TO THE PARTNERSHIP OR TO ANY OTHER PARTNER FOR ANY METAKES OR ERRORS IN LUDGMENT, NOR FOR ANY ACT OR OMISSIONS BELIEVED IN GOOD, FAITH TO BE WITHIN THE SCOPE OF AUTHORITY CONFERRED BY THIS ACREEMENT. THE FARTNERS SHALL BE LIABLE ONLY FOR ACTS AND/OR OMISSIONS INVOLVING INTENTIONAL WRONGOOING, FRAUD, AND BRACHES OF BUDGLARY DUTIES OF CARE AND LOVALITY. ACTIONS OR OMISSIONS TAXEN IN RELIANCE UPON THE ADVICE OB LEGAL COUNSEL APPROVED BY HIFTY-ONE PERCENT (51%) IN INTEREST, NOT IN NUMBERS, OF THE FARTNERS AS BEING WITHIN THE SCOPE COMPERED BY THIS AGREEMENT SHALL BE CONCLUSIVE HYDRINGS OF GOOD FAITH, HOWEVER, THE PARTNERS SHALL NOT BE REQUIRED TO PROCURE SUCH ADVICE TO BE ENTITLED TO THE BENEFIT OF THIS SECTION. THE PARTNERS HAVE THE RESPONSIBILITY TO DISCHARGE THEIR REDUCTARY DUTIES OF CARE AND LOVALTY AND THOSE ENUMERATED IN THE AGREEMENT CONSISTENTLY WITH THE OBLIGATION OF GOOD FAITH AND FAIR DIGALING.

## Additional Parimets

14.04 'THE PARTNERSHIP MAY ADMIT UP TO ONE HUNDRED AND HETY (150) PARTNERS INTO THE PARTNERSHIP IN ACCORDANCE WITH SECTION 6.02. THE PARTNERSHIP SHALL HAVE THE RIGHT TO ADMIT MORE THAN ONE HUNDRED AND HITY (150) PARTNERS INTO THE PARTNERSHIP ONLY BY THE EXPRESS WRITTEN CONSENT OF PHITY-ONE PERCENT (51%) IN INTEREST, NOT IN INDMERS. OF THE PARTNERS. ANY NEW OR ADDITIONAL PARTNER SHALL ACCEPT AND ASSUME IN WRITING THE TERMS AND CONDEROUS OF THIS AGREEMENT.

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S&P Associates, General

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ACCREDITED INVESTOR, AS DEFINED IN THE SECURITIES ACT OF 1933, AS AMENDED (THE "ACT") (AS DEFINED SECUN", THAT THEY WILL NOTIFY THE MANAGING GENERAL PARTNERS IN WRITING WITHIN TEN (10) DAYS FROM THE DATE OF THAT PARTNERS ADMESSION INTO THE FARTNERSHIP. AN ACCREDITED INVESTOR AS DEFINED IN THE ACT IS: A MATURAL PERSON WHO HAD INDIVIDUAL INCOME OF MORE THAN \$200,000.00 IN EACH OF THE MOST RECENT TWO (2) YEARS OR JOINT INCOME WITH THEIR SPOURS IN EXCESS OF \$200,000.00 IN EACH OF THE MOST RECENT TWO (2) YEARS OR JOINT INCOME WITH THEIR SPOURS IN EXCESS OF \$200,000.00 IN EACH OF THE MOST RECENT TWO (2) YEARS OR JOINT INCOME WITH THEIR SPOURS IN EXCESS OF \$200,000.00 IN EACH OF THE MOST RECENT TWO (2) YEARS ON JOINT INCOME WITH THEIR SPOURS IN THE YEAR THAN \$4.00 INCOME LEVEL FOR THE CURRENT YEAR; A NATURAL PERSON WHOSE INDIVIDUAL NET WORTH (I.E., TOTAL ASSETS IN EXCESS OF TOTAL LABILITIES), OR JOINT INST WORTH WITH THEIR SPOURS, AT THE STRING OF ADMISSION INTO THE PARTNERSHEP IS IN EXCESS OF \$4.000,000.00; A TRUST, WERCH TRUST HAS TOTAL ASSETS IN EXCESS OF \$5.000,000.00, WHICH IS NOT FORMED FOR THE SPECIFIC PURPCES OF ACQUIRING THE PARTNERSHEP INTEREST ENGINE FOR INVESTMENT IS DIRECTED BY A SOPHEDITICATED PERSON WHO HAS SUCH KNOWLEGOES AND EXCERNENCE IN FENANCIAL AND BESIDESS MATTERS THAT THE IS SUCH KNOWLEGOES AND EXCERNENCE IN FENANCIAL AND BESIDESS MATTERS THAT THE IS SUCH KNOWLEGOES OF ACQUIRING THE PARTNERSHIP, NOT FORMED FOR THE SPECIFIC PURPCES OF ACQUIRING THE PARTNERSHIP, NOT FORMED FOR THE SPECIFIC PURPCES OF ACQUIRING THE PARTNERSHIP, NOT FORMED FOR THE SPECIFIC PURPCES OF ACQUIRING THE PARTNERSHIP, NOT FORMED FOR THE SPECIFIC PURPCES OF ACQUIRING THE PARTNERSHIP INTEREST HERRIN, WITH TOTAL ASSETS IN EXCESS OF \$5,000.000.00; ANY PERVATE BUSINESS DEVELOPMENT COMPANY AS DEFINED IN SECTION \$6(6)C). OF THE ACT, ANY ENGLISHED TOMPANY AS DEFINED IN SECTION \$6(6)C). OF THE ACT, ANY INVESTMENT COMPANY AS DEFINED ON THE FURTHER ACTORS IN THE SECTION \$6(6)C). OF THE ACT, ANY ENGLISHED SECTION \$6(6)C) OF THE EMPLOYE

## Noffmen

14.06 Unless otherwise provided herein, any notice or other transmission herein required or permitted to be given shall be in writing and may be personally served, felecopies, telescoff or sent by United States mall and shall be deemed a howe been given when delivered in person, or upon receipt of telecopy or felec or three (3) business days effect depositing it in the United States mall registered or certified, when postage propold and properly addressed. For purposes thereof, the addresses of the parties have no are as set furth in Exhibit "A" and may be changed it specified in writing and delivered in accordance with the trans of this Agreement.

## PLORIDA LAW TO APPLY

MUZ THIS AGREEMENT SHALL BE COVERNED BY, AND SHALL BE CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF FLORIDA WITHOUT BEGARD TO THE PRINCIPLES OF CONFLICT OF LAWS.

S&P Associates, General

Permership

## Disputes

The Pareners shall make a good faith effort to getile any dispute or claim arising under this Agreement. If, however, the Pariners shall fall to resolve a dispute or claim, the Pariners shall submit it to arbitration before the Florida office of the American Arbitration Association. In any arbitration, the Federal rules of Civil Procedure and the Federal rules of Evidence, as then existing, shall apply. Judgment on any arbitration awards may be entered by any court of competent jurisdiction.

## Headings

14.09 Section headings used in this Agreement are included herein for convenience or prierrants only and shall not constitute a part of this Agreement for any other purpose or he given my substantive effect.

## Parties Broad

14.10 This Agreement shall be binding on and hure to the benefit of the parties hereto and their respective heirs, executors, unfulnishrators, legal representatives, successors and assigns when permitted by this Agreement.

## Severebility

14.11 In case any one or more of the provisions contained in this Agreement shall, for any reason, by held inveild, illegal or unenforceable in any respect that inveild, illegal or unenforceable provisions shall not aften any other provision contained IN THIS AGREEMENT.

#### Counterparts

14.12 This Agreement and any amendments, waivers, consents or supplements may be executed in any number of counterparts each of which when so executed and delivered shall be deemed an original, but all such counterparts together shall constitute by one and the same instrument.

## Gender and Number

14.13 Whenever the context shall require, all words in this Agreement in the male gender shall be deemed to include the female or resuler gender. AND VICE VERSA, AND all singular words shall include the plural, and all plural works shall include the singular.

## Prior Agreements Supersided:

14.14 This Agreement supersedes any prior understandings or written or trol agreements among the parties respecting the subject matter contained herein.

S&P Associates, General

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**Fartnership** 

## Complete 11.12.13 and Unfilbit A and mail this page only with check made payable to "Stip Associates. City" by

9 & F ASSOCIATES, General Partnership on Sullivan & Powell 6580 N. Federal Hwy., Suite 210 Tt. Landerdale, Tt. 33308-1404

1)	Each party signing below hereby represents	ment by the signature and date set footh below. and werents that such party is tophisticuted and meand, as except is in a position to evaluate and on of the Partnership.
<del></del>	T	Dar
		Dele
2)	Olatribulionis	
	I elect to receive distributions on a quarterly i	one in the amount of \$
	I elect to have my quarterly distribution rein-	rested in the Partnership.
3)	Please theck one of the following accredit	nd investor chaices:
1.7881g-pro-p	I am an accredited investor as defined below	's
	I am not an acceedited juvestor.	
wor	The following would made (i) A person with an individual net word ordy in excess of \$1,000,000. First worth means the one, home furnishings and automobiles, over tota	lfy as an "accredited investor" h, or together with his or her spouse a combined net he excess of total assets of fair market value, including al liabilities.
វចម្បូង	(ii) A person with an individual income ouse) in each of \$200,000 in each of the past tw	e (exclusive of any income attributable to his or hec re years, and that he or she reasonably expedia to have
	15 Parti	S&P Associates, General vership

an individual income in excess of \$200,000 during this year. Individual income means adjusted gross income, as reported for federal incomes tax purposes, less any income attributable to a spouse or to properly owned by a spouse, increased by the following amounts (but not including any amounts attributable to a spouse or to properly owned by a spouse): (i) the amount of any tax exempt interest income regarded under Section 103 of the United States Internal Revenue Code of 1986, as emended that "Code", (ii) this amount of losses cialmed as a limited pattern in a limited partnership as reported on Schedule B of form 1040, (iii) any dechiction claimed for depletion under Section 511 of seq. of the Code and (iv) any amount by which income from long-taxe capital gains has been reduced in arriving at adjusted gross income pursuant to the provisions of Section 1202 of the Code.

(fil) A person that together with his or her spouse, had a combined income in excess of \$300,000 in each of the past two years, and reasonably expects to have a combined income in excess of \$300,000 during this year.

EXHIBIT A (How you would like your account titled)

## <u>IMPORTANT</u> - Please indicate your beneficiary. Please include address & phone #.

Name, Address Telephone No. and Fax No.	Social Security No. or Federal 1D No.	Capital Contribution
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<u>IMPORTANT</u> - Please indicate your beneficiary. Please include address & phone #.

S&P Associates, General

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212 230-2424 500 221-2242 Than 205130 Fan 212 486-8176

Congress has mandated that all interest and dividend payors including banks, corporations and funds must withhold i — I of all dividends or Interest paid UNLESS you complete and return the form at the bottom of this page.

## Important New Tax Information

"Under the Federal Income tax law, you are subject to certain penalties as well as with-holding of tax at a 20% rate if you have not provided us with your correct social security number or other taxpayer identification number. Please read this notice carefully.

You (as a payer) are required by law to provide us (as payor) with your correct texpayer identification number. If you are an individual, your texpayer identification is your social security number. If you have not provided us with your correct texpayer identification number, you may be subject to a \$50 penalty imposed by the internal Revenue Service. In addition, clivided payments that we make to you may be subject to backup withholding starting on January 1, 1984.

Backup withholding is different from the 10% withholding on interest, and dividends that was repealed in 1983. If backup withholding applies, payor is required to withhold 20% of dividend payments made to you. Backup withholding is not an additional tax. Rather, the tax liability of persons subject to backup withholding will be reduced by the amount of tax withholding results in an overpayment of taxes, a refund may be obtained.

Please sign the form and return it to us.

Even if you have already provided this information it is required by the JRS that all information requested below be provided again.

Thank you for your cooperation.

(Corporations are exernal from this requirement and should not return this form.)

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SUBSTITUTE INTERNAL REVEN	IUE SERVICE FORM W-9
Account Number(s):	Texpayer Identification Number:
	65-0371258
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(Signature)	And Full Manging Ht. "Under penalties of perjury. I certify that the humber shown on this form is my correct Taxpayer Identification Number.

Please III in your name, address, taxpayer identification number, and sign above,

Affiliated with:
Madoff Securities International Ltd.

IN ACCOUNT WITH

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885 Third Avenue New York, NY 10622 (219) 236-2884 (800)358-1345 TRLEX 235 130 FAX (212) 486-3178

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# TRADING AUTHORIZATION LIMITED TO PURCHASES AND SALES OF SECURITIES

Gentlemen:

The undersigned hereby authorizes Bernard t. Madoff (whose signature appears below) as his agent and attorney in fact to buy, sell and trade in stocks, bonds and any other securities in accordance with your terms and conditions for the undersigned's account and risk and in the undersigned's riame, or number on your books. The undersigned hereby agrees to indemnify and hold you harmless from, and to pay you promptly on demand any and all losses arising therefrom or debit balance due thereon. However, in no event will the losses exceed my investment.

In all such purchases, sales or trades you are authorized to follow the instructions of Bernard L. Madolf in every respect concerning the undersigned's account with you; and he is authorized to act for the undersigned and in the undersigned's behalf in the same manner and with the same force and effect as the undersigned might or could do with respect to such purchases, sales or trades as well as with respect to all other things necessary or incidental to the furtherance or conduct of such purchases, sales or trades.

The undersigned hereby ratifies and confirms any and all transactions with you heretofore or hereafter made by the aforesaid agent or for the undersigned's account.

This authorization and indemnity is in addition to (and in no way limits or restricts) any rights which you may have under any other agreement or agreements between the undersigned and your

This authorization and indemnity is also a continuing one and shall remain in full force and effect until revoked by the undersigned by a written notice addressed to you and delivered to your office at 895 Third Avenue but such revocation shall not affect any liability in any way resulting from transaction initiated prior to such revocation. This authorization and indemnity shall enure to the benefit of your present firm and any successor firm or firms irrespective of any change or changes at any time in the personnal thereof for any cause whatsoever, and of the assigns of your present firm or any successor firm.

Personal deet FL

(City)

Very truly yours, Aug Grand; mg. Ptr. D+5 Assertable from Alest
(Client Signature)

Signature Of Authorized Agent:

## PAS ASSOCIATES, GY AMENDED AND RESTATED PARTNERSHIP AGREEMENT

This AMENDED & RESTATED Factorship Agreement (the "Agreement") is MADE AND ENTERED NOTO THE ZEST DAY OF DECEMBER, MY by and among the party or perties whose names and signature appear personally or by power of attorney at the end of this Agreement and whose addresses are factor and administration of another than the facility of a factor on written represed (COLDETIVELY, THE TRANSEY). THE TRANSEY REPORTED SHALL ALSO APPLY TO ANY INDIVIDUAL WHO, SURSEQUENT TO THE DATE OF THES AGREEMENT, JOINS IN THE BACKERMENT OR ANY ADDIVIDUAL TO THE AGREEMENT.

Whereas, the Partners, Entered A Bandanessip Agreement Dated December 11, 1992, ("Partnership Agreement"), and

WHITEAS: PURSUANT TO ARTITLE THE THE PARTNESS ACCEPTANT. THE PARTNESS RESERVED THE RECEPT TO ALGRED OR MADING IN WRITING AT ANY TIME THE PARTNESS-DIFACEBRANCH AND THE RECEPT TO ALGRED OR MADING IN WRITING AT ANY TIME THE PARTNESS-DIFACEBRANCH AND THE PARTNESS-DIFFER PARTNESS-DIFFER

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NOW THERESORE, IN CONSIDERATION OF THE MIDTIAL PROMISES MAIN HEREN AND IN CONSESSION OF THE BENEST TO SERVED SECON THE MODIAL DISSERVANCE OF THE COVENANDS MADE HEREN: AND FOR OTHER GXOD AND VALUABLE CONSIDERATION. THE RECEIT AND SUPPLIEDAY OF WHICH ARE HERBY ACKNOWLEDARD, THE PARTNERS AGREE. AS POXLOWEE

## Designment

The Potners desire to born a general partnership for the propose of engaging in the business of sivership. Not seal at contact enters the contract constant of the contract constants obtained borein, the Partners hereby folial events and agree to superists the seal of the contract of th

## ARTHOR COR .

## **CEGANIZATION**

## Misseld.

1.01 The activities and business of the parineously shall be conducted under the name F & S. Annotates, General Partnership (the Technership) in Rocada, and under any variations of this ment that may be necessary to comply with the laser of office states within which has Partnership may in business or make investments.

Organization

The Factoriship abalt be organized as a general partnership under the Uniform
Factoriship Last of the state of Florida. Following the concellion of this Agreement, the partners shall
execute or trained to be executed and filed any documents on instruments with such authorities that may
be passessed; for appropriate from times to fine, to compily with all requirements for the qualification of the
Factoriship as a general partnership is any farfactioning.

Place of Sunthessa and Minister Advisors

103 The infinitely place of brokeses and madding address of the Formership chall be located at 6500 Month Federal Digloray, Soine 210 Fr. Isrodeninis. Fr. 2008, county work place or places of business that may be designated by the Adamaging Greened Partness.

PAS Associates, General Partnership

EXHIBIT B

4370

## ARTICIETWO

## PURPOSE OF THE TATTIFE SELF

## By Consent of Partners

1.01 The Partmenthy shall and engage in any humbers except as provided in this Agreement religionst prior written consent of all Partment and any instructions and sale of and managed in all types of marketylars according including, whiteout inmediate, the practices and sale of and dealing in stocks, branch make and evidences in tradelectures in family any partmer. How, enterprise, exponential are examined to any install and evidences in tradelecture and commencial paper thy and at other examines of any highest nature of description; and pad, allows grain colon, as before commendies and providence transition to be excluded as a function of the surface of description; and the examines of descriptions are allowed as the examines of the above according to the examines of the above according to the over-the-country makes or otherwise. In present, without finishing of the above according to the examines of the above according to the examines of the above according to the following and other contracts, precious means, which is a providence of the following the first part of the providence of the first part of the providence of the providence of the factors, and allow used indeed, or brokers, as a SERCTED BY HETTY CAR PERCENT (2015) IN PRICEITS, NOT IN POLICEURS, CR THE PARTNERS, to investigate trade in the Partnership.

## ARTICLE THREE

## DUNATION

## Date of Chromicalline

2.UI The Purposed in the Land begin on James 7, 1993 and shall continue until descrived as specifically provided in this Agreement or by applicable law.

## ARTICIAI POUTE

## CARTÁL CONTRIBUTIONS

## Balliel Cartalinelops

4.00 The Partners advantably that each Pictur shall be dillested to contribute and will, on demand, rithinks to the Partnership the amount of only set out approxim the means of each Partner on Exhibit A as an initial capital contribution.

## Additional Confidenting

4.02 No featurer than be required to contibute any engine or lead any fourte to the Partnership compt approvident in Section 4.01 or as may otherwise be apprecion by all of the features.

## Chairflootiesr Beamed

403. Each Earther grants in the Managing Sensial Pariners a lien on his or her identation the Parinership to secure payment of all rendstraines and the parinershap and of pilitageous required or permitted under this agreement.

## No Princity

ADE No Farture about hore any priority over any other Parture as in alterniture of positionlosses, distillends, distributions or remains of capital confidentions, and no Parture Still be autified to withdraw any past of their capital coordination videous at last THIRTY (30) DATS within codes.

PAS Associatos, General Partnership

## Capital saconnic

An individual capital account shall be assistanted for each Fariner. The capital account shall consist of the Fariner's highest capital contributions

a. increased by his or less additional contributions to reptial and by his in the service of Farinership positive transferred to explict and

b. decreased by his or less there of partnership losses and by distributions to him as her in the less of the control of the control

reduction of his or has capital.

## No Interest un Ospital

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## ARTICLEETVO

## AND CLATHONS AND DISTRIBUTIONS

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## DISTRIBUTIONS

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## " ANTICLESEVIDI

## PISCAL MATTING

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PES Associates, General Perineral ib

T.U. A complete and accounte inventory OF THE PARTITIESTED shall be taken BY THE MANAGING GENERAL PARTITIES, and a complete and accounte interment of the condition of the Participality islad be made and an accounting among the Participal State. NOT LABOR HAVILLEY per fixed year BY AN INDEPENDENT CONTINUED PUBLIC ACCOUNTING FIRM. NOT LABOR HAVING NIGHT. (SET) LASS AFTER THE HAD OF THE FARTIMESTED'S RECAL YEAR THE ARTIVIPATIONS INTERPRETED INTERPRETED FURLY ACCOUNTING HAM STATELLY RANGET TO THE PARTITIESTED INTERPRETED INTERPRETED FACTORIST PARTITIESTED TAKEN HAM STATELLY TRANSLET TO THE PARTITIESTED INTERPRETED INTERPRETED FURLY ACCOUNTING HEM STATELLY TRANSLET TO THE PARTITIESTED INTERPRETED INTERPRETED THE PARTITIESTED TO THE PARTITIESTED IN THE PARTITIESTED TO THE PARTITIES discretion them steers any and appropriate.

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## Booler well Lerenda

PLB. PROPER AND COMPLETE BOOKS OF ACCOUNT OF THE BUSINESS OF the Partnership shall be chert by the MANACING CHARLAL PARTNESS AND maintained at the officer of the Partnership. Proper brokes and records shall be true which reference to all Partnership inspections. Rach Partnership to the ore authorized representative shall be the second of AND THE AND CHARLAL CAUCHT AND CHE REVIEW the Partnership broke and records at all resonable times during business hours.

## Method of Accompling

The books of account of the Partiesship shall be bept on a cash basis. 101

The Street All make perpensive to office supplies pressions be designed, productional first and district manufactures and other conserver incidental to the Permeadily betterns, shall be paid out of the Permeadily profits or capital and shall. For the purpose of this Agreement, he succeeded columny and accessary expenses of the Purposarily designable before determination of per people.

## ARTICLE BICRIT MANACOMENT AND AUTHURITY

## Literagement and Control

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provided in Article high Berlina E.O., the Restricting Council Property shall receive the airline as
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provided in Article high Berlina E.O., the Restricting Council Furthera shall provide as much thine as
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Identifying Council Furthera many stigger in any extinty for personal profit in advantage visitors his
masseru of the Periodea.

## Forest of Managing Greens Partieus

\$10.1 The Managing Cluberal Parlment are archesized and empowered in congruence and incidences; may seed all purposes of the Parlmension. In this monascion, the present of the Ceresal beforeoung fractions shall include but shall not be footed to the following:

PAS Aspociates, General Partnership

Susan

- e. to engage like or deminate personal, alterness, eccomisals or other persons that may be desired necessary or editable:
- b. to open, maintain and divisi burders investment accounts and draw checks, drafts or other orders for the payment of money
- c. to become makey; to make, house, ecopy, endose and execute promisery notes, drafts, lear agreements and other instruments and evidences of indebtedness on heliall of the Pattorching and in secure the payment of indebtedness by indepper, hypothecution, plother or other assignment or make the interest in all an any part of the property then counted or successmently studied by the Pattorching.
- d. to take may notices sind to inche; any expense on beholf of the Perturbible Unit may be precessary or advised to a connection with the conduct of the Perturbible's alleine.
- e. To other line, make and perform my controls, dynericans and other nudestabling that may be deemed recovery contribute for the conducting of the Paracadhy's addition
- No make with elections router the text keep of the United Stated and Morida regarding the transment of them of Parismodula business, gain, loss, deduction or credit and all other mattern as they down appropriate or accessary.
- E. TO ADMIT PARTNESS INTO THE PARTNESS THE WAY BECERVING ONE HUNDRED AND PHETY (120) PARTNESS INTO SHE YARTNESS THE YARTNESS THE WAY APPROVED PHETY OF THE THEORY THE PARTNESS THE YARTNESS THE WAY APPROVED THE WAY THE WAY THE WAY THE WAY THE WAY THE WAY WAS THE WAY THE W

#### Districtions on Trotuen

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In other Parines may set on behalf of the Pinturbidip in 40 focus or lead manage (1) make deliver or strings say animated paper; (10) expectly say mortgage, socially agreement, band to loose in 60) purchase or sell any property for or of the Parinessiap.

#### Admings of the Parincia

EAR The Entrene shall haid regular quartedly mastings on the Ead Thurday furing the months of January. April, July, and October as 120 para at the principle office of the Permiculary In this creat ruch Touristy falls on a declared Heliday, such meeting will take place the best following inciners day. In addition hilly-case percent (515) in interest, not in numbers, of the Fast timest may call a special meeting in be held at may fine of the flowing it involves [20] days modice as all the Restness. Any Partner may waive notice of an attendance at any mainting of the Partners, may attend by hisphrase or any uther electronic communication divide, as may percent a signed writers covered to representation by machine pract may not consensative. At the meeting, Partners WILL REVIEW THE INCLASSIBLET WITH THE PARTNERSHIP OF ANY BERKHIP OR ENCHARDS AND shall remove they before the precipit, the Rectners shall decignate sometime to keep regular minutes of all the proceedings, the minutes shall be placed in the unions book of the Partnership.

#### Action without Meeting

Any union required by stants in by this Agreement in by taken at a meeting of the Partness or any action that may be taken at a meeting if a consent in variing, setting durin the action likes or to be taken, shall be signed by all of the Partness entitled to vote with respect to the action likes or to be taken, shall be signed by all of the Partness entitled to vote with respect to the action make in the amount. That consent shall have the once force and effect as a punchmone vote of the Partness. Any signed consent or a signed copy should be placed in the minute book of the Partnesship.

Death, Removed or appointment of Managing General Pariner

PAS Associates, Governi Farmurchip

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ANY MANAGENG GENERAL PARTIMER MAY BE BELCOVED WHEN OR WILLIOUT CADES AS DETERMINED BY THE APPLICATIVE VOID OF FETY-ONE PERCENT (SIS) in Independent in the sweet of sity such assured, his received kinninging General Partimers chall not be privated in the control of the control of the private of Partimers and the strent, articing, or immediations occurring there is private to the other Partimers resulting from the strent, articing, or immediations occurring there, from and after the efficacy date of fromeign General Partimer. From and after the efficacy date of since the private for the strent of the private for the since the private form of the private form of the strent of the strent of the private form of the private of a lateraging General Partimer, and therefore shall have the since relational displacement of a private. A MANAGENG GENERAL PARTIMER STALL HE APPCINITION THE APPCINITION OF THE PARTIMERS IN THE FACTORIES FOR THE PARTIMERS OF THE PARTIMERS IN THE APPCINITION OF THE PARTIMERS OF THE PARTIMERS OF THE PARTIMERS OF THE PARTIMERS OF THE APPCINITION OF THE PARTIMERS OF THE PARTIMER SHALL CHARLES OF THE PARTIMER OF THE PARTIMER SHALL SHALL BY NO COLARANGENG GENERAL PARTIMER THEM THE PARTIMER SHALL WITCH THEN ONE DAYS OF SIXE LEAST DAYS OF SIXE LEAST ON THE PARTIMER SHALL WITCH THE ONE DAYS OF SIXE LEAST DAYS.

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ALRHIMMENT, and the accepted and assumed, to writing, the terms and conditions of this Agreement.

#### Death or Incomprising of failure ..

gate. Neither the heads or homogeneous of a Pertuen shall cause the dissolution of the Pertuendity. On the heads out-normpetency of any Pertuen, the Pertuenting hardness shall be continued and the speciality. Furthers shall have the option to allow the master of six decreased or incompetent Pertuen to readings in the decreased or incompetent Pertuent and INECT OF SUCCESSION of place or to be continued the decreased or incompetent pertuents to the catalog its notion in the catalog i

B. If the surviving Perhams elect to allow the nature of a discussed Perhams to confirme in the obsessed Perhams place, the extrans shall be bound by the ferms and provisions of this Appendict However, in the event that the internet of a discussed Perhams does not pass to trust or persent to make there are being a devices or, or termination notes trust is distributed to make them one been entirely then fine there that the light to the minute inneadability the discussed Perhams is interest in the Perturnation. In that event, the Perturnation has all felton to the decreased Permant's being discuss or beneficially, in each time value of the Perturnation interest as extended in ARCICLE RESPONDED.

#### Willednamed s of Partners

9.03 Any Frience may withdraw from the Partonality at may given time; provided, inverse, that the withdrawing Furner thall give at least thirty (A) days written notice. THE FARINGESHIP SHALL, WITHIN THEFT (A) DAME OF RECEIVING MOTICE OF THE FARINGES WITHDRAWAL.

P&S Associates, General Parinership

PAY the withdrawing Padynes, in casic, the value of his or has Padnership interest at calculated in ARECCLE HARVEY is of the three of withdrawed. The withdrawing Padner or his or has legal representative shall rescatt such apparents and lake hinker actions at shall rescond by respected in effections the hermonistic of the withdrawing Padner's interest in the Protocology.

#### ARTECSBYRM

#### TERLINATION OF PARTNERS

#### Events of Reliads

1150) The inflowing syrids s [mill be deemed to be defaults by a Pather:

- a. the follows to make sometrius any contribution of advance required to be make under the forms of this agreement and coinforming that failure for a period of ten (10) days after written under at the follow from the Managing granual Partners.
- b. the violation of any of the primer provisions of this Agreement and failure to remeably or constitute violation within (till days after written artifice of the failure from the Admeging General Partners.
- The institution of exocredings under any law in the instituted states or of any state fire the ender of designs, busing a volley any endion in bandquency of box an arrangment or recegnization or adjudication to be insolvent or a bandquely. Making any assignment of the insolvent or a bandquely.
- d. Suffering to be setzed by a receiver lengther decorder datable depends of the application by any collect creamy enemes, constable may have in the particulated by all or collect creamy enemes and any enemed the particle may have in the particulated and eneme is any present in the particulation of the application of the particulation of the p
- e. the appreciament of a receiver for all or substantially all of the Reper's uses and the failure to have the receiver discharged rather receive (90) have after the appointment.
- E the laining of my legal relied against the Partner by his of her deriver(s), resulting in Magazion that in the opinion if the General Managing Padress or fully our (51) percent is interest, not in numbers, refine other Partners, creates a real and autientation and of involvement of the Pantnership property.
- E THE COMMITTENT OR PARTYTEATEN IN AN INTURE ACT DE PRAID, GROSS NECLECT, MESSERBERNILLION, EMBEZZIEMENT OR DEBONERTY AGAINST THE PARTMESSHIP, OR COMMITTENG OR PARTECENTROL IN ANY OTHER DIJUECOUS ACT OR CAMERION WANTONIL, WILLRULY, REGIONSCHOOL OF AMANDER WHICH THAT GROSSIY DEGGGENT AGAINST THE PARTMESSHIP, MONSTARRY OR OTHERWISE, OR BEING COMMICHED OF ANY ACT OR ACTS CONSILITITING A FRICANY OR MELETRISHED, EDIGER THAN INABIOC VIOLATIONS, INDEX THE LAWS OF THE UNITED STATES OR MY STATE THERESES.

10.02 On the occurrence of an event of a default by a Pattace, fifty-one (II) percent in faterest, not in manners, or racins of the milest Partaced shall have the right to elect to terminate the faterest of the defaulting Fartace without afforming a termination of the Partacettip. This election may be easily any mine without one (I) year from the date of default, on string the defaulting Partace from the date of default, on string the defaulting Partace from the default in continuing on the date the rotice is given. The defaulting Partace's indepent shall be returned to king or het in accordance with the particular of ARIOCE BLEVIEW CULTURE TRANSPORTED.

CHTHE AGREGATION

The fielding Patter's Partnership interest shall be reduced by the appearance mount of any custometry debts of the defaulting Partner in the Partnership and also by all decouples amount of any custometry debts of the defaulting Partner in the Partnership and also by all decouples caused in the Partnership and also by all decouples caused in the Partnership.

PAS Associates, General Partnuchlo

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On return to the debaulting Partner of the or has interest in the Partnership, the debaulting Partner shall have no further interests after Partnership or its business or assets and the debaulting Partner shall execute and field-responding to the partnership of the instruments that may be accessory to tendence and fully AND effectively transfer for interests of the debaulting Partner to the non-debaulting Partners. If the appropriate institutions are not delivered, after rother by the Managing General Partner for that the interests is evaluable to the delividing Partners, the Interests of the debaulting Partner and escent, as the defaulting Partner's POYUR OF ATTORNIES, any instruments AS ARENN EMPREEMENT. All parties agree that the General Managing Partners and interests are not individual helding for any network shall in monocolous function.

No resignment broader OR THEMILEY of a defaulting Partner's DIVIDEST as provided in this Agreement blood releases the defaulting Partner from my personal fielding for continuations individuals. Habilities, there or obligations relating to the Partnership that may next on the date of the assignment, provider OR TREATMATION. The debault of my Partner works his Agreement about not relieve any other Partner from the Partnership.

#### Horestonure for Defailli

IME If a Barner is in default under the terrer of his discrement, the lien poorlied for in Article four, Section 409 may be involved by the Munging Remark Pattner in the option of Hity-ore (III) percond IN INTEREST, NOT IN NUMBERS, of the non-defaulting Entirem.

#### Transfer by Attenuar Inches

10.04 Each Patters makes, somethering and appoints for Managing General Parters as the Parters's attempt for late in the event that the Parters becomes a defaulting Patters whose lotters in the Parters by last been feed over in the manager prescribed in this Article Inc. On tractioning, the Managing General Parters are although a consult and delivers to the Blassique are entitlected with although a consult and delivers to the Blassique are either touries of the defaulting parters in the Parters and paid if the Managing General Patters shall have in Heblidy to any person for making the purious of the defaulting parters for making the purious of the defaulting to any person for making the purious of the defaulting to any person for making the purious of transfer.

#### , Additional Effects of Default

10.05 Promit trans of the remerbes permitted by this Article fire shall not precide parable of any principal manufacture and the shall principle of any results in this Agreement constitutes devictions of waters of only amount does to the PARTIMESTIP CR remaining partners any decayes activity to Tr CR from by remen at the violation of any of the status, providings and providings and providing the decay decay decayed in this Agreement.

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#### ARPICE ETWELVE

#### TERMINATION OF THE PARTITIONSHIP

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PSS Appostules, General Partnership

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#### PARTICIPATE OF THE PARTIES.

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INTEREST IN A PARTNER. PAYMENT TO HUCH PARTNERS REPRESENTATIVE SHALL
HITMORISH ALL LIMBITLIES THE PARTNERSHEP MAY HAVE TO BUCH PARTNERS.

#### STATISTICS AND

1107 NOTICE IS HERBY GIVEN TO ANY PARTNER CERRESTING OF AN IRA ACCOUNT THAT THE PARTNERSHIP ENOT ACTION AS A PROVIDEN ON RIBBATE OF THE EVA ACCOUNT.

#### DESTRUCTIONS ON LIABILITY -

THE PARTNESS SHALL HAVE NO EARBETY TO THE PARTNESSEP OF TO ANY OTHER PARTNER FOR ANY RESEARCH OR EXPERIENCE FOR SHALL HAVE NO EARBETS IN JUDGALETT NOW FOR ANY ACT OR OTHER PARTNERS FOR THE WITTEN THE SCHEE OF AUGEORITY CONFERRED BY THE AGREEMENT. THE PARTNESS SHALL HE CARRY ONLY FOR ACTS AND/OR CARSCORS ENVOCUME INTERIORAL WARDENCE (PARTIL AND SHALL) AND SHEATCHES OF FOULTH'S DETAILS BY OCCUPIED AND FOR PARTIL AND SHALL AND SHALL AND SHALL AND SHALL AND THE ADVICE OF EAST AND LOYALTY. ACTIONS OR CASSESORS TAKEN IN RELIANCE UPON THE ADVICE OF EAST AND LOYALTY. ACTIONS OR CASSESORS TAKEN IN RELIANCE UPON THE ADVICE OF EAST AND SHALL AND SHEET AND SHALL SHALL AND SHALL AND SHALL AND SHEET AND SHALL SHALL SHALL AND SHEET AND SHALL SHALL SHALL SHALL SHALL SHALL AND SHEET AND SHALL S

#### . Additional Partners

#### · SUCHARRITY

1405 EACH PARTNER REPRESENTE TO THE PARTNERSHIP THAT IF THE PARTNER E NOT AN ACCEPTION INVESTOR, AS DESIRED IN THE SECURITIES ACT OF THE ACCEPTION RAY DESIRED IN THE SECURITIES ACT OF THE ACCEPTION RAY THE THEORY WILL NOTHER THE THE MANAGING GENERAL PRETERIES IN WHITEHER WITHIN THE (ID) DAME FROM THE DATE OF THAT PARTNERS ADMISSION INTO THE EACH CHAPTER AN ACCEPTION INTO THE EACH CHAPTER AN ACCEPTION INVESTOR AS IMPRINTED IN THE ACT IS A MATURAL PRESENT TWO (I) YEARS OF ICAN'I TWO CASE WITH THEIR SPOURS IN EXCESS OF SECONDO IN EACH CHAPTER TO THE CONTROL OF THE MOST DESIRED TO YEARS AND RESPONDENT ENGINE TO RECH THAT EACH OF THE MOST DESIRED THAT CHAPTER THE CURRENT THAT ANTHRE THESE OF WELL FOR THE CURRENT THAT A NATURAL PRESENT WITH THE TO RECH THAT WORTH FOR THE CURRENT THAT A NATURAL PRESENT WITH THE YEAR AND THE PROPRIED TO RECH THAT WORTH THE ORDER THAT THE CURRENT THAT A NATURAL PRESENT WITH THE YEAR OF THE THEORY WORTH THE YEAR AND THE PARTNERSHIP IS IN EXCESS OF WORTH THE PARTNERSHIP IS IN EXCESS OF WORTH THE PARTNERSHIP IS IN EXCESS OF SERVICE OF SERVI

NOT KURMED FOR THE EFECTED FURFORE OF ACCURRING THE BAKTMERSHIP INTEREST THREEN AND WHOSE DAYESTMENT IS DESCRIBED BY A SCHESTICKIND PRICEN WHO HAS SUCH ENCAPIED AND EXPERIENCE IN FINANCIAL AND BESINDES MATTERS THAT HE IS SUCH ENCAPIED OF PAULIATIVE, THE MEDITE AND RESS INVOLVED IN BECCHING A PARTNERS, ANY CRIGANIZATION DESCRIBED IN BECCON FULCE) OF THE RC. COMPORATION, MARSACCHERITE OF BEMILAR RESINESS TRIEST, OR PARTNERSHE, NOT KURMED FOR THE SPECIAL OF ACCURRING THE PARTNERSHE INTEREST HEREIN, WITH TOTAL ASSETS IN EXISS CUFFAMORISM, ANY PRIVATE BURINES DEVELOPMENT COMPANY AS DEPORTED IN RECEIVE SIGNS OF THE ACT OR ANY SAVINGS AND LOAN ASSOCIATION OR OTHER PRODUCTION AS DEFINED IN BESCHEN SIGNS OF THE ACT, ANY ENCRETEFALE RESECTED FURSILANT TO BECTEN SIGNS OF FREACT, ANY ENCRETEFALE RESECTED FURSILANT TO BECTEN SIGNS OF THE ACT, ANY ENCRETEFALE RESISTERED FURSILANT FOR BECTEN SIGNS OF THE ACT, ANY ENCRETEFALE RESISTERED FURSILANT TO BECTEN SIGNS OF THE ACT, ANY ENCRETEFALE RESISTERED COMPANY AS DEPORTED BY SECTION MAKES OF THE ACT, ANY ENCRETEFAL RESISTERS OF COMPANY AS DEPORTED BY THE SUBJECT OF SIGNS OF THE ACT, ANY ENGINE DEVELOPMENT COMPANY AS DEPORTED BY THE SUBJECT OF THE ACT OF THE ACT ANY ENGINE PROPERTIES OF SIGN OF ANY ASSOCIATION SIGNS OF COMPANY AS DEPORTED BY THE SUBJECT OF TH

#### Netices

Also United otherwise provided benefit any notice or other communication hends required or promitted in he given shall be in writing and may be presentally several, telescopies, televal or serving United States much sold shall be discount if have been given when delinging to person, to take no receipt to televany or raise or three (3) business they after deposing it in the United States roof, registered or receiption, when promagn propiets and proposity addressed. For purposes thereof the addresses of the province are as set facility. Acresment any be charact if specified in writing and delivered in personal tree will the income of this Agreement.

#### PLEBEDA LAWYO AYPLY

IAID THIS ACCUMENTS SHALL BY COVERNED BY, AND SHALL BY CONSISTED IN ACCOMMANCE WITH, THE LAWS OF THE STATE OF ILLERDA WITHOUT RESARD TO THE EMPLYTHE OF CLEMELICI OF LAWS.

#### Disputes

14.03 The Pariness shall make a good faith effect to write any dispute or claim discognator this Agreement. II. however, the Pariness shall felt to resolve a dispute or claim, the Paranes shall salted it in additional discognition for the American Artifaction. Association. In any middingion, the Pederal miles of Civil Procedure and the Pederal miles of Evidence, as then existing that apply, judgment on any information arounds may be entered by any court of component judication.

#### Hedings

14.09 Section headings used in this Agreement are lackeded beself for computers, or reference only and shall not constitute a part of this Agreement for any other purpose or by given my substantive effect.

PAS Associates, General Partnership

#### Parties House's

16.50 This Agreement shall be bloding on and hours to the benefit of the parties benefit and their respective being executions, administrators, legid representatives, administrators when permatted by this Agreement.

#### Bereablity

14.11 In case any one or moment the provisions contained in this Agreement shall, for any resear, he held broadly flegal or unenforceable in any propert, that invalid, flegal or unenforceable provisions shall not offer any other provision remained in This AGREEMENT.

#### Combingath

14.12 This Agreement and any emphasion, waivers, conserve or emphasization may be commission of commemous each of which when so executed and delibered shall be deemed an original but all seach counterpasts together shall constitutely one and the same institutes of

#### Gender and Number

M. In Whenever the combust shall require, all words in this Agreement in this make gooder chall be deemed to include the formule or nucles gooder. AND VICE VERSA, AND sall subgular words shall include the suggists words about include the suggists.

### Print Agreements Dispussed of

14.14 This Agreement supersides any poles tradicionalings or written on and agreement among the parties respecting the subject material begins.

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P & S ASSOCIATES, General Pushership 1/0 SULLIVAN & POWIEL 6539 N. Redend Livey, Dode 210 Pt. Landerskie, II. 1880-1804

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· bester interest	Love not an according inventor.	•
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iscone etitibu oxigna Chefe chedu vel Or	el in excess or scool for in annual fir the part for dividual function in excess of \$200,000 distinguished as reported for factoral focuses in purposed by the limited for factoral fivoured by the limited for property owned by a spource or to property owned by a scool for the property owned by a scool for the continuous for the continu	(exclusive of any income attributable to his or his o year, and that he or the reseasedly expects to have this year. Individual income masses adjusted gross see, has any income attributables to a spouse or the following income to the and faciliting buy amounts a spouse. (1) the ancount of any income interest able internal Revenue Code of 19th, a marrial (fin- ited partner in a limited perthased on a sported on during capital gains has been sectioned in arriving an Section 200 of the Code.
ii) Aj Fidep	person that together with his or her space, part two years, and reasonably especia to her	ches in oxidice de coccos il spociali bendina a ball call pand COLORG de secres il calcadi bendina a s

EXHIBIT A (How you would like your account titled)

IMPORTANT - Please indicate your beneficiary.
Please include address & phone #.

Name, Address Telephone No. and Fer No.	Social Security No. 10 Federal, ID No.	Capital Contribution
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IMPORTANT - Please indicate your beneficiary.
Please include address & phone #.

ATTACHMENTS 1 & 2

# Barry E. Mukamal, cpa\*/pfs/abv/cfe/cff

# Curriculum Vitae

#### **M** Education & Designations

- GPA Certified Public Accountant (1978), \*regulated by the State of Florida
- 🗫 Personal Financial Specialist (1999), confetred by the American Institute of Certified Public Accountants
- ABY -- Accredited in Business Valuation (2000), conferred by the American Institute of Certified Public Accountants
- CFE Certified Fraud Examiner (1994), conferred by the Association of Certified Fraud Examiner
- CFF Certified in Financial Forensics (2009), conferred by the American Institute of Certified Public Accountants

M.B.A., Accounting and Business Administration, University of Buffalo,

B. S., Accounting, University of Buffalo

Extensive continued education in the areas of business valuation, forensic accounting, accounting and auditing, as well as meeting bi-annual requirements for all designations of AICPA and ACFE for continued professional education.

#### **22 Professional History**

Warmin LP. January 1997-present

Mukamof. Appel, Fromberg & Morgolies, P.A., 1982-1997

Layential and Herwell, 1981

American Assurance Green, Treasurer, Insurance Complemorate, 1980

Peat, Marwielt, Mitchell & Company, 1977-1980

#### Articles, Seminars & Presentations

- "Chapter 7 Panal Discussion", University of Miami School of Law, 23rd Annual Bankruptcy Skills Workshop, 2013.
- Bankruptcy Bar Association Southern District of Florida: "Bankruptcy Skills Workshop" June 2013 "Chapter 7 Panel Discussion on the proper use of exeptions, Jian stripping of second mortgages, preparation of bankruptcy schedules, and the sale of underwater real property by Trustees."
- American Bankruptcy Institute: "Timeshare and Hotel Bankruptcies" February 2018
- "Handicapping The Playing Field: Addressing Frequent Issues in Bankruptcy Litigation", presented at the ACCA-SFL's Third Annual CLE Conference
- \*Symposium | Protecting Asset Protection: What Works, What Doesn't and Why", presented at the ACTEC 2012 Annual Meeting
- \* "Fiduciary Responsibilities of Professionals in Bankruptcy", presented at the 2011 Central Fiorida Bankruptcy Law Association Annual Seminar.
- \* The Institute S3rd Annual Florida Chapter "The Financial Distressed Client; Positioning the Client for Modification, Bankruptey and/or Foreclosure".
- \* Florida Fiduciary Forum Ethics Presentation, 2011.
- "The Bankruptoy Process and Bankruptoy Restructuring for Lawyers", AAJ Winter Convention, 2010, 2011.
- \* "Top Ten DSO Issues in Bankruptcy", Bankruptcy Trustee Association Training Seminars, 2010.
- \* "Top Ten DSO Issues in Bankruptcy", Continuing Legal Education (CLE) Fall Conference, 2009.
- "Bankruptcy and Marital Debta; is it Enforceable or Diachargeable?", ABA Section of Family Law, 2009, 2010.
- "Privacy and Security Issues", 2009 National Association of Bankruptcy Trustees (NAST) Spring Seminar.
- \* "Taxation issues Facing The Domestic Relations Practitioner", Palm Beach County Bar Association, Family Law CLE Committee presentation.
- a "Privacy and Security Issues in a Trustee's Office and ECF Environment", National Association of Eankrupicy Trustees,
- "Keep Your Client From Drowning: How to Deal with Bankruptoles and Foreclosures", AAML 32nd Annual Institute SA Symposium, 2010.

<sup>\*</sup>Licensed by the State of Florida

# Barry E. Mukamal, cpa\*/pfs/abv/cfe/cff

Curriculum Vitae continued,

- "Understanding Financial Discovery", Florida Board, Family Law Financial Accounting and Cross Examination Seminar
- "Federal Tax Filing Requirements", Regional 21 Bankruptcy Trustee Association.
- Topics involving financial controls and risk management presented to financial institutions and organizations involved with distressed properties.
- "The Chapter 7 Debtor From the Perspectives of a Chapter 7 Trustee, v.s. Trustee, and Counsel for a Debtor er a Creditor", University of Miami School of Law and Bankruptoy Bar Association, 2010.

#### **III** Range of Experience

A Partner at Marcum LLF, Barry Mukamai brings more than 30 years of multidisciplinary expetience to the firm's Advisory Services division. Experienced in some 30 inclustries, he successfully addresses complex issues in bankruptcy and insolvency, capital recovery, fraud, business valuation and economic damages.

Mr. Mukamal is a Chapter 7 Panel Trustee in the Southern District of Florida. He has extensive experience operating businesses and liquidating their assets in the U.S. Bankruptcy Court system as well as in state court proceedings. He has been appointed as liquidating trustee and/or plan administrator in numerous complex cases requiring administration and resolution of litigation, quantification of economic damages and resolution of claims. As plan administrator or trustee on several falled commercial real estate projects, Mr. Mukamal has managed and marketed the completion of construction projects including resolving related creditor claims and construction contractor claims.

Mr. Mukamal has represented debtors, creditors and creditors' committees in matters of insolvency fraud and abuse, and has assisted trustees in their asset recovery efforts. He has served as a court appointed receiver and mediator, and has testified as an expert witness at the local, state and federal level. He has extensive experience in flitigation involving preference transfers and traudulent conveyances in the context of bankrupt entities.

Mr. Mukamal's extensive litigation support experience includes matrimonial dissolution, lost profits litigation, fraud investigations and business valuations. He has been involved in numerous high profile, high-net-worth divorces involving assets in the U.S. and abroad. In addition, he has been retained in investigations and embezziement issues associated with financial fraud schemes such as Ponzi schemes and occupational fraud. His experience also extends to lost profits litigation, damages in relation to breach of contract, and personal injury and wrongful death actions. Mr. Mukamal's testimony for the plaintiff in a patent demage action facilitated a multi-million dollar award for the client.

Mr. Mukamal's involvement with audit and review engagements make him particularly qualified to address issues of accounting malpractice and to testify in such areas. He has been involved in audit, review, accounting and tax engagements ranging from small, closely-held entities to SEC clients in various industries, including insurance, manufacturing, distribution, real estate, health care, publishing, agriculture, seafood and aviation.

#### 🝱 Professional & Civic Affiliations

- # American institute of Certified Public Accountants (AICPA)
- Flortda Inatitute of Certified Public Accountants (FICPA)
- Association of Certified Fraud Examiners
- m Chapter 7 Panel Trustee, Southern District of Florida

### 🌃 Awards & Recognitions

- 2006 Litigation Key Partner Award Winner, South Florida Business Journal
- 2009, 2010, 2011 & 2012 Top CPAs in Litigation Support in South Florida South Florida Legal Guide

### M Four Year Gase History

Case Name	Court	Gase Number	Judge	Type of Testimony
MORTGAGES, LTD.	DISTRICT OF ARIZONA	CASE NO, 2-08-BIÇ-07465-BJH		DEPOSITION
INTEC INC. AND MARC IACOVELLE	MIAMI-DADE	04-09791 GA 08		DEPOSITION
CLAUDIO OSORIO, ET AL	-			
C & M OIL COMPANY	SOUTHERN DISTRICT	04-22901-CIV	HIGHSMITH	TRIAL TESTIMONY
v CITGO PETROLEUM CORPORATION, SUNSHINE GASOLINE DISTRIBUTORS, INC.	OF FLORIDA			
CLAUDIA GOETZ	BROWARD	FMCE02015618	MICHAEL KAPLAN	TRIAL TESTIMONY
V. RALPH GOETZ				
MARIO'S ENTERPRISES PAINTING & WALLGOVERING, INC. V	MIAMI-DADE	07-21502 CA 20	en e	TENAL
VEITIA PADRON INCORPORATED				
CLAUDIA POTAMKIN V	MIAMI-DADE	07-27291 FC-04	ROBERT M. PINEIRO	TESTIMONY
ALAN POTAMKIN				
ELAINE R. BÉAME V	MIAMI-DADE	07-29667 FG (Ô7)	BAGLEY	TESTIMONY
LAWRENCE HEAME			مراه <del>ي</del>	
MARIA FERNANDA KEELER	MIAMI-DADE	07-29085-FC	BERNSTEIN	TESTIMONY
v. John R. Keeler			de servicion de la constanta d	
KEVIN MCCARTHY	MIAMI-DADE	07-61016-CIV-COHN	A COLUMN TO THE PARTY OF THE PA	DEPOSITION
V AMERICAN AIRLINES, INC., AMERICAN EAGEL AIRLINES AND EXECUTIVE AIRLINES INC.		HOPKINS		
CREATIVE DESPERATION INC.	MIAMI-DADE	06-10087	The second secon	DEPÓSITION
BARRY'E, MUKAMAL, AS LIQUIDATING & D & O TRUSTEE FOR FAR & WIDE CORF V	MIAMI-DADE	08-74346-H	and the second s	FRIÁL.
PRINST & YOUNG LLP				
STEPHENSON OIL COMPANY	NORTHERN DISTRICT OF	08-GV-380 TCKTLW	TERENCE KERN	TESTIMONY
v Gitgo Petroleum Corportión	OKLAHOMOA			

# Barry E. Mukamal, cpa\*/pfs/abv/cfe/cff

# Curriculum Vitae continued...

# El Four Year Case Mistory cont'd

Gase Name	Gourt	Case Number	Judge	Type of Testimony
C & M OIL COMPANY ING.	NORTHERN DISTRICT OF OKLAHOMOA	09-CV-36-TCK-TLW	TERENGE KERN	TESTIMONY
CITGO PETROLEUM CORPORATION	OF ONLAHOMUA			
stephen M. Fuller V	MIAMI-DADE	09-00957-FC-07		DEPOSITION
DARYL FULLER				
AGUSTIN R. ARELLANO, JR. V	MIAMI-OADE	09-026846 FG (12)		DEPOSITION
V ELIZABETH RAMIREZ ARELLANO		ļ		,
GRAND SEAS RESORT PARTNERS - CHAPTER 11	MAVI-DADE	09-28973 BKG-LMI / CHAPTER 11	LAUREL M. ISICOPF	TRIAL
ROBERT K. BLAKE, ET AL V	вкомана	09-036447 (07)		DEPOSITION /TRIAL
JAMES F. ELLIS, ET AL				
MERENDON MINING (NEVADA, ING. (DEBTOR) V	MIAMI-DADE	09-11958-BKG-AJG	A. JAY CHISTOL	DEPOSITION
MILOW BROST, ELIZABETH BROST ET AL				
HOWARD M. EHRENGERG, CHAPTER 7 TRUSTEE V	MIAMI-DADE			DEPOSITION/ TESTIMONY
EDO SEIDMAN, LLP ET AL				
GERALD HESTER V	DISTRICT OF NEVADA	2:09-CV-001T70RLH-RJ.1		TRIAL TESTIMONY
vision airlines inc.				
THE FLORIDA BAR V	SUPREME COURT	SC11-15 & SC11-16/	JUDGE EDWARD	QEPOSIT(DN
v MARK ENRIQUE ROUSSO AND LEONARDO ADRIAN ROTH	OF FLORIDA	FLORIDA BAR FILE #2011-70,598(11A) & 2011-70,408(11A)	NEWMAN, REFEREE	
DAVID C. ARNOND V	MIAMI-DADE.	12-18962 CA 40		TESTIMONY
V ASSOCIATION LAW GROUP, ET AL				
MAURY ROSENBERG	MIAMI-DADE	69-13166 BKC-AJG	meen de Mr. Bereikens belief 49 van Representation in 1864 de 1 I	DEPOSITION
v DVI RECEIVABLES, XIV, LLC, U. S. BANK N. A., ET AL		·	•	

### Four Year Case History cont'd

Case Name	Court	Case Number	Judge	Type of Testimony
MAURY ROSENBERG V	MIAMI-DADE	09-13196 BKC-AJC		TRIAL
DVI HECEIVABLES, XIV, LLC, U. S. BANK N. A., ET AL				
JOHN CAMPION V	MIAMI-DADE	16-2012-DR-000297 FMC		TESTIMONY
ESTHER CAMPION				& DEPOSITION
FUSIONSTORM INC.		1400013877	ARBUTRATION	TESTIMONY
PRESIDIO NETWORKED SOLUTIONS, INC., MICHAEL LYTOS, DAVID DUFF, JOHN LOTZE, GINA KING & YANDY RAMIREZ				
CREATIVE DESPERATION INC.	FT. LAUDERDALE	08-019067		TESTIMONY
MGSI ING., THOMAS JOHN KARAS, BARBARA FAWCETT, ET AL				
CAPITAL INVESTMENTS UŞA INC./JOEL TABAS - TRUSTEE	MIAMI DIVISION	09-86408 BKC- LM/09-35418 BKC-LMI		DEPOSITION
V EDWIN EATON TRUST, EDWIN H. ETON JR INT TAX TRUST, ET AL		Janyoo ay 110 Erro Erri		
CAPITAL INVESTMENTS LISA INC./JOEL TABAS - TRUSTEE V	Moisivid Imaim	00-36408 BKC- LMY09-35418 BKC-LMI	3.3.1	DEPOSITION
JOSEPH M. LEHMAN				
ANNA INGHRAM V	MIAMI-DADE	10-035020 FO (16)		DEPOSITION
SAMER TAWFIK				
ĐAVID C ARNOLD V	MIAMI-DADE	12-18962 ca 40		DEPOSITION /
v Association Law Group et Al-				TESTIMONY
MOLINA HEALTHGARE OF FLORIDA INC.	MIAMI-DADE	32-193-00516-10		Иоптереда
v Physicián consortium services LLC			·	
STEVEN EDWARD RUFFE V	MIAMI-DADE	11-36218 FG 07		DEPOSITION
V LINDA RUTH RUFFE				

# Barry E. Mukamal, cpa\*/pfs/abv/cfe/cff

# Curriculum Vitae continued...

### Four Year Case History cont'd

Case Namo	Court	Case Number	Judga	Type of Testimony
ods Holdings inc.	MIAMI-DADE	11-26481-CA-40	·	TRIAL
SANARE LLC AND DOCTOR DIABETIC SUPPLY LLC				
TOOD LARY/STANBRIGHT"	SOUTHERN DISTRICT	1:11 GV 25820	A the state of the	TESTIMONY
NOSTON SCIENTIFIC COMPORATION	OF FLORIDA			
OCALA FUNDING LLC	MIAMI-DADE	11-30957 ÇA 30	and the second distriction of the second	TESTIMONY
DELOITTE & TOUCHE LLP				
DELITSCHE BANK AG	Mam-dade	11-43773 CA 40	<del>ndarron d'é à la salva villa e contrat d<sub>es</sub> de della qua que de la trivia (Allife aggressioni et l'ar à colorin .</del>	TESTIMONY
DEFOILLE & LONCHETTh				
AAMG MARKETING GROUP LLG DBA AMLINE ALTERNATIVE MARKETING GROUP	DISTRICT COURT OF	A-11-640358-C	ARTHUR STATE S	TRIAL
ALLEGIANT AIR LLC, ET AL	CLARK COUNTY, NEVADA			
AMERICAN EDUCATIONAL ENTERPRISES, LLC				
V FHE BOARD OF TRUSTEES OF THE INTERNAL IMPROVEMENT TRUST FUND	MIAMI-DADE COUNTY	Case #02-23922 Ca do		DEPOSITION

#### ATTACHMENT 3

S&P Associates, General Partnership P&S Associates, General Partnership

	Glossary of Terms
Defined Term	Description
	[15] 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1
	Distributions recorded by S&P to partners Ann or Michael Sidliyan on 12/31/08 in
CONTRACT OF THE PROPERTY OF TH	the amount of \$300,465.51 and partners D.& L. Gail Sullivan on 12/31/08 in the
2008 Sullivan Distributions	amount of \$31,500.
Aveling	Frank J. Avellino
Bienes	Michael S. Bienes
Conservator	Phillip J. Von Kahis
Kelen	Kelco Poundation
Maduff or BMIS	Bernard L. Madoff Investment Securities, LLC
Marcum	Mareum LL2
Moenkar	Michael Moecker and Associatos
P&8	P&S Associates, General Partnorship
- Company of the comp	Spreadshoets prepared by Moccker that summarize the activity (capital account
•	beginning halance, new investments, management fees, expenses, distributions,
	gains/losses and ending capital account balance) for all partners on an annual basis
	based on information reported by P&S managing general partner on the annual
P&S Ammal Partner Statements	partner statements.
r 1965 Critical Edition Ordering	Excel spreadsheets prepared by Moceker of the eash receipts from and eash
	disbursaments to Madoff for each year from 1993 through 20008, which
THE REST IS A SECOND STREET OF THE PARTY OF THE SECOND STREET	
P&S Madoff Cash Rocolets & Dishursements List	spreadsheets are based on Moeckers analysis of P&S books and records.
P&S Madalf Portfolia Reports	Summary report prepared by Madoff for P&S (illed "Portfolio Monagement Report
	Excel spreadsheef list prepared by Moocker of the management fee's paid by F&S,
P&S Management Fee Cheoklist	which Moenter identified through their analysis of P&S broks and records.
	Pursuant to Article 5.01 of the Partnership agreement, 20% of the capital gains.
	capital losses, dividends, interest, margin interest expense and all other profits and
	lesses attributable to the partnership are to be allocated to the managing general
P&S Management Foos	parinets.
P&S Partnership Agreement	P&S Amended and Restated Partnership Agreement, dated December 21, 1994
	Quarterly calculations of management fee's prepared by P&S managing general
P&S Quarterly Management Fee Calculations	partner
P&S Spreadshoets	Excel sprendsheets titled 1993-2008 by Partner Cash-In Cash-Out Real Estance
Pariners	the general partners of P&S and S&P
Parinciships	P&S and S&P vollectively
Powell	Grug Powali
Review Period	1993 tbrough 2008
S&P	S&F Associates, General Partnership
1,8°4,863	Sprendsheets prepared by Moecker that summerize the activity (capital account
	beginning balance, new divestments, management fees, expenses, distributions,
	grins/tosses and ending capital account belonce) for all partners on an annual basis
much to the second	based on information reported by S&P managing general partner on the annual
S&P Annual Pariner Statements	pariner statements.
•	Excel spreadsheets prepared by Macekar of the eash receipts from and eash
	disbursements to Madoff for each year from 1993 through 20008, Which
S&P Madelf Cash Receipts & Disbursements List.	spreadsheets are based on Mocckers analysis of P&E books and records.
S&P Madoff Portfolio Reports	Summary report prepared by Madoff for S&P titled "Portfolio Management Report
	Excel spreadsheet list prepared by Mosoker of the management fee's paid by P&S,
S&P Management Fee Chack List.	which Meecker identified through their analysis of S&P books and records.
	Pursuant to Article 5.01 of the Partnership agreement, 20% of the capital gains,
	capital losses, dividends, interest, margin interest expense and all other profus and
	losses stiributable to the partnership are to be allocated to the managing aggeral
S&P Management Pees	baginate.
S&P Parinership Agreement	S&P Amended and Restated Partnership Agreement, dated December 21, 1994
ESSE T GRADBARH LERGENSON	
P. B. St. Communication of the state of the	Quarterly calculations of management fee's prepared by S&P managing general
S&P Quarterly Management Fee Calculations	partiter
S&P Sprendsheets	Excel spreadshoots titled 1993-2008 by Partner Cash-In Cash-Out Real Halance
Sulliyan	Michael D. Stillivan
Sullivan Inc.	Michael D. Sullivan & Associates, Inc.

ATTACHMENT 4

P & S ASSOCIATES, GENERAL PARTNERSHIP and S & P ASSOCIATES, GENERAL PARTNERSHIP,

Plaintiff,

IN THE CIRCUIT COURT OF THE 17th
JUDICIAL CIRCUIT, IN AND FOR
BROWARD COUNTY, FLORIDA
CASE NO 12-028324 (07)
Complex Litigation Unit

v

ROBERTA P ALVES, ET AL.

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1	OTO!	LW U	Likidare

#### AFFIDAVIT OF EXPERT BARRY MUKAMAL, CPA

STATE OF FLORIDA	)
	)
COUNTY OF MIAMI DADE	)

BEFORE ME, the undersigned authority, duly authorized to administer eaths and take acknowledgments, personally appeared Barry Mukamal, who, upon being first duly sworn, deposes and says as follows:

- I am a certified public accountant, and a Partner with the firm Marcum, LLP ("Marcum"). On January 17, 2013 this Court entered its Order Appointing Conservator (the "Order of Appointment") Philip J Von Kahl (the "Conservator") as Conservator for P&S Associates, General Partnership ("P&S") and S&P Associates, General Partnership ("S&P") (collectively, the "Partnerships"). Among other things, the Order of Appointment directed the Conservator to make recommendations with regard to the method of distribution of the Partnerships assets to the partners.
- 2. On October 30, 2013, this court entered an Order approving the Conservators Motion to Retain and Compensate Barry Mukamal and Marcum LLP as an Expert Witness, mun pro tune to October 1, 2013 As such, I am familiar with the matters set forth herein and submit this Affidavit of Expert.

- In connection with our employment as an Expert Witness, we were provided with a spreadsheet for S&P that was prepared by the Conservators financial advisor, Michael Moecker and Associates ("Moecker"), titled "1993-2008 by Partner Cash In Cash Out Real Balance (Investment less distributions"), hereinafter referred to as the "S&P Annual Cash In Cash Out Spreadsheet" The S&P Cash-In Cash-Out Spreadsheet summarized the annual cash contributions and withdrawals by partner for each year for the life of S&P, including partner Guardian Angel. Based on the S&P Cash-In Cash-Out Spreadsheet, partner Guardian Angel made investments in the amount of \$5,188,103 52 and received total distributions in the amount of \$1,298,357.21
- 4. We were also provided with a second spreadsheet for S&P that was prepared by Moecker, titled "Summary of Investments and Distribution" (the "S&P Detail Investment & Distribution Spreadsheet"), which spreadsheet included the detail for the new investments in the amount of \$5,188,103.52 and distributions in the amount of \$1,298,357.21 related to partner Guardian Angel.
- 5 Using the S&P Detail Investment & Distribution Spreadsheet, we selected a statistical sample of the new investments and distributions related to partner Guardian Angel to achieve a 95% confidence level and 90% confidence intervals. We determined a sample size for testing of 68 transactions. For each transaction in our sample, we proceeded to confirm the amount of the investments and distributions listed on the S&P Detail Investment & Distribution Spreadsheet as follows.

- a. Moecker provided Marcum with multiple boxes containing investor records. Specifically, these boxes were organized by year and contained bank statements, copies of checks from investors for new investment, confirmation letters to individual investors, and copies of cancelled checks with respect to investor distributions.
- b. With respect to investments, we agreed the amount on the S&P Detail Investment & Distribution Spreadsheet to copies of investment check(s) from investors and corresponding deposit(s) per bank statements, further corroborated by confirmation letter(s) from S&P to individual investors.
- c. With respect to distributions, we agreed the amounts detailed on the S&P Detail Investment & Distribution Spreadsheet by reference to copies of cancelled checks to investors and corresponding disbursement per banking records.
- d. The S&P Annual Cash-in Cash-Out and S&P Detailed Investment & Distribution Spreadsheet exclude false profit, including the false profit related to the partners that were transferred to Guardian Angel through journal entries.<sup>2</sup>
- 6 As a result of the testing described above, no exceptions were noted.
- Based upon my analysis and testing, in my opinion the amounts included for investments of \$5,188,103.52 and distributions of \$1,298,357.21 in the S&P Annual Cash-In Cash-Out Spreadsheet and S&P Detail Investment & Distribution Spreadsheet for partner Guardian Angel are reliable.

<sup>&</sup>lt;sup>1</sup> IS&P banking was conducted through S&P bank accounts, therefore we were provided with S&P bank records. Additionally, we were also provided with Guardian Angel bank statements for the following periods, 6/1/06 – 4/30/13, which statements were incomplete in that the majority of the periods did not include canceled checks or deposit detail. Guardian Angel did not provide bank statements for periods before June 1, 2006.

During 2002 certain partners of S&P and JS&P had their entire investment position (including false profit) transferred via a journal entry from S&P and JS&P to Guardian Angel.

#### FURTHER AFFIANT SAYETH NAUGHT

Respectfully submitted,

Barry E. Mukamal, CPA/PPS/ABV/CFE/CFF

Partner

Marcum, LLP

The foregoing instrument was acknowledged before me this 31st day of October 2013 by Barry Mukamal, who is personally known to me and who did take an oath.

Aleborah T. Fichards
Notary Public State of Prorida at Large

My Commission Expires: Mon 31, 2017



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				Solvency For the E	Solvency Analysis - Balance Shear Test For the Period from 2002 through 2005	2s Sheer Test Through 2006				-	and the second s	1
Sources Tax Returns 2002 - 2005										The second secon		
		December 31, 2002	2		December 31, 2008	cs.		December 34, 2004	The state of the s		December 31, 2005	
	Tex Retuin	KW Adjusthent	Adjusted Balance Sheet	Tas Return	Kini Adjusiment	Adjustėd Balance Sheet	Tex Retum	KM Adjostnent	Adjusted Balance Sheet	Tax Return (Amended)	KW Acjustinojst	Adjusted Balance Sheet
Asserti Cesti	\$ 1926F		73,5384	4.5,622		\$ 415,5222	\$ 281,849		\$ 281,849	\$ 372,468		357.3768
Other Assets: Partnership Capital Adjustments- Reverse Next Year	ı			\$,262,8		\$,262						
Matragement Fee/Other expense Receivables										43,605		43,505
Office five-siments: US Translary Bills	51,208,781	1 (31,208,761)	•	32,621,491	(82,527,491)	,	30,855,538	(30,385,686)	٠	34,437,316	(34,487,318)	ı
Fibelity Sparsan US Trisidary Money Market	23,247	र क्यान	1	37.30S	(E7,306)	•	42,943	(42,953)	•	45,672	(45,672)	1
Investment - Madoff		r	,	•		١	•		•	r		•
Total Assets	\$ \$1,331,632	(800'252'58) 5	\$ 75,684	\$ 32,077,58	\$ (22,858,797)	\$ 458,784	\$ 31,290,488	\$ (31,008,839)	\$ .285,849	\$ 34,900,051	\$ (34,482,988)	\$. \$17,073
<u>केलगीएक्ट</u> Other Curent Lebbines: Accruet Expenses Due to Sullivan द Peves	95,613°	_	95,508	107,508		107,608	286/89		246,350		-	i
Partiers' Resthulfon Claim	•	14,070,428	14,976,428	1	15,586,992	15,535,982	•	17,825,593	17,825,583		19,040,697	19,040,887
Fored Liabilities	88-29-26	\$ 14,978,428	इ १६/एर (अग्रह	\$ 107,509	\$ 15,566,992	\$ 15,574,501	\$ 85,992	\$ 17,825,593	\$ 17,892,585	+ W	5 19,040,687	\$ 19,040,587
ನೆಂಗುಹುದ್ರಾ (ಗಾವಗಳಾಗದ್ರು)	\$ 31,215,144	\$ (46,208,428)	\$ (14,992,202)	\$ 32,989,572	\$ (48,225,789)	\$ {15,255,317}	\$ 31,223,498	\$ [48,834,232]	\$ 117,610,735 \$ 34,900,061	\$ 34,900,061	\$ [53,523,675]	\$ 178,623,674

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							SEPA	S&P Associates	ațes							
			think and the state of the stat			Solven For th	icy Analysis e Period fro	Bala лт 200	Solvency Analysis - Balance Sheet Test For the Period from 2006 through 2008	esf 108	the National States of the Sta					
Source: Tax Returns 2006-2008		τ,		The state of the s	-						والمساد	5				
				Decemi	December 31, 2006					December 31, 2007	4		Dec	December 31, 2008	_	
		1-0	jax Retum	名置を	KM Adjustment	Balan	Adjusted Balarice Sheet	in in	тах Кефит	KNi Adjustment	Adjusted Ralance Sheet	Tax Return		Kill Adjustment	Adj Balan	Adjusted Balance Sheet
- Assets: Cast: Other Deader	Ref:	4/3	\$61,978			465	861,918	_ w.	427,268		\$ 427,266	\$ 102,401	10.1		49	102,401
SIPC Institutoe Receivable Bis Casualty Loss Not Yei			f 1				, 1		1 i		ą s	500,000,	§ 18	(3 020 agg)		500,000
Deductions Management Fee Receivables	¥		ī				ı		ŧ		•	# : # : # : # : # : # : # : # : # : # :	} ,	*********		L #
Other Experises Receivables Other tivestments:			1				i		1		•		,			ŧ
US Treasury Billies	E	•	38,531,212	면	(38,691,212)		•	**	44,834,669	(41,834,069)	ť		,			k
Market	区		1				•		ŧ				,			,
foral Assets	- *	102	39,653,130	12	(38,691,212)	60	864,918	40	42,264,337	\$ (41,834,069)	\$ 427,288	\$ 2,645,367	\$ 159	(2,642,966)	sa.	602,404
Liabilities: Other Current Liabilities:																
Accused Wanagement Fees		u	82,518			<b>6</b> 9	62,516	U)	(28,937)		(28,837) ş	(A)			U	i
Accrued Expenses			•				ı		1		1	•				1
Due to Madoff			739,056				730,000		ı		ı	f				ſ
· · Parifiers' Restitution Claim	E		<b>*</b>	£.A	21,044,682	N	21,044,682		2.	22,301,254	22,301,254			24,038,623	%	24,038,625
Total Lizbilities	. 1	W	792,516	vs.	21,044,882	CH UN	21,837,398	10	(26,937)	\$ 22,301,254	\$ 22,274,317	LOS LOS	łw.	24,039,623	44	34,935,623
Solvency (insolvency)	, 4	5	28,760,614	3	(59,535,094)	12	\$ (20,875,480)	N.	42,288,274	\$ (84,135,323)	\$ (21,847,049)	\$ 2,645,357	(v)	(25,082,589)	32)	(22,437,222)
· · · · · · · · · · · · · · · · · · ·			3 .													

[1] This omount represents a potential tax refund resulting from PBS! last with respect to its investments in Madalf. For purposes of this solvency analysis, the fair-value of this case it is assumed to be \$0.

[22] Antovitis reported on tax patrins represent investments in Madoff per year-end investment reports. Madoff was exposed as a froutilient scheme, and the fair value of investments in Madoff has been reduced to SQ in this solvency analysis.

[3] As discussed in the pocompanying report, SAP Mappropriately withheld new partner contributions in order to fund distributions to Sullivariflavell and SBP Other Partners. To the extent new partner contributions were Withheld and not remisted to Madolf its intential, such partners have a doing for institution from SBP.

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TOTAL						Spiver	Splyency Analysis - Balance Sheet Test for the Period from 2002 from 2005	alance Sh	eer Test						
Source: Tax Returns 2002 - 2005										and the state of t					A months on the
			December Sf, 2002	2002	ļ —		December 34, 2003	603		A TO SECURE AND A SECURE AND ASSESSMENT OF THE PERSON NAMED IN COLUMN TWO IS NOT THE PERSON NAMED IN COLUMN	December 31, 2004			December St. 2005	75
		Trix Refuri	KM Adjustment	ent Batan	Justed ice Street	Tax Return	KM Adjustnerit		Adjusted Salance Sheet	í az Rétum	KM Adjustment	Adjusfed Balance Sheet	Tax Return (Amended)	KM Adjusiment	Adjusted Bolance Sheet
deservi	Ref	16,982		40	12,031	\$ 98,39		69	39,684 19,684	\$ 179,M4		# TRIDH	\$ 288,199	l n	E61,882 &
Other Investments.	E	11,518,763	(11,318,783)	63)	1	14,307,578	(14,357,878)	<u>ج</u>	*	18,246,341	(50.885年)	•	19,541,730	(15,541,750)	1
Fidelity Sparien US Treasury Money Market	E	E. a es	(38,073)	<u>g</u>	١	48,64S	(48,643)	<b>3</b>	ŀ	42,405	(42,405)	•	41,378	(41,278)	1
Investment - Medoff	III				•				,	,		4			•
Total Assets	·	\$ 11,572,838	\$ (17,352,856)	\$ (95)	19,987	TH, 468,307	\$ [14,356,725]	45 66	58,589	\$ 16,467,757	\$ (16,288,748)	\$ 179,014	\$ 19,871,307	\$ (19,683,108)	\$ 288,199
<u>Liebilities:</u> Other Guperi Liabilities:															
Acrused Menagement Frees		0,86,840			35,840	53,793			85,793	70,206		70,895			101.131
Other Accrised Expense District Contra Activities		<b>t</b>				16,481			15,981	20,341		N. N.	28,065g	Mb.	36,069
Parmars' Restitution Claim	E	ı d	424	莊	1,24	1 1	Bor, bes	ďο	551,043	,	1,741,573	27741,079	ı	2,345,138	2,346,136
: Total Lieblithes	-	S 55,840	\$ 4,241	4	180,081	\$ 99,774	\$ 591,049	us on	730,823	902')\s S	5 4741,078	\$ 1,852,218	\$ 159.200	\$ 2,346,138	\$ 2,505,335
Solvency (Insolvency)		S 11,285,308	\$ MISSIOST \$		170,0991	\$ 44,555,833	\$ 115,047,775)	Ú,	(692,242) \$	\$ 16,376,521	\$ (18,029,825)	\$ (4,653,204).	3 19,712,107	\$ 124,929,2440	\$ 12,217,1373

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					P&S	P&S Associates	ates			***************************************		The state of the s			<u> </u>
				85 Fr	Solvency Analysis - Balance Sheet Test For the Period from 2005 through 2008	is - Balla	ance Sheet 7 19 through 20	65sf 708				1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1			1
Source: Tex Returns 2006-2008															ή
			December 31, 2006	-31, 2006				December 31, 2007	7		:	December 31, 2008	2008		
		Tax Retum	KW Adjustment		Adjusted Balance Sheet	1-70stanta-12-12-1	Тах Кетит	KM Adjustment	Adjusted Balance Sibet	- T	Tex Return	KM Adjustment		Adjusted Balance Sheet	mmanimismismismismismismismismismismismismis
Assets: E Cash Cash	Ref	\$ 433,307		46	433,307	<b>₩</b>	620,464		\$ 80.0	628,454 \$	942,302		都余	942,302	7
SIPO Insurance Receivable		•			*		s,			1	500,000			500,000	emervenisc ~
	E	1			1		1			1	829,743	(829,743)	ন্ত		<del>Castanian</del>
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Fidelity Spartan US Treasury Montex Market	2	r			t		# \$2.50	(4,848)		•	1			1	
adoff ints	ZZ	19,796,293	ď	(49,796,293)	1 1	•	16,052,138	(16,062,138)		, ,	T &			1 1	ni Provincento Primer
Total Assets	. 1	\$ 20,229,500	\$ (18,7	(18,796,293) 5	433,307	U#	16.587,450	\$ (16,055,586)	\$ 620	620,464 \$	2,272,045	\$ (829,743)	2	1,442,302	اید[
Labitities: Other Curent Labitities: Acoused Management Fees Chaw Bank	To the state of th	162,415			162.415		43,203		***	48,203	, oxo	1005.480/		η (	The same parameters and
Jed Expense Julion Claim	E E		.1G	2,594,163	2 594.163		r i s	82 80 80 80 80 80 80 80 80 80 80 80 80 80	3.456.5.1m	¥ <u>€</u>	1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1	200,2500) EAR TAR. 8.	ž e	7.9957 - 1995	io <i>TineAutherical) المستحدة</i> الم
	, , , ,	\$ 162,415	1 10 M	2,594,163 \$		5/9	43,203	\$ 3,456,516	81.1/160+'S S	# B	342	\$ 3,015,361	#P		1 ha
Spivency (Insolvency)	ą. u-	\$ 20,067,185	(22.3	(22,390,458) \$	(2,323,271)	645	16,644,247	\$ (19,523,502)	\$ (2,879,255)	\$ (592	1,329,743	\$ (3,845,104)	₩ <del>1</del>	(2,545,361)	احرا
(I)Tris amount regressive or politural for reginal scattling floyin 265 has will Propert to its invasiments in Modroff. For perposes of Mis solvancy analysis, the fair value of Mis obset to associate to be St.	Point PAST	has sufficienced on its h	тазінеті іп Ё.	being Farpetpe	ósés ef Vits selvené	न्यतीर्जाड, ध	hE fair Ychie òf th	ं डे केडेकी हैं कड़कातिक के कि	Se			-	:		<i>-</i>

. (2) Amonto reported on transmine represent mosted man to the state of the state o

(3) No desoit arestable with respect to the manue of this liability. Jo be conservative, this liability is rectamed from the analysis,

. (4) Is altramed ir the corongraphing report, PSS suggroupsidely withheld new pathier contributions in order to find distributions to Sullivant Down and PAS Other Parties. To the existing operation from the posterior from FAS. .